

BBC Group Annual Report and Accounts 2019/20



BBC **Group Annual Report** **and Accounts** 2019/20

Presented to Parliament by the Secretary of State for Digital, Culture,
Media and Sport by Command of Her Majesty

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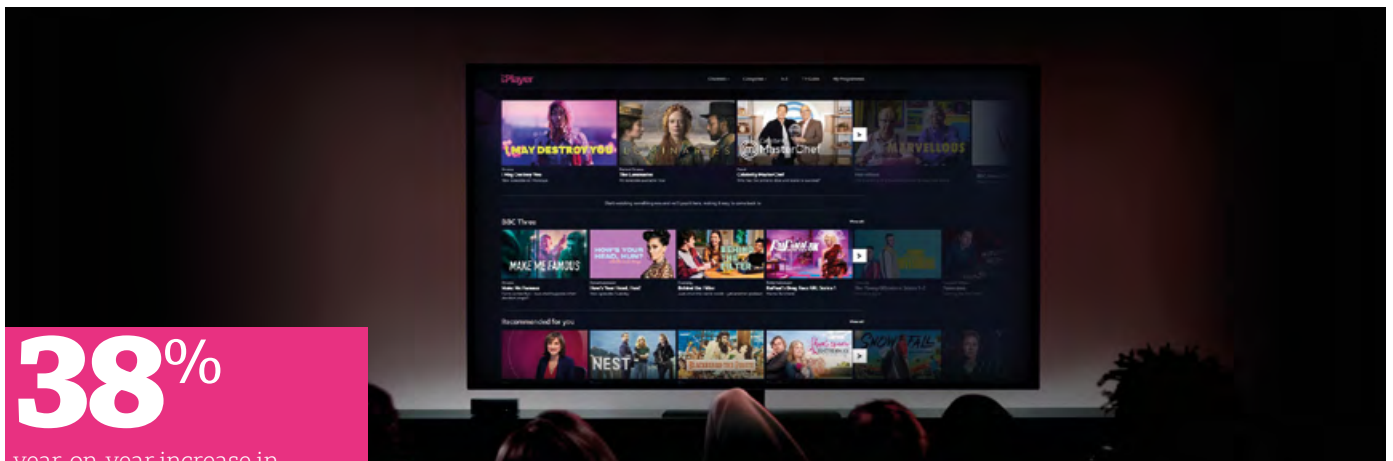
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Left: BBC One's *Seven Worlds, One Planet*
Above: Ellie Bamber in BBC One's *The Trial of Christine Keeler*

Informing, educating and entertaining the UK in 2019/20

It has been an exceptional and unprecedented year for BBC News; record-breaking audiences have come to BBC iPlayer and BBC Sounds; and BBC Studios has had an outstanding year delivering British creativity to UK and international audiences. These pages highlight just some of the key ways the BBC delivered its mission – to inform, educate and entertain – in 2019/20.



38%

year-on-year increase in average weekly viewing minutes on iPlayer.

iPlayer transformed

BBC iPlayer ended the year on a record-breaking high, with 4.8 billion requests to stream programmes in 2019/20. Programmes are now available for at least 12 months (see pages 11-12 and 25 for more on how iPlayer has transformed this year).

3.6m

User accounts using BBC Sounds weekly at the end of 2019/20.

Boosting BBC Sounds

BBC Sounds has taken off this year, ending significantly ahead of our all-audience targets for users. Users have taken advantage of live stations, music mixes and a surge in listening to top-quality BBC podcasts, including hits such as *The Missing Cryptoqueen*, *That Peter Crouch Podcast* and *Tunnel 29* (see pages 13 and 25 for more on our distinctive programming this year).

74%

of UK adults say that the BBC is effective at informing people in the UK (ineffective 9%).

Informing audiences in complex times

It has been an exceptional and unprecedented year for BBC News, covering the last months of Theresa May's period in office, the election of Boris Johnson, a UK General Election, the Brexit debate and our departure from the EU. We ended the year reporting on the flooding in February and then the global outbreak of coronavirus. The BBC is named most often by far when news consumers cite the source they are most likely to turn to for impartial news coverage (see pages 13 and 20 for more on what audiences think of our news coverage).

55:45

ratio of men to women reported in our pay disclosures on page 81, from 76:24 in 2016/17.

A diverse and inclusive BBC

This year, our pioneering 50:50 project to ensure equal representation of men and women on screen has been adopted by more than 60 organisations in 20 countries. We appointed June Sarpong as our first ever Director of Creative Diversity and we committed to the biggest financial investment to on-air inclusion in the industry – prioritising £100 million of our existing commissioning budget for new content over three years (from 2021/22-2023/24) towards diverse and inclusive programming (see pages 30-39 and from page 59 for more on what we have been doing to make our workplaces as diverse and inclusive as they can be).

18.5m

Gavin & Stacey

The audience for the *Gavin & Stacey* 2019 Christmas special across all screens. It was the biggest scripted show of the decade.

No. 1

for impartial news coverage

51% of news consumers name the BBC as the source they are most likely to turn to for impartial news coverage – up from 44% in 2018/19 and far ahead of the next nearest provider (Sky News, 7%).

Source: Ipsos MORI

9%

year-on-year growth in EBITDA for BBC Commercial Holdings.

BBC Studios – the best of British

BBC Studios had its highest-ever level of content investment and its best year for content sales. Along with the acquisition of UKTV, this meant that Studios delivered record sales and profit. In its second year as a merged business, delivering the very best of British creativity to audiences in the UK and around the world, these results show success in transforming BBC Studios' culture and operations, achieving a strong position alongside other global players. And following its success in North America, we launched BritBox with ITV in the UK in November – a new streaming service, home to the largest collection of British boxsets (see pages 51-57 for more on our commercial operations).



468m

Global weekly reach including BBC News and BBC Studios.

Source: BBC Global Audience Measure.

BBC Two's *Travelling Blind*

A global BBC

This year, our total global audience grew by 11% to reach 468 million across our news, English language, foreign language and commercial services. And our brand continues to grow internationally, seen in the success of BritBox in North America and the performance of hit shows like *Seven Worlds, One Planet* across the globe (see pages 34 and 40 for more on our global operations).

91%

UK adult reach

Percentage of UK adults who use BBC television, radio or online per week on average. 2018/19: 91%.

07:30h:m

UK 16-34s spent more media time with the BBC's services on average per week in 2019/20 than any other brand.

1 in 6

proportion of the Scottish population tuning in per week on average to the BBC Scotland channel.

Growing the BBC Scotland channel

In its first full year of operation, the new BBC Scotland channel has been a real success. It reached more viewers in Scotland than any channel outside BBC One, BBC Two, ITV, Channel 4 and Channel 5 per week on average (see pages 33 and 144 for more on our performance across the UK).

Coronavirus: informing, educating and entertaining in lockdown

As the national broadcaster, we have played a crucial role during the coronavirus crisis. This special report demonstrates how at a time of national need, we refocused all of our resources – channels, stations and output – around the most pressing needs of our audiences. From trusted news and information to educational support, from arts and culture to distraction and escapism, the public came to us in huge numbers in response.

94%

UK adults' pan-BBC reach in the week social distancing began

The public's response to the BBC in this period has been extraordinary. As social distancing began in the UK in the third week of March, pan-BBC reach amongst UK adults peaked at 94% – and 86% of those aged 16-34.

No. 1

news source for trustworthy coronavirus information

48% of news consumers name the BBC as the most trustworthy news source of information about the pandemic, well ahead of the next nearest (Sky News on 8%).

Source: Ipsos MORI

Global initiative to combat disinformation during the crisis

An industry collaboration of major news and tech organisations worked together to put in place a shared alert system to rapidly identify and stop the spread of harmful coronavirus disinformation.

Keeping audiences informed

BBC News played a key role in providing audiences with trusted and accurate information, refocusing its output to provide a continuous news service on television, radio and online. In the first week of social distancing, nine in ten UK adults consumed BBC News across all platforms. The same was true for eight in ten young adults (16-34 year olds).

The Queen broadcasts to the nation

The Queen's televised address to the nation, on 5 April, was watched on the day by 14.1 million on BBC One and a further 756,000 on the BBC News Channel.



81m

Record breaking UK browsers to BBC News Online

A record-breaking 81 million UK browsers came to BBC News Online in the week of 16 March.

84%

of UK adults came to the BBC the day the lockdown was announced by the Prime Minister, that's close to 45 million people

During lockdown across April-June, the BBC has seen around 24% of all UK video, audio and online time spent by the average adult in a week. By contrast, Netflix is around 4% of that time.

→ For more information on how we managed risks associated with coronavirus please see page 95



Sir Lenny Henry presenting *The Big Night In* on BBC One

Children in Need and Comic Relief come together for *The Big Night In*

The Big Night In on BBC One (and *The Big Day In* across BBC network radio stations and local radio) raised over £70 million at the end of April, including the Government contribution to match funding, which is being split between BBC Children in Need, Comic Relief and the newly formed National Emergencies Trust. A special charity single, *Times Like These*, featuring new music talent, was released on the day, reaching No.1 in the UK Singles Chart in April, with all UK net profits going to *The Big Night In* appeal.

55m

BBC iPlayer requests for *Normal People* from the end of April to early July

There were 16.2 million requests in the first eight days alone, making it the biggest drama launch on BBC iPlayer ever.

2bn

Record breaking figures for iPlayer

BBC iPlayer had almost two billion requests during lockdown from late March to early July and has broken records for best-ever days in quick succession. The service has played a vital role in these unprecedented times, not only allowing people to catch up on the latest news but also giving them a place to escape into a series of their choice.

Bringing arts and culture into homes with *Culture in Quarantine*

BBC Arts' *Culture in Quarantine* was created in record time with the support of Arts Council England and numerous other funding and producing bodies to create a vibrant showcase for arts during the crisis. At a time when British culture had to close its doors, *Culture in Quarantine* helped keep the arts alive in people's homes and gave British culture an audience that couldn't be there in person.



Culture in Quarantine's The Swan

37.7m

Record number of weekly iPlayer requests for CBeebies and CBBC

Over the course of the first week of school closures (23-29 March), CBBC programming was requested a record 10.6 million times and CBeebies a staggering 27.1 million. That's 93% more requests than CBBC has seen in an average week in the last 12 months, and 49% more for CBeebies.

1.1m

contacts to BBC local radio's coronavirus helpline by the end of June 2020.

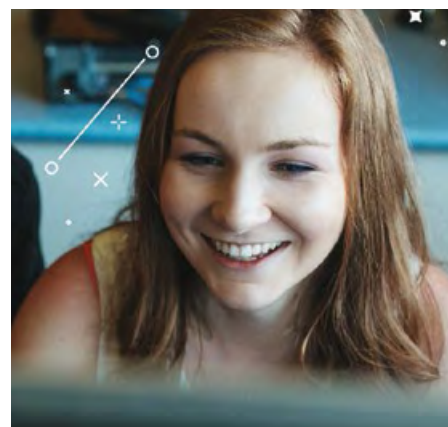
Keeping communities connected

The *Make a Difference* campaign was launched to link up those in need of help with those who could provide it. It is the biggest response the BBC has ever had to a local radio campaign.

Meanwhile, the 18:30 local evening news programmes regularly topped the ratings during the lockdown period on any given weekday.

Helping people feel connected and positive

From the end of March to the middle of May, BBC One's daytime programme *HealthCheck UK Live* provided information and company, to keep viewers upbeat whilst in isolation. Over a million people tuned in every day, on average.



Educating the nation's young people

The biggest push on education in our history brought 14 weeks of educational programmes and lessons to every household in the country – whatever the child's age.

Statement from the Chairman

These have been testing times, but this report once again highlights the central role of the BBC in British national life.

This Annual Report and Accounts covers a year which came to a close just as the coronavirus health emergency took hold. On behalf of the whole BBC Board, I want to thank all of our staff for the extraordinary flexibility, dedication, and resilience they have shown throughout this period. They have overcome major editorial and operational challenges to keep BBC services up and running. They have ensured that we continued to deliver all aspects of our mission and to play an essential role for audiences during a time of great national need. The contribution made by the BBC during the coronavirus crisis is summarised on pages 4-5.

This Annual Report also covers a period for the entirety of which Tony Hall was the Director-General. I would like to express the Board's great thanks to Tony for his outstanding leadership throughout his seven years at the helm, and at no time more than during the last few months of national crisis. He arrived to an organisation in great need of stability and reform, and he leaves with the BBC having demonstrated the essential role it can play at the heart of our national life. Tony personifies the integrity, decency and creativity that makes the BBC special and he will be much missed.

During his tenure, Tony has overseen a reinvention of the BBC that leaves it

well placed for success in the digital age. His achievements serve as another reminder that the task of leading the BBC requires a breadth of skills and attributes that few possess, as well as deep commitment to public service principles. That is why the Board is delighted to have been able to appoint a successor, in Tim Davie, who as CEO of BBC Studios has demonstrated that he is more than capable of taking up the baton.

The new Director-General inherits a BBC whose priority remains serving the day-to-day needs of all audiences. What we have achieved over the last six months must continue; from providing essential, trusted news and information, to helping educate our nations' children, to offering audiences much-needed escapism.

Our education mission, in particular, has come to the forefront. In just a few short weeks, the BBC delivered the biggest educational offering in our history: a *Bitesize Daily* package of lessons and original programmes to ensure that every household, whatever their child's age, had access to curriculum-supported learning. The number of browsers coming to BBC Bitesize online was over five million in the first week of the summer term alone, three times the equivalent figure from the previous year.

But as well as boosting audiences for BBC services, the crisis has accelerated many of the global market trends and technological challenges we are facing. Our response must accelerate in turn.

This report demonstrates the considerable progress we have made in reinventing the BBC and advancing our digital strategy. Pages 9-15 show how we have continued to improve our services for audiences. We have, for example, transformed iPlayer, with changes approved by the Board this year meaning that programmes are now available for at least 12 months. The result has been a record-breaking year, with more people than ever signed in and a total of 4.8 billion requests to stream programmes.

Meanwhile, BBC Sounds is now firmly established as the home of all BBC radio and audio, exceeding all targets in its first full year – including those for younger audiences. And at the end of 2019, the Board approved bold plans for BBC News to modernise our news services in order to serve audiences better. Events during the year – from the UK General Election, to the February floods, to the onset of the coronavirus crisis – all underlined the vital importance of trusted, impartial news and information, but they also showed just how quickly audiences are making the shift to digital behaviours.

The next few years will define the long-term future of the BBC. In part, this is because of the continued growth of well-funded competitors in the global marketplace. In part, it is because there are important milestones ahead: Ofcom's review of Public Service Broadcasting; the setting of the licence fee for the second half of the Charter, effective from April 2022; the mid-term review of governance and regulation; and, the Charter itself coming to an end in 2027.

There are also immediate issues to address, particularly in respect of the licence fee. In 2015 the Government made clear they intended to stop funding the TV licence concession for over-75s. Responsibility for determining the policy, and then paying for it, was passed to the BBC. At the time this arrangement was agreed between Government Ministers and the BBC, there was public recognition by both parties that reform was likely.

Following a wide public consultation in which the majority of respondents favoured reform, we announced our proposed policy in June 2019. The policy, introduced last month, requires households to pay; but provides a concession to those over 75 who are on pension credit. We believe this policy is fair: it helps those over 75 who are the poorest in our community, and for whom social isolation is often a problem, whilst avoiding the significant cuts to BBC services which would have been necessary had we extended the concession to all, whether they could afford to pay or not. We will, of course, implement this policy with the utmost care.

A second licence fee issue relates to the Government consultation on decriminalisation for non-payment. We have drawn the Government's attention to the independent report commissioned by Ministers in the run-up to the 2017 Charter, written by David Perry QC, in which he looked at a full range of options and ultimately found the current system to be the fairest and most effective, and so recommended that it should be maintained. Perry also calculated that the

The BBC must always remain open to a debate on its future, but it must be part of a proper conversation with audiences.



cost of decriminalisation to the BBC was likely to be at least £200 million a year.

The BBC must always remain open to a debate on its future, but it must be part of a proper conversation with audiences. Any debate must start by asking what kind of BBC our audiences want, and then ask how best to deliver and fund it.

All this takes place against the backdrop of major financial pressures on the BBC. Going into the coronavirus crisis, the BBC already had 31% less to spend on UK public services than if the licence fee had risen with inflation since 2010.

Now the severe impact of the coronavirus crisis on our commercial operations, along with the delayed introduction of our new over-75s' scheme and hit to our licence fee income, has led to a substantial shortfall. It means we have had to set a new, additional, savings target for the current year of £125 million, with more to come next year. That is on top of the challenge of reaching the significant savings we had long factored into our financial plans for 2020/21, in a tougher than ever market environment.

In this context, the question of how the BBC can maximise its commercial revenues becomes even more pressing. BBC Studios will have an increasingly important role

to play. This year it had its highest level of content investment and its best year for content sales. Along with the acquisition of UKTV, this meant that Studios delivered record sales and profit. Meanwhile, the launch, with ITV, of a new subscription streaming service – BritBox – was another landmark moment for the BBC.

Another major priority in the months ahead will be to support the creative industries' recovery across the UK following a period of unprecedented disruption and challenge. The BBC has always been the cornerstone of Britain's creative strength – the lead investor in, and platform for, British voices and talent across the UK. We acted quickly to support the sector with an extensive package of measures during lockdown. We will continue to do our utmost to help maintain the health and viability of our world-leading producers in all parts of the UK.

These have been testing times, but this report once again highlights the central role of the BBC in British national life. We remain the most-used UK media organisation, reaching over 90% of adults and over 80% of children in the UK on average per week. We remain by far the most trusted source of news and information. Our response to the coronavirus crisis has strengthened still further our relationship

with audiences, including young people, who come to us for everything from information, to education, to entertainment.

Abroad, meanwhile, our audience has grown to a record 468 million people outside the UK every week. The reach of the BBC World Service is up 11% on 2019, and overall our international news services rank amongst the very first for trust and reliability. It's a reminder that the BBC is without question one of Britain's strongest and best-known brands, synonymous with quality and accuracy worldwide.

This Annual Report tells the story of a BBC that faces considerable challenges but remains of huge value for the UK, at home and abroad, and well placed to succeed in the future.

Sir David Clementi
Chairman
2 September 2020

Director-General's Statement



I am delighted to be taking up the role of Director-General of the BBC. It's a great honour to be leading an organisation which commands such admiration and respect all around the world, and plays such a central role in British culture and democracy.

The past few months have served as a powerful reminder of just how much the BBC matters to all of us, and our families. The programmes and services we provide for audiences have never been more relevant, important or necessary.

I am proud of how quickly and effectively the BBC rallied around the needs of the nation when the coronavirus crisis struck. Our teams not only kept services up and running at a uniquely testing time, they also showed remarkable

dedication, flexibility and resourcefulness in reshaping them around the most urgent requirements of our audiences.

Looking ahead, it is clear that the BBC will need to focus even more sharply on how to continue to serve all audiences in this fast-moving world. This report demonstrates how much great work has been done, but it also highlights that we will need to keep up the momentum of reform. In an increasingly tough financial environment, we know we need to set ourselves the objective of being as efficient an organisation as we can be. This work has already started and it will mean some tough decisions to come. But I am very confident we will deliver, not least because of the amazing teams of people that work here and the world-leading quality of the work they do.

I want to pay tribute to what our outgoing Director-General, Tony Hall, has achieved over the past seven years. He has led the organisation through an ambitious period of reinvention, inside and out. The following pages set out some of the most significant achievements, along with detail on our performance in the final year of Tony's leadership. As the report demonstrates, today's BBC is fitter, more representative

of the country it serves and well-placed for success in the digital age as a result.

The next few years will be crucial to determining the future of the BBC. There are many challenges ahead, and the market around us grows ever tougher, but I have great confidence in our success. Trusted, impartial news and information have never been more needed. Great British content that supports and reflects every part of the UK has never been more valued. The ability to carry Britain's voice and influence to the world has never been more highly prized.

I am convinced that the BBC can do even more for the UK at home and abroad in the years ahead.

Tim Davie CBE
Director-General
 2 September 2020

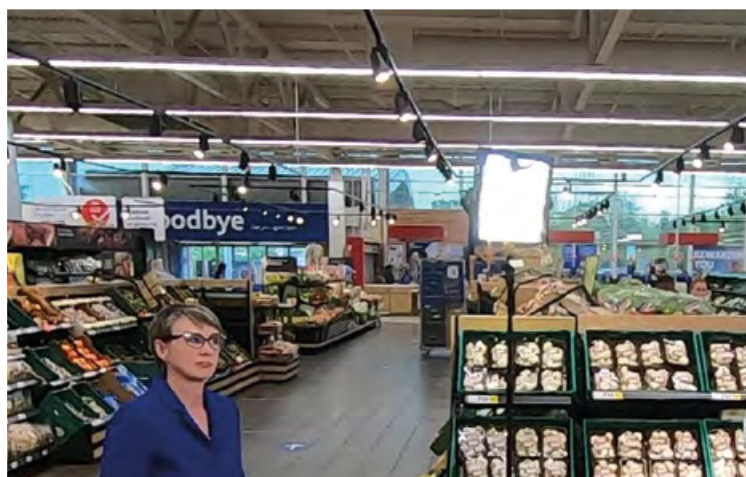
Delivering our strategy in 2019/20

This has been a year when the BBC has demonstrated its unique value as the world's foremost public service broadcaster.

Through a year of political change, rapid shifts in markets and technologies, and then the all-encompassing global crisis of the coronavirus pandemic, the BBC's mission to inform, educate and entertain all audiences has proved enduringly vital.

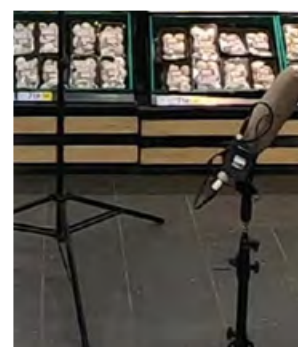
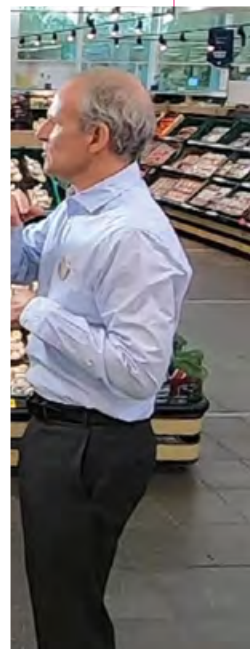
Last year, we set out our four core priorities in our Annual Plan for 2019/20. We said we would continue to put brilliant creativity at the heart of the BBC, delivering the great programmes and services that audiences love. We said we would focus on growing BBC iPlayer and BBC Sounds as audience behaviours and expectations evolve. We said we would keep focusing on providing trusted, impartial news at a critical time for the UK and the world. And we said we would keep working hard to modernise our organisation and make the BBC the very best place to work.

The following pages set out more detail on how we have delivered successfully on these goals during the course of the year, and responded nimbly and effectively as the world around us has changed in extraordinary ways.



It shows how, across 2019, the BBC was the most-used UK media brand; used by 41 million people in the UK on average per day. We reach the most people: 91% of UK adults on average per week, and 81% of children. We are consumed for the most media time, including among young audiences: well over 17 hours on average a week for adults, and over seven hours a week for young adults in 2019/20. We continue to be the most trusted source of news.

Back in 2013, we set the challenge of doubling the BBC's global audience to reach 500 million people by our centenary in 2022. Today we reach a record 468 million people outside the UK every week, meaning that we are more than on track to achieve that goal. We now have plans in place, which depend on funding from the Government, to redouble our ambition and to carry the UK's voice, values and cultural influence to a global audience of one billion people by the end of the decade.



41^m
 Across 2019, the BBC was the most-used UK media organisation: used by 41 million people in the UK per day on average.

BBC correspondent Emma Simpson conducting a distanced interview

Delivering our strategy in 2019/20

In 2017, we mobilised the whole of the BBC behind a clear strategic goal: to reinvent public service broadcasting for a new generation. It is thanks to this work that today we have secured a strong position in the online world. BBC Online reaches almost 29 million UK adults a week on average. BBC iPlayer is the second biggest TV-on-demand service in the UK, with viewing up 38% year-on-year in 2019/20 and up further again since lockdown. BBC News Online was used by 15 million adults per week on average and at the height of lockdown by 22 million weekly.

As the reporting year drew to a close, the coronavirus health emergency struck. The country was plunged into one of its biggest crises since World War II.

The role of the BBC is never clearer than at times of national crisis. We provide the public – in great numbers, locally, nationally and internationally – with trusted, impartial news and information they can rely on. We help bring the country together, to share, to understand and to commemorate. We examine the big decisions taken by those with responsibility over our lives, explaining the choices and making sense of the challenges. We connect people who are isolated, bringing companionship and a link to the world.

As the crisis hit, we did everything in our power to reconfigure BBC services around the national need. Audiences came to us in their millions as a result – on screen, on air and online. However, whilst the importance of the BBC's public service mission could hardly have been clearer, the longer-term trends of global and technology-led disruption have not let up. In reality, the crisis looks set to accelerate them. We must ensure that our strategy to respond will accelerate in turn.

In May, we published our Annual Plan which laid out our plans for the months and years ahead. It builds on what we have achieved over the past year by identifying four major strategic priorities, designed to create a BBC that is fit for the future. These pages discuss each of those priorities in turn, whilst more detail on our ongoing plans to make the BBC the best place to work can be found in the Our People section on pages 59-63.

1. The power of the portfolio

One of the unique strengths of the BBC is our ability to bring together the worlds of live and on-demand, broadcast and internet-delivered, across video, audio and text.

This report underlines how brilliantly broadcast and online work together. On television, for instance, our channels and iPlayer are inextricably linked. We are not commissioning for one slot, one channel, one night, but for a far larger ecosystem, where programmes will be seen in a number of ways and in a number of places.

Our live channels are one of our greatest advantages. In a global video-on-demand (VOD) landscape, they are what set the BBC apart, the envy of the streaming world. They reach tens of millions every week, and are critical to our success. Through our channels, we have the ability to talk to people live and in the moment with content that feels utterly relevant to them. They are our best marketing showcase for iPlayer.

The coronavirus crisis has highlighted again the value of both broadcast and online. Usage of TV news and online news were both up sharply, with overall TV viewing and iPlayer usage up also.



BBC One's Line of Duty

13.2^m

Series five of *Line of Duty* was unmissable, appointment-to-view television, with an audience of 13.2 million for the first episode.



Looking forward, the first of our strategic priorities is to make the whole of our portfolio work even harder as one BBC. That means drawing on every part of the BBC to encourage audiences to use us more often and for longer, and help make us a valued daily habit for everyone.

Over the next two years we have set the ambition of doing even more to bring our overall portfolio to life and communicate its value. We will continue to drive sign-in towards 100% across BBC Online. Sign-in is a key enabler of the BBC portfolio, giving us the data we need to make our online products feel like they are part of a single, consistent and personalised whole. We will also take a big step forward on making the BBC more personal and more engaging. This means improved recommendations across our online products that surface new programmes and stories, based not just on activity on one app but on multiple apps. We will continue to improve the promotion of BBC content and services across platforms to make linear and on-demand products work together.

2. Viewing

In television, this has been another year of outstanding creative success for the BBC. It has once again seen us deliver for our viewers what we have always done best: world-class, distinctive content that takes risks, supports home-grown talent, and can bring the whole country together and get it talking.

This year our adaptation of Philip Pullman's *His Dark Materials* became the biggest launch for a new series of any genre in 2019. It gained an average audience of 11.4 million across all screens. The *Gavin & Stacey Christmas Special* in 2019 was watched by an astonishing average audience of 18.5 million. It was the biggest BBC programme outside sporting and national events since current measurement began in 2010.

Series five of *Line of Duty* was also unmissable, appointment-to-view television, with an average audience of 13.2 million for the first episode across all screens. *Seven Worlds, One Planet*, presented by Sir David Attenborough, had an average audience of 9 million tuning in per episode across all screens. It was the BBC's most watched factual programme of 2019.

A key priority for this year was our new BBC Scotland channel. In its first full year of operation, it has continued to be a real success. It reached more viewers in Scotland than any channel outside BBC One, BBC Two, ITV, Channel 4 and Channel 5, with one in six of the population tuning in each week. iPlayer requests

to view BBC Scotland-commissioned and co-commissioned content have more than doubled since launch.

Our commitment to risk-taking and originality on BBC Three has also been rewarded again this year. Viewers flocked to *RuPaul's Drag Race* on iPlayer, with 15 million requests for the series, almost two-thirds from 16-34s. Meanwhile *This Country* was requested over 52 million times overall by the end of March, putting it on a par with the Emmy and Golden Globe winning *Fleabag* as one of BBC Three's biggest comedies.

iPlayer itself was one of the BBC's top priorities this year, right at the heart of our strategy. We have been working hard to transform it into a primary video destination service. For many, especially younger viewers, it is now becoming the main place that they view BBC programmes.

For the first time, the growth of iPlayer has almost made up for the falls in linear TV viewing for audiences overall. It was a record-breaking year, with more people than ever signed-in – signed-in accounts in 2019/20 were up 42% on 2018/19 – and a total of 4.8 billion requests for our programmes across 2018/19.

There are now 36% more hours available to view. Both the marketing of iPlayer and curation within it have taken a step forward. This year we also launched a new iPlayer experience for children so families and children can easily discover a wide range of entertaining and educational programmes. The impact of these changes has been to widen iPlayer's reach and, in a challenging market, to increase significantly the viewing that it generates.

The impact of the coronavirus crisis has turbo-charged this trend. During lockdown, BBC iPlayer had nearly two billion requests – 60% higher than the same period last year.

During that period iPlayer broke records for best-ever days in quick succession. The day the Prime Minister announced lockdown was the first time iPlayer had seen over 20 million programmes requested in a day. This record was then swiftly beaten on 13 April – the return of *Killing Eve* and the conclusion of *The Nest* – with 22.1 million programme requests, and then again on 28 April – 23.2 million – aided by the release of *Normal People*, showing the demand for world-class drama as well as news. And this was broken again by 10 May – 24.1 million – the day of the Prime Minister's second statement to the nation.



Delivering our strategy in 2019/20

The importance of the BBC's 'entertain' mission during lockdown was also very much in evidence across our TV channels as the public sought out laughter, escapism, and shared experiences. In the first week of lockdown, viewing of BBC TV was up almost 50% on the year, with particularly sharp rises for children and young adults.

Looking ahead, the priority will be to pull all possible levers to improve and grow iPlayer, including content availability and exclusivity, product developments, marketing and distribution. That will mean more programmes available for longer, more developed personalisation and curation to make it even easier for each person to discover what's relevant to them, and a continually evolving user experience. We will release more of our series as boxsets in one go to let audiences decide how they want to watch.

A crucial part of implementing this strategy has been putting in place arrangements with all our rights-holders, the final element being the new deal between the BBC and PACT, the trade organisation which represents the independent production supply sector in the UK. These arrangements mean that the BBC can transform what it shows on BBC iPlayer. There will be an automatic 12-month BBC iPlayer window on all content the BBC commissions, and a framework for how programmes can be made available beyond 12 months.

The past year has also seen us make huge improvements to the live experience in iPlayer, reinventing our coverage of major events such as Glastonbury and Wimbledon by offering audiences a choice of multiple live streams. This will take another leap forward over the next two years as we offer even more personalised live coverage of these events and more, including the Euros, the Tokyo Olympic Games, the Six Nations, the FA Cup, and new cricket competition The Hundred – as and when they happen.

3. Listening

This year the BBC has once again brought an incredible range of world-class speech and music programming to all our audiences.

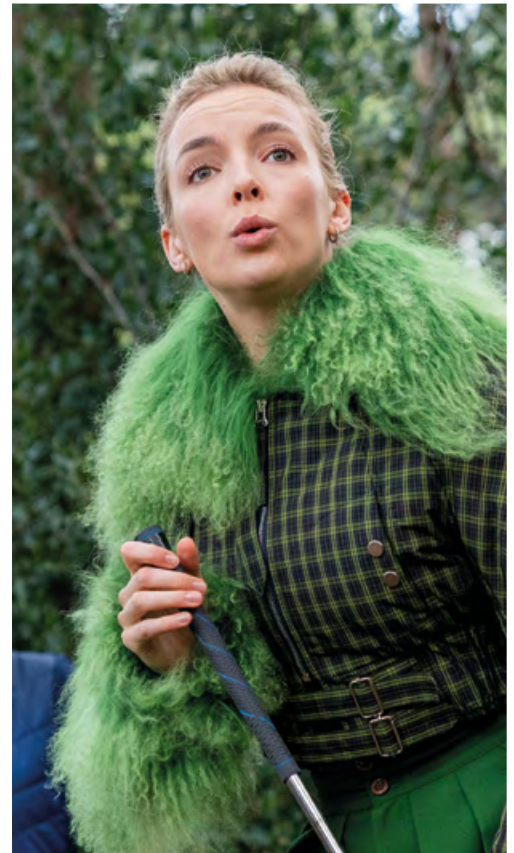
In 2019, audiences could experience Glastonbury like never before, with BBC Radio Glastonbury on BBC Sounds and live broadcasts across Radio 1, 1Xtra, Radio 2, 6 Music and 5 live. They could discover the works that redefined classical and orchestral music when *Ten Pieces* returned with a 'Trailblazers' theme. And they could explore the BBC's Year of Beliefs across all our output, shining a light on faith, belief and values in modern society.

3.6^m

BBC Sounds accounts active weekly at the end of its first full year.



Award-winning drama *Killing Eve*



4.8^{bn}

It was a record-breaking year for BBC iPlayer with a total of 4.8 billion requests for our programmes.

The quality and breadth of our output was recognised at this year's Audio and Radio Industry Awards, where the BBC won 17 out of 23 awards. Radio 2 was named best national station whilst BBC Radio Hereford & Worcester won best local station following its remarkable coverage of February's floods. There were also awards for Emma Barnett on 5 live, Dotty and MistaJam on 1Xtra and Greg James on Radio 1, whilst Radio 3's *This Classical Life* – launched in April and presented by former BBC Young Musician finalist, Jess Gillam – was named Best Specialist Music Show.

Our commitment to fostering new talent continued, whether through BBC Introducing, New Generation Artists or New Generation Thinkers. Meanwhile,

Radio 1 offered new and emerging talent a once-in-a-lifetime opportunity to take over the airwaves during the festive period, with 35 up-and-coming presenters selected from over 1,100 entries.

The BBC's role in audio is the same as it has always been: to showcase the best UK talent, bringing world-class news and storytelling to the UK and the world; to create opportunities for new British artists; and to help fans discover new music and build relationships with those artists.

Today, BBC Sounds is right at the heart of our audio offer. Our goal at the start of the year was to firmly establish Sounds as the best place to listen to all BBC audio – music, podcasts, and radio. We wanted to add new content, further

improve the user experience, and grow reach and time spent with the service.

Now available across mobile, web, smart speaker and smart TV, BBC Sounds ended its first full year with a record 3.6 million accounts active weekly, significantly ahead of our all-audience targets whilst also meeting those for younger audiences. In this time we successfully managed the migration from iPlayer Radio, with Sounds now attracting significantly more users than our previous service.

Crucial to this has been how the BBC has come of age over the past year as a world-beating podcast commissioner, with hits like *Tunnel 29*, *That Peter Crouch Podcast*, *You're Dead to Me* and *The Missing Cryptoqueen*. News and the World Service have also delivered successes like *13 Minutes to the Moon* and the ever-evolving *Brexitcast*, *News*, and *The Coronavirus Newscast*.

As the coronavirus struck, Sounds saw a surge in live listening, with users then going on to discover its world-class on-demand speech and evolving music mix offer. Increasingly, however, we know live listening is just one element of a suite of listening options audiences expect to have available. The way audiences, especially young audiences, listen to speech and music is changing. The rise of music streaming, of podcasts, and the explosion of radio stations on DAB and online means there is more choice than ever before. As listeners learn new habits and develop new behaviours and expectations, the BBC needs to be at the forefront of these changes to keep delivering value for all audiences.

To compete in a global tech-dominated marketplace, BBC Sounds must find a distinct space in the lives of our listeners. We believe it can do that by combining the best on-demand audio content with world-class live listening. Our plan is to evolve the user experience in Sounds to make it easier to use and more personally relevant to each user, innovate around new listening formats within Sounds, develop new exciting content, and also incorporate discovery of the best third-party content.

We believe there is a huge opportunity to set Sounds apart and make it outstanding. First, through a feast of on-demand speech, attractive to both regular podcast listeners and also the majority of UK listeners who have never listened, or do not regularly listen, to podcasts. The BBC is not the only producer of great podcast material. We have announced that we will open up Sounds to be a home for the highest quality non-BBC podcasts, helping audiences familiar with podcasting and those new to it to discover the best and most relevant content

available, and providing a strong UK route to market that can showcase British talent.

Second, we plan to make BBC Sounds a place that loves music and helps listeners love music. We will do this in the way we always have done: curated by music lovers and focused on artists – an experience that listeners tell us is distinct from, and will complement, the all-catalogue offers of music streaming services.

This content will include themed compilations which will allow audiences to find the very best curated BBC content in topics such as artist, event or mood, and enhanced music mixes with a focus on British and emerging talent. Now more than ever, audiences are discovering the quality and breadth of music the BBC can offer through an on-demand platform, and building on this is essential to delivering our role in audio for the future.

Third, we want Sounds to have the best radio listening experience online. We will put radio and, in particular, live radio at the heart of BBC Sounds, amplifying live moments by promoting them from the front page and supporting them with on-demand content.

As well as making BBC Sounds ready for the future, we need to ensure our radio portfolio can serve all audiences

even better. Despite declines, linear radio still has significant reach amongst young audiences and will remain a vital way to reach them for years to come.

We will continue to evolve our portfolio, reflecting changing habits around music discovery and ensuring we have the right offers to serve audiences more equally. We will take the lessons from BBC online content popular with young audiences, and how we have operated through the crisis, working even more closely as a portfolio to deliver the best value for audiences, and protecting the high-quality and distinctive output that millions love.

4. News – UK, global and local

The BBC is the UK's number one news service. We provide an unrivalled level of local, regional, national and international news and current affairs. Last year we promised to respond to the changing needs of the public in difficult, uncertain times by standing up for trust and accuracy in news, re-committing to our core value of impartiality, and doing even more to make sure all different views and voices are heard in the national debate.

BBC Sounds' Brexitcast



Delivering our strategy in 2019/20

Today, the BBC remains by far the most trusted news source in the UK (see pages 20-21). When asked to pick the one source audiences are most likely to turn to for impartial, trusted and accurate news in general, the BBC is more than 40 percentage points ahead of anyone else. The fact that 87% of UK adults overall and 83% of young adults came to BBC News for coverage of the results of the UK General Election in December 2019 showed once again that we are the place people come to at the moments that matter.

Our aim with the UK General Election coverage was simple: to be on the side of the audience. That meant making sure they had everything they needed to make up their own minds. It's why we put Reality Check right at the heart of our coverage, helping audiences sort fact from half-truth and disinformation.

We shone a spotlight on our political leaders like never before, with a range of great debates and a compelling series of interviews. We did more to serve audiences whether via *Newsbeat* or *Newsnight*, *Electioncast* or *BBC Breakfast*, the *News at Ten* or Instagram. We got closer to audiences than ever, crossing all four nations with programmes from *BBC Breakfast* and 5 live to *News At Ten* and bringing the specific insights of our regional reporters into our UK-wide programmes.

Throughout the year our news teams demonstrated the same commitment to audiences – from *Newsnight's* special interview with Prince Andrew to *Panorama's* undercover investigation into hospital abuse to *Crossing Divides* (see pages 20-21). And when the coronavirus crisis struck we reorganised all our output around the need for essential news, information and analysis at a critical time.

As well as keeping our core services running, we launched specific programming to help audiences understand the issues, including coronavirus specials in peak time on BBC One, and *Your Questions Answered* on the News Channel. We made advice guides, in-depth features, and explainers available on BBC News Online.

As a result, viewing figures for TV news hit their highest levels since 2003. Our 18:30 regional news programme was often the most watched programme on television on any given weekday. In the first week of social distancing in March, nine in ten adults consumed BBC News across all platforms. The same was true for eight in ten young adults. A record-breaking 81 million UK browsers came to BBC News Online in the week of 16 March, up 58% on the previous record in the week of the UK General Election in December 2019.

The crisis could not have demonstrated any more clearly the immense public appetite for the values of trusted, impartial, accurate news. But it also highlighted the extent to which news audiences rely increasingly on online services. Reflecting this shift, we have set out our plans to move to a 'story-led' approach in news – putting the audience at the heart of decisions on what stories we cover and how we cover them. We will select stories not according to what is required for a specific programme, channel or platform, but instead with the needs of all our audiences and platforms in mind.

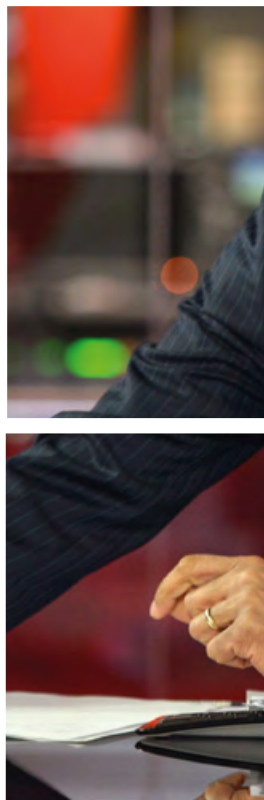
Our traditional and biggest audiences' brands are vital parts of this revolution, but we know we need to discover new ways of storytelling across our digital platforms to connect with all audiences that use BBC content. We want our best

journalism to travel further and reach more people, more regularly, in more ways. We also know we need to modernise our local and regional services by making digital a central part of everything we do. That's why we're taking forward the lessons of the Covid crisis to make what we offer audiences in England more agile and more in touch with communities while also ensuring we're as efficient as we can be.

When it comes to the BBC's global news services, this year has demonstrated that our value to democracy and liberty around the world is higher than ever. News provision has become a key weapon in the battle for global influence. The well-funded, state-backed actors of Russia and China increasingly see news as an extension of state influence and a tool for democratic disruption.

In this context, the BBC World Service is valued across the globe as a beacon for independent, trusted news. Its contribution

Newsreader George Alagiah



468^m
 The BBC now reaches 468 million people outside the UK every week, up 11% from last year.



Election 2019 coverage

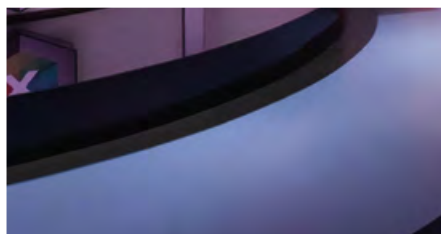


to enhancing Britain's reputation and influence abroad was recognised by the Government three years ago when it decided to make its largest-ever increase in World Service investment. Thanks to that investment of £86 million a year, we recently completed the World Service's biggest expansion since the Second World War and now operate in 42 languages.

The result is that the BBC now reaches 468 million people outside the UK every week, up 11% from last year. We know that people all around the world turn to the BBC for news they can trust, and the BBC's strength in the world is one of the UK's strengths in the world. We believe there is now an opportunity for the BBC to build on this strength by doubling its audience reach and deepening its impact, and to carry the UK's voice, values and influence to a global community of one billion by 2030.

At a local level, we provide a strong voice for towns, cities and areas that have suffered a decline in media and journalistic coverage in recent years. We helped to bind communities together, particularly in times of emergency and stress, for instance during the floods in early 2020. More than 1.1 million people had contacted BBC local radio's coronavirus *Make a Difference* helpline by the end of June, launched to link up those in need of help with those who could provide it.

We also play an important role in supporting other local media – for example, through



our Local Democracy Reporting Service. Here we invest up to £8 million a year in a pioneering partnership with 120 local news publishers, funding 150 local reporters across the UK. The journalism from this initiative is now published in over 5,000 places every week.

Nearly 100 years after the BBC was founded, its mission to inform, educate and entertain all audiences remains as timelessly relevant and valuable as it was in the 1920s. What it does cannot be substituted for programmes and services that are behind paywalls and subscriptions that depend on where people live and their ability to pay. At a moment of national crisis, the BBC has responded quickly and with agility, both to meet rapid changes in audience needs, and in the way we work and the way we make programmes. In turn, the British public have come to the BBC in enormous numbers because they use it and they trust it. The enduring value of public service broadcasting has never been more clear.

87%
of UK adults overall and 83% of young adults came to BBC News for coverage of the results of the UK General Election.



Audience performance and market context

Last year continued to see rapid and profound changes in how people consume media, especially so amongst younger audiences.

At the start of 2020, 15 million UK households had subscription video-on-demand (SVOD) services – up 1.7 million on 2019 – with Netflix in 13 million of these homes. Multiple new entrants have launched in the UK over the year, including Apple TV+ and Disney+. Linked to this, there was a further drop in the amount of broadcast television watched in the UK – though it was down less in 2019/20 than the previous year.

Young adults watched 11 hours a week on average – decreasing around 75 minutes year-on-year. In contrast, the time they spent using the TV set for SVOD, gaming, YouTube and other purposes increased – up c.40 minutes per week to just over nine hours weekly on average.

Driven by Spotify, music streaming by young adults also rose, by almost an hour per week to over six-and-a-half hours weekly on average. YouTube was used by 85% of under 16s a week and they spent around five hours per week there on average. TikTok has become a global phenomenon – passing two billion global downloads in January – March and generating the most downloads for any app ever in a quarter, with over 315 million installs.

As these challenges are most intense amongst younger adults, the BBC set targets for 2019/20 focused on this audience in particular, and recognising these broader shifts in the media market.

The performance achieved during the year with this age group was within the target range set out in the 2019/20 BBC Annual

Plan. 80% of 16-34s used the BBC each week on average in 2019/20, in line with the target of 80%+, though reach on linear platforms continues downward. 16-34s adults spent over seven hours per week on average consuming BBC services, above the target range of 6-7 hours. This means that the BBC – across all its portfolio – was the brand with which young adults spent most media time in 2019/20.

BBC TV across linear TV and iPlayer combined had a steadier year among this age group. Their time increased with the rest of BBC Online. There was a reduction in time spent with BBC Radio, down more than Commercial Radio, which was helped by its expanded UK-wide offer.

Young adults rated the BBC at seven out of ten, on average, in terms of their general impression, also in line with the target set. They are very positive about the BBC’s delivery of the mission – 68% rated the BBC as effective at informing, educating and entertaining in 2019/20, steady on the previous two years, with 12% saying ineffective.* The majority of 16-34s also feel that the BBC is effective at delivering each element of the public purposes. And they name the BBC as the media provider that does most to provide high quality and distinctive content, to reflect people in the UK, and to help people to understand the world and to learn new things.

That said, competition for the time, attention and good opinion of this age group remains fierce. Whilst 16-34s spent more media time with the BBC than with any other brand in 2019/20 and usage was within the target range, the amount of time spent was lower than the previous year given the increasing strength of competition, and was down proportionately more than older

age groups. So whilst the majority think that the BBC delivers the public purposes effectively, the scores that they gave in 2019/20 tended to be lower than those from over 55s across a range of measures.

For these reasons, as the most recent BBC Annual Plan set out, the BBC has a two-year plan to increase engagement with young people.

Amongst under 16s, the BBC was used by 81% of this age group per week in 2019/20. This has stayed steady year-on-year, though pressure remains intense for public service broadcasting overall to stay relevant to older children and teenagers especially, as YouTube and Netflix continue to grow.

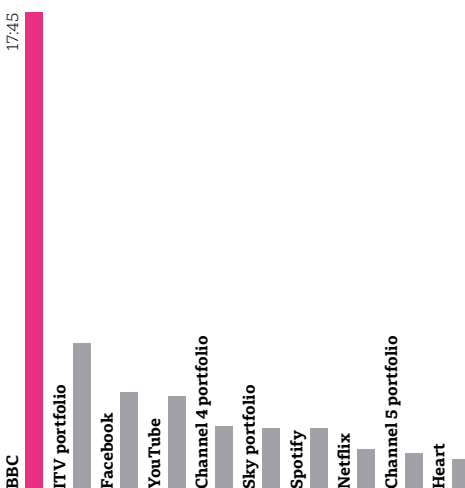
In addition to the targets set for 16-34s in 2019/20, there were targets focused on adults overall, aimed at maintaining the numbers that use the BBC weekly, and perceived value for money scores. 91% of adults used the BBC each week during 2019/20, on a par with the previous year and in line with the target of 90%. Their average rating of value for money was also within the target range of five/six out of ten.

Adults overall spent more media time with the BBC than with any other brand, using BBC services for more than 17 hours a week on average. While marginally down, this was much steadier year on year than 2018/19 had been compared with 2017/18.

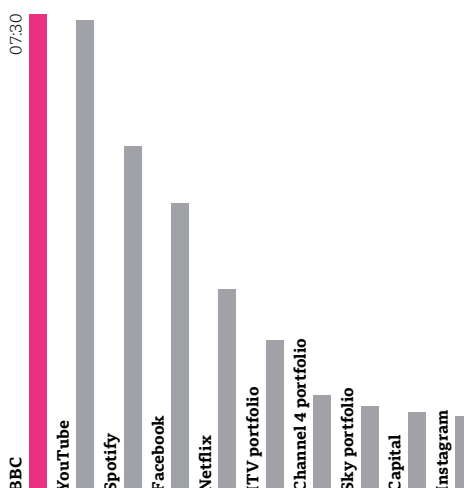
In terms of fulfilling the mission and public purposes, 70% of adults continue to think that the BBC is effective at informing, educating and entertaining in 2019/20 (whilst 13% say ineffective)*. Across all audience groups regardless of age, gender,

* Ipsos MORI, 2,341 UK adults 16+, February-March 2020. Average score across informing, educating and entertaining people in the UK and them.

All adults (16+) time per head per week (hours:minutes)



16-34 time per head per week (hours:minutes)



Top brands that adults and 16-34s spend most media time with 2019/20

Source: BARB (28-days), BARB Establishment Survey, ONS, RAJAR, MIDAS (15+, 15-34), AT Internet, Ipsos MORI. Estimated on-platform time. Heart and Capital live listening.

social grade, ethnic origin or geography, the majority rated the BBC as effective for delivery of the mission. The majority of UK adults overall also think that the BBC has delivered each element of the purposes effectively, with the highest scores for helping people understand what is going on in the UK and world today, and for the quality of content and services – as was the case in the previous two years.

Overall scores for most mission and purposes measures are steady statistically compared with the previous two years. This year there has been an increase in levels of trust and in perceptions of the accuracy and impartiality of BBC News, with a higher

91% Target: 90%

UK Adult pan-BBC reach
% of UK adults who use BBC TV, radio or online each week on average.

80% Target: 80+%

UK 16-34 pan-BBC reach
% of UK 16-34s who use BBC TV, radio or online each week on average.

07:30h:m Target: 6-7 hours

UK 16-34 pan-BBC time spent
Length of time UK 16-34s spend with the BBC each week on average.

7/10 Target: 7/10

General impression amongst UK 16-34s
UK 16-34 year olds' general impression of the BBC (mean score out of 10).

5/10 Target: 5-6/10

How UK adults rate the BBC on providing value for money
(mean score out of 10).

Sources: Ipsos MORI, BARB, BARB Establishment Survey, ONS, RAJAR, AT Internet, Kantar Media.

proportion of people choosing BBC News as the source they trust most, turn to for impartial news coverage, and for accurate news coverage in 2019/20. There have been some small drops in the ratings for the creativity purpose. In each case though, the majority of UK adults overall have continued to rate the BBC as effective, well ahead of a small minority saying ineffective.

Despite these outcomes overall, there are significant differences in the consumption and impact of BBC output between different audience groups.

The largest number of people continue to feel that the BBC has delivered its mission and purposes. But some of those with lower levels of usage of the BBC compared with their comparative groups – C2DE groups, black, Asian and minority ethnic audiences, those in Northern Ireland, Scotland and the North of England, and younger people – are amongst those who tended to give lower effectiveness scores. As well as reflecting the relative appeal of the BBC's offer, the absolute level of usage can vary, in part, owing to the extent of competition aimed at different groups, and different generations and life stages.

In each age band, gender, social grade, and area of the UK, and amongst white and black, Asian and minority ethnic audiences, the proportion rating the BBC as effective at delivering the mission and each purpose in 2019/20 outnumbers most frequently those saying ineffective. Effectiveness scores were still lower though amongst C2DE than ABC1 groups, and amongst black, Asian and minority ethnic audiences compared with white audiences in 2019/20.

To represent the public better, the BBC has set out a Creative Diversity Commitment to prioritise £100 million of the existing commissioning budget over three years from 2021/22 towards diverse and inclusive content, and a new mandatory 20% diverse-talent target in all new network commissions from April 2021.

Looking at the results by area of the UK, in 2019/20 effectiveness ratings in Scotland and Northern Ireland were positive but lower than the UK average across a range of measures. Similarly, adults in the North of England gave positive but lower effectiveness scores for most elements across the purposes than the England average.

By age, effectiveness scores from 35-54s were steady in 2019/20 after having moved downwards the previous year. They score the news and representation purposes positively though lower than 55+.

Looking to the year ahead, audiences of all ages have turned to the BBC during the coronavirus pandemic lockdown, demonstrating the value of public service broadcasting. Some of the biggest of these uplifts have been amongst younger audiences. Lockdown has been a turning point for video on-demand. iPlayer viewing has reached record levels, receiving almost two billion programme requests from late March to early July. At the same time, SVOD viewing has been supercharged. To help maintain the unique impact of UK content and PSB – as the 2020/21 Annual Plan set out – the BBC will aim to harness the breadth and range of the BBC portfolio to stay a key part of audiences' lives for years to come.



RuPaul's Drag Race UK on BBC Three

Delivering our public purposes

Delivering our public purposes

The BBC's public purposes are enshrined in the Royal Charter and Agreement and are at the core of everything we do.

Our mission in full, as set out in our Royal Charter, is "to act in the public interest, serving all audiences through the provision of impartial, high-quality and distinctive output and services which inform, educate and entertain."

Also enshrined in our Royal Charter are the BBC's five public purposes. These outline the values we hold when striving to achieve our mission and they provide a clear framework through which we are held to account. They are at the core of everything we do.

The coronavirus health emergency has brought the clarity of the BBC's public service mission into even sharper focus. That mission has guided our response at every step.

As the crisis struck, we reconfigured our output around the most pressing needs of our audiences – from trusted news and information to educational support to arts and culture, distraction and escapism. The public came to us in huge numbers in response.

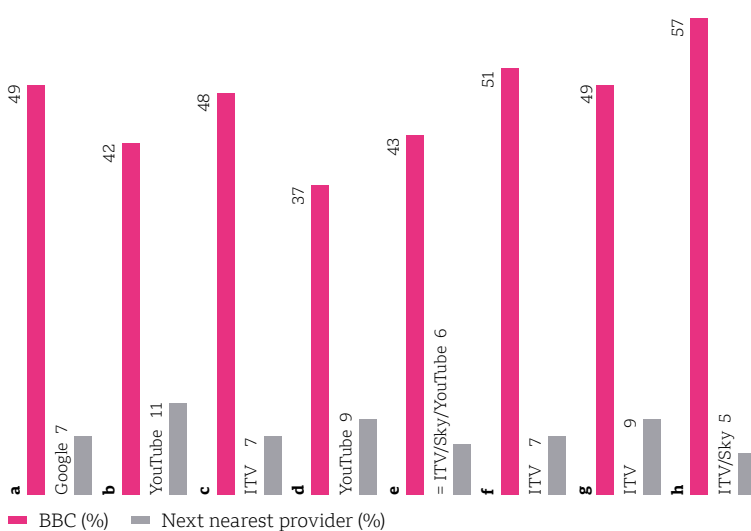
The first purpose of the BBC is to provide impartial news and information to help people understand and engage with the world around them.

Today, the BBC provides an unrivalled level of local, regional, national and international news and current affairs. We remain the most trusted source of news in this country, and we play an important role in helping to counter the misinformation and confusion that now so often proliferate.

BBC News continues to come out way ahead of any other news provider when audiences are asked to pick the one source they are most likely to turn to for impartial, trusted and accurate news in general (see pages 20-21).

The importance of what we do to ensure that everyone has access to news and information they can trust was highlighted in the first week of social distancing in March, when nine in ten adults consumed BBC News across all platforms, as well

Of all the media providers (TV, radio, newspaper, magazine, website, app or social media), which one does the most to/has the most...



- a. Help people in the UK understand and engage with the world around them
- b. Help people in the UK learn new things
- c. High quality content and services for people in the UK
- d. Creative content and services for people in the UK
- e. Distinctive content and services for people in the UK
- f. Content and services relevant to people in the UK
- g. Reflect life in different parts of the UK
- h. Reflect the UK around the world

Source: Ipsos MORI for the BBC, 2,341 UK adults 16+, February-March 2020.

as eight in ten young adults. In difficult and uncertain times, our mission to inform is more important than ever.

The BBC's second public purpose is to support learning for people of all ages.

Education has always been in the DNA of the BBC. Perhaps nothing better illustrates our commitment than how we responded to school closures by delivering the biggest education offer in our history. By the end of the summer term, we had published nearly 2,000 curriculum-led 'Bitesize Daily Lessons' online.

Our children's output helps our youngest audiences to develop their reading, learning and social skills in ways that are exciting, playful and fun. As they grow and change, BBC Children's content grows and changes with them. It fires their enthusiasms, allows them to discover their passions and inspires them to learn – all done in an environment that is defined by values of quality, safety and trust.

We continue to transform what we do in education to support learning for people of all ages. Our goal is to help people, whatever their stage of life, to achieve their full potential through educational content, services and participative experiences from the BBC, from partners and from each other.

Our third public purpose is to show the most creative, highest quality and distinctive output and services.

The BBC is here to make great programmes and services. It is why audiences come to us and value us. What we have produced this year – across factual, arts, drama, entertainment, comedy, sport and music – once again demonstrates our commitment to maintaining the highest production and editorial standards across the broadest range of output.

The BBC's commitment to home-grown British content is now more important than ever. It is our duty to make programmes about British people and British culture. UK audiences enjoy the breadth of choice the global players bring, but we know they also want local content that speaks to them directly about their day-to-day lives and what matters to their communities.

That is why we continue to put British creativity, quality and risk-taking at the heart of the BBC. In today's global market, this is what helps to set the BBC apart: high-quality output on TV and radio that is unique in its distinctiveness and its focus on British content from across the UK.

The BBC's fourth public purpose is to reflect, represent and serve the diverse communities of all of the United Kingdom's nations and regions and, in doing so, support the creative economy across the UK.

We have a fundamental duty to reflect the whole country to itself and make sure all its views and voices are heard. In times of division and fragmentation, this responsibility is increasingly important.

Today, over half our spending – and half our teams – are out of London. We have more than doubled the proportion of network TV programmes produced in Scotland, Wales and Northern Ireland in a decade. In this regard, no one does more than the BBC, but we have to work even harder to reach out into all the UK's communities. We have to do even more to make sure different perspectives and voices are represented, on air and on screen. Our local and nations services need to be truly relevant to audiences in each place. And we must continue to work to address the audience perception and usage challenges we face across the UK's nations, regions and diverse communities, which are summarised in the following pages.

We continue to transform what we offer audiences in Wales, Scotland, Northern Ireland and in the English Regions. We continue to shift resources, staff and services out of London and support the creative industries across the UK. And we continue to work hard to be a truly inclusive workplace, with a workforce that reflects the whole of the UK it serves.

Our fifth public purpose is to reflect the UK, its culture and values to the world.

The BBC's global services are a priceless asset for the UK. They now carry the distinctive culture, voice and values of this country to a weekly audience of 468 million people around the world.

The BBC's position as the world's most trusted international news brand is particularly significant in an era when, in many parts of the world, the media is less free than it was ten years ago. Disinformation and 'fake news' have become the weapon of choice for repressive regimes everywhere. The well-funded, state-backed actors of Russia and China see news as an extension of state influence and a tool for democratic disruption.

The result is that the value to democracy and liberty of BBC News around the world is higher than ever. And as Britain seeks to reshape its international identity and forge new relationships with the world, the role the BBC plays for the UK and our influence abroad could hardly be more vital.

The case studies and highlights included in the following pages demonstrate some of the ways in which we have met the requirements of these five public purposes over the past year.

1

To provide impartial news and information to help people understand and engage with the world around them

→ Read more on pages 20-21

2

To support learning for people of all ages

→ Read more on pages 22-23

3

To show the most creative, highest quality and distinctive output and services

→ Read more on pages 24-29

4

To reflect, represent and serve the diverse communities of all of the United Kingdom's nations and regions and, in doing so, support the creative economy across the United Kingdom

→ Read more on pages 30-39

5

To reflect the United Kingdom, its culture and values to the world

→ Read more on pages 40-41

Delivering our public purposes

1. To provide impartial news and information to help people understand and engage with the world around them

These pages demonstrate ways in which the BBC met its obligation to provide impartial news and information over the last year

UK Election

BBC News had one overriding aim in its coverage of the snap UK General Election – to be on the side of the audience. And despite noisy debates on social media, audience research showed the BBC was the most highly rated, as well as the most widely used, news brand amongst audiences during the election.

This was echoed by further research, in which over half of respondents found the BBC to be ‘best for campaign coverage’ – a score five times higher than the nearest competitor.

Along with the ‘set piece’ coverage – debates, a *Question Time* special, leader interviews – the BBC focused on reporting from around the UK, with special coverage broadcast from ten constituencies around the country.

We did more than ever to serve all audiences – whether they wanted their information via *Newsbeat* or *Newsnight*, *Electioncast* or *BBC Breakfast*, the *News at Ten* or Instagram. That included simple manifesto guides and an iPlayer-first digital explainer offering straightforward analysis of the issues that mattered.

Panorama – undercover hospital abuse scandal

An undercover investigation for *Panorama* revealed shocking abuse at Whorlton Hall, an NHS-funded, privately run hospital for vulnerable adults with autism and learning difficulties. Secret filming by reporter Olivia Davies showed patients being bullied and belittled by the staff who were supposed to care for them. One 20-year-old female patient was psychologically tortured, according to experts who viewed the footage.

The programme’s impact was immediate. The hospital was closed. The care minister and national regulator, the CQC, apologised. Ten staff were arrested. There was a debate in Parliament, a petition for change online, and there are ongoing investigations into the CQC and the hospital’s private provider.

This programme was made eight years after *Panorama* exposed the terrible abuse of patients at another specialist hospital for vulnerable adults, Winterbourne View. In the wake of that investigation, reform

was promised, but this investigation showed a system that was still letting down the most vulnerable.

Coronavirus

Trusted and accurate information is vital in a public health emergency, and BBC News has never had a more important role to play than in its coverage of the coronavirus outbreak. Shortly after the scale of the crisis became evident, BBC News announced its plans to maintain a continuous news service throughout by streamlining content and reducing the number of studios used. This was designed to address anticipated staff shortages and lessen the number of staff who needed to work from our buildings.

Those staff who could, worked from home, and programmes soon looked rather different as social distancing rules came into force, with boom microphones much in evidence, remote interviews becoming the norm, and no studio audience for *Question Time*. Travel was cut down and local reporters played a far greater role.

BBC News put a major focus on explaining the virus and its consequences to its audience, with regular ‘Your Questions Answered’ slots and online explainers which were viewed over 60 million times.

The Government’s daily press briefings were broadcast live on *BBC News Special* programmes. The popular podcast *Newschat* became *The Coronavirus Newschat*, mixing analysis from some of BBC News’s biggest names with interviews about life in isolation.

It immediately became clear that audiences were turning to BBC News in their millions, with a third of the adult population watching the *Six O’Clock News* each week in the early days of the crisis, the biggest online audiences ever, and record figures for BBC Sounds.

Crossing Divides

Crossing Divides Live was a ground-breaking experiment for BBC Radio 5 live news coverage, with the aim of creating greater understanding of all views and opinions.

At a time when it’s increasingly hard to find common ground, 5 live brought together people who disagree and might never normally meet, to have training in deep listening and discuss one-to-one and face-to-face the big issues like climate change, class, lifestyle, equality, immigration and Brexit.

8/10 2018/19
8/10

Pan-BBC News reach
Number of UK adults (16+) who use BBC News services each week.

Source: Kantar Media

BBC News reach by platform

BBC TV Network News and Current Affairs **59%** 2018/19
60%

% of UK adults (16+) who watch BBC TV Network News and Current Affairs each week.

Source: BARB, reach based on 3+mins (For the % of adults who watch dedicated BBC TV news for the nations and regions of the UK, see pages 32-36)

BBC Network Radio News and Current Affairs programmes **36%** 2018/19
38%

% of UK adults (16+) who listen to news and current affairs programmes on BBC Network Radio each week.

Source: RAJAR, reach based on 15+mins, excludes bulletins that are not part of a news or current affairs programme (For the % of adults who listen to BBC Radio stations dedicated to the nations and regions of the UK, see pages 32-36)

BBC News Online **42m** 2018/19
33m

Average number of unique UK browsers accessing BBC News Online each week.

29%

% of UK adults (16+) who use BBC News Online each week.

Source: browser reach: AT Internet (Adobe DAX in 2018/19); 16+ people reach: Compass by Ipsos MORI

BBC News sets a high standard for quality

BBC TV **76%** 2018/19
75%

weekly users saying effective (ineffective 9%. 2018/19: 8%).

BBC Radio **83%** 2018/19
78%

weekly users saying effective (ineffective 6%. 2018/19: 8%).

BBC Online **79%** 2018/19
80%

weekly users saying effective (ineffective 7%. 2018/19: 8%).

Source: Ipsos MORI

People from all backgrounds from across the UK took part in a day of debate, broadcast across 5 live, the BBC News channel, on the BBC World Service and BBC News Online. *Crossing Divides Live* was ambitious, distinctive and compelling.

Newsnight: Prince Andrew interview

In November, Emily Maitlis recorded an unusual *Newsnight* special from Buckingham Palace – an interview with Prince Andrew, whose friendship with the convicted sex offender Jeffrey Epstein was under increasing scrutiny. The interview had taken months to secure. It had far-reaching consequences.

The interview made headlines worldwide and dominated the UK news agenda, even in the midst of the UK General Election campaign.

Days after the interview, the Prince announced he would be stepping back from his public duties.

The interview won the RTS awards for Scoop of the Year and Interview of the Year, with Emily Maitlis named Network Presenter of the Year and *Newsnight* the Daily News Programme of the Year.

A fortnight later, one of Epstein's victims, Virginia Roberts Guiffre, spoke on BBC's *Panorama*, in her first interview on British television.

HRH The Duke of York being interviewed by Emily Maitlis for *Newsnight*



71% 2018/19
70%

% of UK adults who think BBC News & Current Affairs is effective at helping them understand what is happening in the UK/world today (ineffective 14%. 2018/19: 15%).

Source: Ipsos MORI

63% 2018/19
62%

% of UK adults who think BBC News & Current Affairs is effective at helping them understand what is happening in their part of the UK (ineffective 16%. 2018/19: 18%).

Source: Ipsos MORI

66% 2018/19
62%

% of UK adults who think BBC News & Current Affairs is effective at informing them about the day's issues so they can make up their minds (ineffective 15%. 2018/19: 17%).

Source: Ipsos MORI

54% 2018/19
52%

% of UK adults who think the BBC is effective at providing news and current affairs that is impartial (ineffective 25%. 2018/19: 28%).

Source: Ipsos MORI

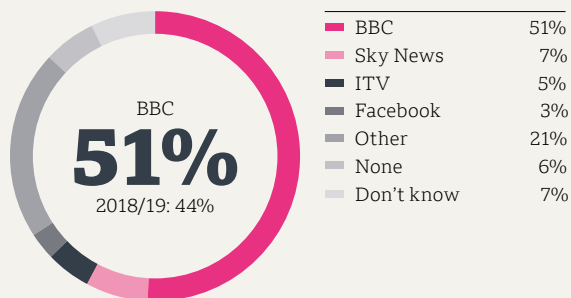
69%

% of UK adults who think the BBC is effective at providing accurate news and current affairs (ineffective 15%).

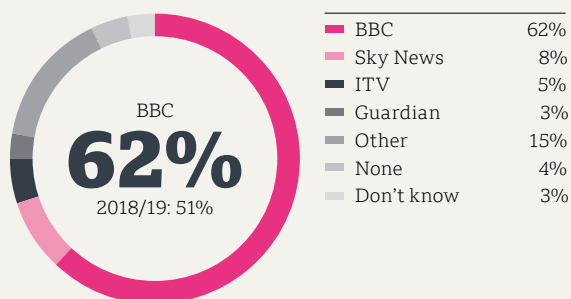
Source: Ipsos MORI

Of all the news sources (TV, radio, newspaper, magazine, website, app or social media) which one source are you most likely to turn to...

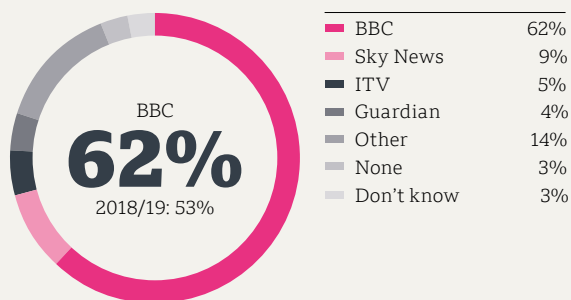
... if you want impartial news coverage



... for news you trust the most



... if you want accurate news coverage



Source: Ipsos MORI for the BBC, 1,013 UK adults 18+ who follow the news, March 2020

Hours of current affairs (BBC One and BBC Two)



Delivering our public purposes

2. To support learning for people of all ages

The following case studies show the breadth of content that the BBC provides for children and young people

Newsround

Newsround continues to be a strong centrepiece of our offer to children, who are looking increasingly online for their news. In response, the Newsround team have made further steps in creating content for a digital-first audience, with two special features looking at how kids live in the shadow of the US/Mexico border wall, and the unique challenges for children in South Korea. Newsround continues to develop its online service, and TV remains strong too. A special on the Holocaust won Best Factual Programme at the Children's BAFTAs, and we have seen an increase during the last year in teachers showing the morning bulletin in classrooms, with some particular peaks on important news days such the UK General Election.

999k

Newsround website average weekly unique browsers (2018/19: 604k)

Consistently during the year children cited climate change as their number one topic of interest, and another significant piece for Newsround this year was a survey on young peoples' climate anxiety, along with related stories. It was another example of agenda-setting journalism from Newsround, being picked up across other BBC outlets and in the wider press. It illustrates how Newsround still executes its core purpose; putting children at the heart of the story.

81% ^{2018/19} 81%

Under 16s pan-BBC reach
% of under 16s who use BBC TV/iPlayer, radio or online each week.

Source: Ipsos MORI

84% ^{2018/19} 85%

0-6s pan-BBC reach
% of 0-6s who use BBC TV/iPlayer, radio or online each week.

Source: Ipsos MORI

79% ^{2018/19} 78%

6-12s pan-BBC reach
% of 6-12s who use BBC TV/iPlayer, radio or online each week.

Source: Ipsos MORI

A Week to Beat the World

Last year CBBC launched an innovative and ambitious format promoting physical activity, adventure and culture and immersing the audience in different lifestyles around the globe. A Week to Beat the World took six high-achieving sporty kids from the UK and challenged them to compete against locals in some of the toughest environments and most unusual games on earth.

Travelling to six different countries across the series, the contributors had to master sports ranging from the ancient Mayan ball game of pitz in Guatemala and sumo in Japan, to lion-dancing in Malaysia and the Maasai games in Kenya. As well as training hard in these disciplines, the British children lived alongside their coaches and hosts and befriended local kids, whether from the Brazilian favelas or the nomadic horse-riders of Mongolia. Through their experiences our audience were able to appreciate the differences between our cultures and, crucially, the similarities that unite us.

60% ^{2018/19} 58%

Average weekly reach of BBC Children's content across TV, iPlayer and online among under 16s.

Source: Ipsos MORI

79% ^{2018/19} 79%

Average weekly reach of BBC Children's content across TV, iPlayer and online among 0-6s.

Source: Ipsos MORI

58% ^{2018/19} 52%

Average weekly reach of BBC Children's content across TV, iPlayer and online among 6-12s.

Source: Ipsos MORI



04:55 ^{2018/19} 05:01

Length of time under 16s spend with the BBC each week

Source: Ipsos MORI

7/10 ^{2018/19} 7/10

Perception of BBC by under 16s: mean score out of 10.

Source: Ipsos MORI

60% ^{2018/19} 61%

% of parents who think the BBC is effective at supporting children and teenagers with their learning (ineffective 15%. 2018/19: 14%).

Source: Ipsos MORI

64% ^{2018/19} 65%

% of UK adults who think the BBC is effective at helping them learn new things (ineffective 17%. 2018/19: 16%).

Source: Ipsos MORI

CBBC's A Week to Beat the World



38% 2018/19
40%

Bitesize: reach % primary pupils
% of primary school pupils who use Bitesize.

Source: YouGov, DJS

73% 2018/19
75%

Bitesize: reach % secondary pupils
% of secondary school pupils who use Bitesize.

Source: YouGov, DJS

62% 2018/19
58%

Bitesize: % of secondary school users who say Bitesize has helped them to achieve better grades.

Source: YouGov, DJS

83% 2018/19
82%

Bitesize: % of under-16 users who say Bitesize has helped them understand their studies/learning more.

Source: YouGov, DJS



15
British Academy Children's Awards
We won 15 out of the 19 categories we were eligible to enter.



Super Movers on BBC Teach

Super Movers

Super Movers is an innovative partnership between BBC Education and the Premier League, designed to help primary school teachers inspire children to become more physically active throughout their school day – based on evidence that this can positively impact educational outcomes with improvements in pupils' concentration, motivation and enjoyment of learning. Teachers were able to draw on free content from the Super Movers website which offered simple solutions to help children learn whilst they move, including exercises to support numeracy and literacy.

The Premier League support included involvement from Premier League players and mascots, as well as donated kit packs to schools which supported uptake of the BBC-led content. The campaign was featured in other parts of our output too, such as *BBC Breakfast*, *The One Show* and via BBC Sport ambassadors Gabby Logan and Alex Scott.

BBC Education and the Premier League continue to work together on Super Movers with all the existing content now available on the BBC Teach platform, developing new resources to help enrich the lives of primary age children across the UK.

94% 2018/19
94%

% of children who have used Super Movers say they either love it or like it

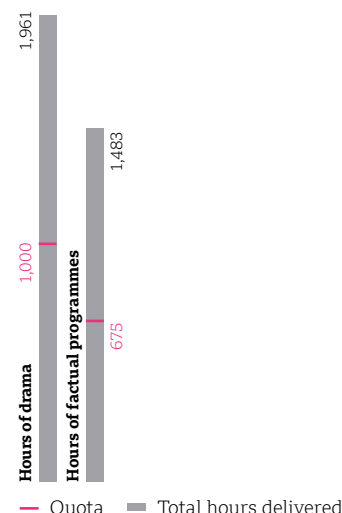
Source: EdComs

95% 2018/19
87%

% of parents who use Super Movers agree: 'Super Movers videos have had a positive impact on my child's learning'

Source: EdComs

CBBC



Delivering our public purposes

3. To show the most creative, highest quality and distinctive output and services

These pages provide examples of the range of creativity and quality, distinctive content produced across the BBC last year

This Country

In 2016, BBC Comedy took a chance on siblings Daisy May and Charlie Cooper, brand new writing and acting talent with a unique comic voice that has gone on to win them numerous plaudits. Their multi award-winning show is full of heart and a deep personal understanding and appreciation of the community in which it is based. *This Country* portrays a section of our society not regularly represented on screen, and has gained cult-like status with audiences. Across the three series and a *The Aftermath* special episode in 2017, *This Country* was requested over 52 million times on iPlayer by the end of March, making it one of the biggest BBC Three comedies since the channel went online in 2016 – this figure puts it on par with the Emmy and Golden Globe winning *Fleabag*, and illustrates how strong programme brands can grow online and the long-term value to iPlayer of scripted content.

Cricket coverage

The summer of 2019 was a time for cricket to shine on the BBC Sport website and app, thanks to a rich mix of audio commentary, video clips and live blogging. England's win in the Cricket World Cup (CWC) final was the stand-out moment of the sporting year and it brought in over 4.8 million unique browsers to the site. Meanwhile, a single clip of Ben Stokes from the Ashes was played over 965,000 times.

The CWC final online page had a staggering 40.1 million page views with the total time spent in it by the audience totalling 524,213 hours. There were 1.3 million listening requests to the *Test Match Special (TMS)* commentary digitally on that day.

Over the course of the CWC there were 30.6 million browsers to the Sport cricket section online; 10.6 million online listening requests to the *TMS* coverage; and over 33 million video clip plays – making it the biggest event for video outside the Olympics and men's football World Cups.

The CWC was followed by the Ashes – and the Headingley Test match, won thrillingly by Stokes in August, proved outstanding as well, attracting 3.3 million unique browsers to BBC Sport's live coverage, 3.1 million requests for video clips, and 1.3 million requests to *TMS* audio.

His Dark Materials

BBC One's much-anticipated adaptation of Philip Pullman's classic fantasy novels opened to five-star reviews and huge ratings, with an average audience of 11.4 million tuning in across all screens. It was the biggest launch for a new series of any genre across all channels in 2019. With an all-star cast, *His Dark Materials* was praised for its performances, family-viewing credentials, sumptuous visual effects and intelligent writing. The series proved to be a hit with 16-34 year olds, skewing younger than any other new drama on BBC One last year.



BBC One's His Dark Materials



78% ^{2018/19} 79%

% of UK adults (16+) in TV homes who watch BBC TV each week.

Source: BARB (now includes 28 days)

07:39 ^{2018/19} 07:46

Length of time UK adults (16+) in TV homes spend with BBC TV each week (hh:mm).

Source: BARB (now includes 28 days)

61% ^{2018/19} 63%

% of UK adults (16+) who listen to BBC Radio each week.

Source: RAJAR

09:04 ^{2018/19} 09:33

Length of time UK adults (16+) spend with BBC Radio each week (hh:mm).

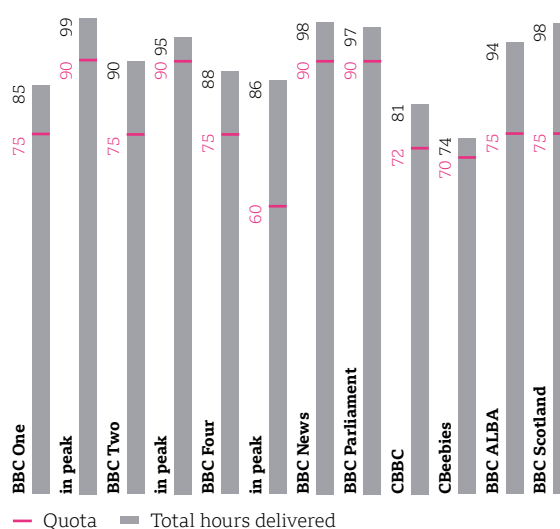
Source: RAJAR

54%

% of UK adults (16+) who use BBC Online each week.

Source: Ipsos MORI

% of hours that were originations



Originations include all BBC-commissioned programmes including repeats measured across the 2019 calendar year

World-class podcasts

Podcasts are at the heart of how we reach audiences with innovative BBC audio, particularly younger people who increasingly choose to listen on-demand and on mobile. This year we significantly increased our creative ambition on BBC Sounds, commissioning more series specifically for the podcasting medium. We've brought emerging voices to a wider audience through podcasts such as *Have You Heard George's Podcast?*, *Jacob Hawley on Drugs, After: Surviving Sexual Assault*, *United Zingdom* and *Fashion Fix*. News and investigative podcasts have given listeners in-depth storytelling and analysis in a new way, from *Brexitcast/Electioncast*, *The Next Episode*, *Manhunt* to *The Missing Cryptoqueen*.

Podcasts can educate and entertain in a unique way, whether they're audio dramas such as *Forest 404*, hit factual series such as *Tunnel 29*, *13 Minutes to the Moon* and *You're Dead To Me*, or titles that allow listeners to spend time with well-known presenters, such as *Match of the Day: Top 10* and *The Gemma Collins Podcast* as well as *That Peter Crouch Podcast*, *Fortunately with Fi and Jane* and *Tailenders*, which have continued to be very popular this year.

BBC iPlayer

BBC iPlayer had a record-breaking year, with 4.8 billion requests to stream programmes in 2019/20. Programmes are now available to watch for at least 12 months, the selection of series boxsets has been widened, and all episodes for many new series have been made available at the same time, putting viewers in control of when they watch. The live offer was enhanced through national events such as Wimbledon and Glastonbury, and in March, we launched a new BBC iPlayer children's experience for internet-connected TVs – bringing together the best from CBeebies, CBBC and other suitable BBC programming, all in one place.

9.1m **2.9m**

Accounts overall Under 35 year olds' accounts
Signed-in reach of iPlayer
Average weekly accounts signing in to iPlayer (2018/19: 6.4 million overall; 2.0 million under 35).
Source: AT Internet/BBC Account data

32.6m

Average weekly hours played through iPlayer (18/19: 25.5 million).
Source: AT Internet/Sky catch-up data

12%

% of all BBC TV viewing that is delivered by iPlayer (18/19: 9%).
Source: BARB/AT Internet/Sky catch-up data

83% **84%**

16+ 16-34
% of weekly users rating iPlayer as effective at helping the BBC to deliver the mission overall (9% of 16+ and 9% of 16-34 users say ineffective).
Source: Ipsos MORI

8/10 **8/10**

16+ 16-34
Weekly users' rating of iPlayer (mean score) (2018/19: 16+: 8/10; 16-34: 8/10).
Source: YouGov

83% **84%**

16+ 16-34
% of weekly users rating iPlayer as effective at helping the BBC to deliver the public purposes overall (8% of 16+ and 8% of 16-34 users say ineffective).
Source: Ipsos MORI

News purpose
82% **84%**

16+ 16-34

Learning purpose

82% **82%**

16+ 16-34

Creativity/quality purpose

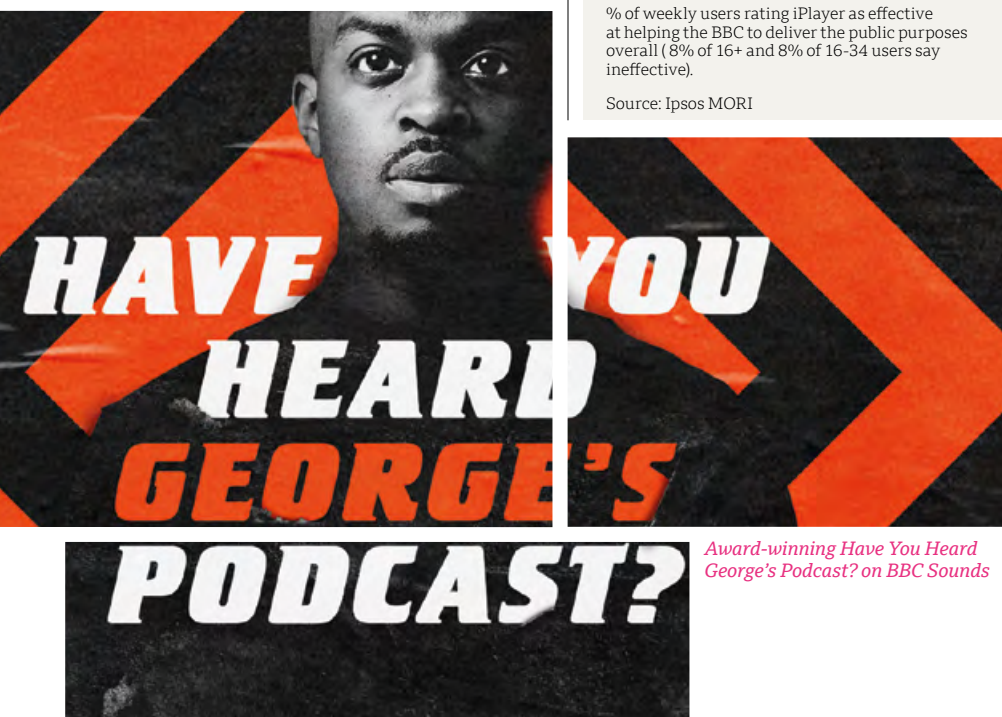
84% **82%**

16+ 16-34

Reflect/represent/serve purpose

76% **78%**

16+ 16-34
% of weekly users rating iPlayer as effective at helping the BBC to deliver each public purpose (Under 10% of 16+ and 16-34 users say ineffective per purpose).
Source: Ipsos MORI



Award-winning *Have You Heard George's Podcast?* on BBC Sounds

Delivering our public purposes

3. To show the most creative, highest quality and distinctive output and services *continued*

Seven Worlds, One Planet

Presented by Sir David Attenborough and featuring extraordinary wildlife stories and unseen wilderness, this standout series on BBC One used cutting edge technology, and celebrated the diversity of life on each continent, showcasing remarkable animal behaviour and new species. An average audience of nine million tuned in per episode across all screens. It has been the BBC's most watched factual programme of 2019.

Drag Race UK

The first ever UK version of *RuPaul's Drag Race* was a hit on BBC Three, with audiences flocking to it in droves and an RTS award for Entertainment. Michelle Visage, Graham Norton and Alan Carr joined RuPaul as judges to crown The Vivienne as the winner. In a first for BBC Three, the channel experimented by dropping new episodes at 8pm every Thursday, which made iPlayer a destination for appointment to view television, resulting in 15 million requests for the series, with almost two-thirds of them from 16-34s. Many enjoyed the show as 'live' or joined viewing parties across the country for a hit entertainment show that brought something new to the BBC.

Year of Beliefs

Throughout 2019, the Year of Beliefs shone a light on faith, belief and values in modern Britain with programming that reflected the complexities of life in the 21st century and offered a place to celebrate and mark key moments in the religious calendar. There were major series on TV and radio, special reports on News and content for younger audiences on CBeebies, CBBC and online, alongside a wider representation of faiths and festivals across all our networks.



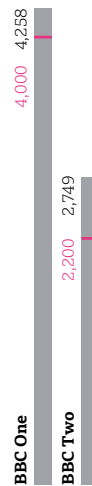
Change the Game

The BBC made the biggest ever commitment to women's sport in its history. The aim was to celebrate sportswomen and elevate women's sport to the mainstream, bringing more sport to more people whilst challenging and changing preconceived ideas around women's sport. In May, we launched Change the Game, a multi award-winning campaign that would put women's sport and female athletes front and centre across the BBC. The FIFA Women's World Cup and Netball World Cup formed the core of the campaign, which also included Wimbledon, the World Athletics Championships, the Women's Ashes, the Women's FA Cup final and the Solheim Cup. Unprecedented marketing commitment and specially commissioned programming across TV, radio and digital platforms added to a season of content that not only raised the profile and positioning of women's sport, but created new heroes and got the nation talking about our female sport stars.

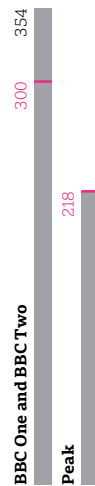
Next year, the BBC will be the only destination for the UEFA Women's Euro 2021 after securing rights to the tournament. Our coverage of the FIFA World Cup 2019 in France reached more than 28.1 million people on TV alone. England's World Cup semi-final with the USA had a peak audience of 11.7 million and 1.7 million requests on iPlayer and on the sports site.



Hours of first-run originations across daytime and peak



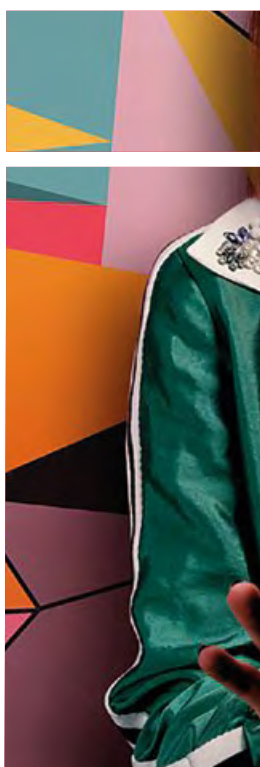
Hours of comedy programmes, some in peak



Measured across the 2019 calendar year. First-run originations do not include repeats.

BBC Two's Race Across the World





Jess Gillam presenting BBC Radio 3's *This Classical Life*

This Classical Life

This Classical Life is hosted by saxophonist Jess Gillam, a former BBC Young Musician finalist, and – at 21 – the station's youngest ever presenter. Jess is joined by up-and-coming musicians – classical and beyond – to share new discoveries across all genres, and reveal how music shapes their lives. The programme won Best Specialist Music Show at the 2020 ARIAs and is also available as a podcast, as part of the station's drive to reach younger audiences seeking stimulating new musical entertainment across all genres.

Race Across the World

Epic and ambitious new global travel competition format, *Race Across the World*, captured the imagination of millions of viewers and was a huge critical and word-of-mouth hit for BBC Two. The first series followed five pairs of travellers as they raced over 12,000 miles, two continents, 21 countries and four seas, from London to Singapore, without the use of air travel, smartphones, credit cards or any trappings of modern day life. *Race Across the World* was the highest launching factual entertainment show on BBC Two in 2019, with the final episode gaining an average audience of 3.5 million across all screens, and the series particularly resonated with younger viewers. Series two started in March 2020 with five new pairs battling to race the length of Latin America, from Mexico City to the world's most southerly city, Ushuaia, in Argentina.

BBC quality and distinctiveness by platform

	Sets a high standard for quality	Distinctive
BBC TV	72% <small>2018/19 72%</small> weekly users saying effective (ineffective 9%. 2018/19: 9%).	70% <small>2018/19 69%</small> weekly users saying effective (ineffective 9%. 2018/19: 10%).
BBC Radio	77% <small>2018/19 75%</small> weekly users saying effective (ineffective 8%. 2018/19: 7%).	76% <small>2018/19 73%</small> weekly users saying effective (ineffective 8%. 2018/19: 8%).
BBC Online	70% <small>2018/19 69%</small> weekly users saying effective (ineffective 9%. 2018/19: 8%).	66% <small>2018/19 64%</small> weekly users saying effective (ineffective 10%. 2018/19: 9%).

Source: Ipsos MORI



Delivering our public purposes

3. To show the most creative, highest quality and distinctive output and services *continued*

Radio 1's Christmas guest presenters

Radio 1 gave new and emerging talent the opportunity to broadcast on the UK's biggest youth radio station over the festive period in 2019, selecting submissions from anyone with previous radio experience, be it in community, hospital, student or local radio. Amongst those selected were YouTuber and activist Lucy Edwards, who became Radio 1's first blind presenter, and presenter and podcaster Jacob Edward, who became the first non-binary person to host a show on the station.

The Novels That Shaped Our World

A year-long season of programming across BBC TV and radio launched in autumn 2019, marking the 300th anniversary of the English language novel. At the heart of the season, a BBC Two series examined the influence of three major historical and social elements on the creation of novels: the British Empire and slavery, women's voices, and working class experience. The episodes highlighted the role of books as agents of social change, spearheading shifts in attitudes and perceptions.

The series was accompanied by a collaborative festival, involving the BBC, libraries and reading groups, which focused on identifying the top 100 novels which have had an impact on our cultural world over the last three centuries.

Gentleman Jack

BAFTA-winning screenwriter Sally Wainwright's passion project had an LGBT love story at its heart, telling the little-known true story of the revolutionary landowner Anne Lister, played by Suranne Jones. Filmed on location in and around Halifax – including at Lister's real home, Shibden Hall – the 'Gentleman Jack effect' was credited for a 20% rise in local hotel bookings and a threefold increase in visitor numbers to Shibden Hall in the second half of 2019. The eight-part BBC One series launched to an average audience of 7.9 million across all screens, making it one of the BBC's top five new dramas for 2019.

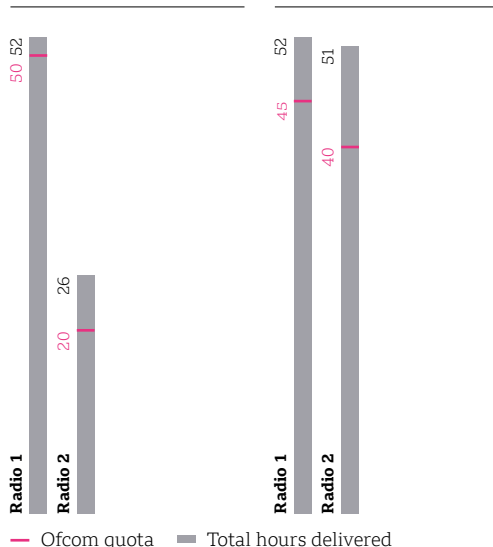


100 Novels That Shaped Our World judging panel



% of new music in daytime, with significant proportion from new and emerging UK artists

% of music in daytime from UK acts



41% of additions to the Radio 1 playlist and 20% of additions to the Radio 2 playlist during 2019 came from 'new and emerging UK artists'.



RTS Award-winning drama Gentleman Jack, BBC One



62% ^{2018/19}
63%

% of UK adults who think the BBC is effective at providing content/services that set a high standard for originality (ineffective: 16%. 2018/19: 14%).

Source: Ipsos MORI

61% ^{2018/19}
64%

% of UK adults who think the BBC is effective at providing content/services that are distinctive (ineffective: 15%. 2018/19: 13%).

Source: Ipsos MORI

61% ^{2018/19}
65%

% of UK adults who think the BBC is effective at providing content/services that set a high standard for creativity (ineffective: 16%. 2018/19: 14%).

Source: Ipsos MORI

68% ^{2018/19}
70%

% of UK adults who think the BBC is effective at providing content/services that set a high standard for quality (ineffective: 13%. 2018/19: 12%).

Source: Ipsos MORI

64% ^{2018/19}
67%

% of UK adults who think the BBC is effective at providing content/services that cater for a wide range of tastes (ineffective: 15%. 2018/19: 14%).

Source: Ipsos MORI

Delivering our public purposes

4. To reflect, represent and serve the diverse communities of all of the United Kingdom's nations and regions and support the creative economy

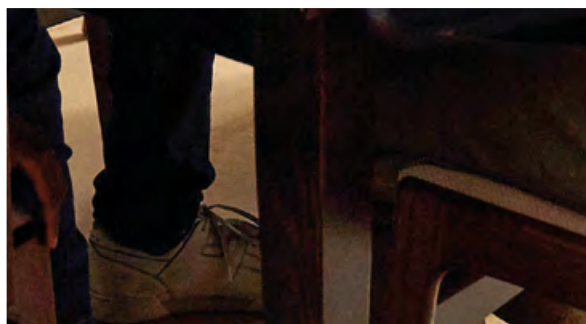
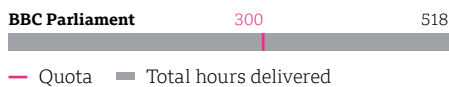
The BBC is committed to serving its audiences across the UK, providing high-quality, distinctive and relevant content for licence fee payers, helping to maintain reach and providing an effective vehicle to reflect the range of cultures and communities.

Dedicated services

The BBC also provides a range of dedicated, cross-genre output for Scotland, Wales, Northern Ireland and the English Regions across television, radio and online. Each area makes television and radio programmes and online content for their local audience and for the network.

We have major production centres in Glasgow, Cardiff, Belfast, Salford, Bristol, Birmingham and London.

Hours of proceedings of the Scottish Parliament, Northern Ireland Assembly and Welsh Parliament



7/10 2018/19
7/10

The average general impression score adults in the UK give the BBC.

Source: Kantar Media



Behind the scenes of BBC Two drama *Trigonometry*

Network supply

Over half of network television production is in the nations and regions, with 50.7% from outside London and 20.8% from Scotland, Wales and Northern Ireland.

Network television programming spend by region as a percentage of eligible spend

	2019	2018
London	49.3%	49.3%
Scotland	9.1%	10.4%
Wales	8.2%	6.3%
Northern Ireland	3.5%	3.1%
Total nations	20.8%	19.8%
Midlands	2.8%	2.2%
North of England	14.0%	17.6%
South of England	9.8%	8.6%
Multi-region*	3.3%	2.5%
Total regions excl. London	30.0%	30.9%
Total nations and regions	50.7%	50.7%
Grand total	100%	100%

BBC Local Radio** and nations radio hours of output

	2019	2018
England (excl. London)	250,281	236,870
London	8,784	8,679
Scotland	11,844	11,888
Wales	14,791	14,960
Northern Ireland	8,221	8,283

Network television spend based on Ofcom definitions by calendar year.

* Multi-region covers programmes made outside London but which cannot be attributed to any one region or nation.

** The BBC Local Radio and nations radio hours of output only includes BBC original programmes and excludes any repeat programmes.

UK PSB staff by nation

We also remain committed to locating at least 50% of our employees outside of London and some 52% are currently based outside of the M25.

UK PSB staff by nation (equivalent full time) % (excl. BBC Studios in 2019)

Nation	31 March 2020	31 March 2019
England (excl. London)	34	34
London	48	48
Scotland	7	7
Wales	7	7
Northern Ireland	4	4

The pages that follow set out examples of activity that the BBC is undertaking in each nation of the UK to help fulfil the purposes. There are differences in usage and perceptions of the BBC in different areas of the UK that the BBC is seeking to reduce. For example, the BBC Scotland channel is already contributing to delivery of the purposes in Scotland, and this July new plans were announced to transform local services in England. Meanwhile, schedule changes on radio in both Wales and Northern Ireland have helped to address audience declines to BBC Radio Wales and BBC Radio Ulster.

57% 2018/19
55%

% of UK adults who think the BBC is effective at reflecting the part of the UK they live in (ineffective 20%. 2018/19: 20%).

Source: Ipsos MORI

56% 2018/19
56%

% of UK adults who think the BBC is effective at catering for the part of the UK they live in (ineffective 20%. 2018/19: 20%).

Source: Ipsos MORI

56% 2018/19
56%

% of UK adults who think the BBC is effective at reflecting people like them (ineffective 21%. 2018/19: 21%).

Source: Ipsos MORI

61% 2018/19
61%

% of UK adults who think the BBC is effective at providing content/services relevant to them (ineffective 19%. 2018/19: 18%).

Source: Ipsos MORI

64%

% of UK adults who think the BBC has programmes, content and services that raise awareness of the different ways of life and perspectives in UK society (ineffective 16%).

Source: Ipsos MORI



Delivering our public purposes

4. To reflect, represent and serve the diverse communities of all of the United Kingdom's nations and regions and support the creative economy *continued*

Hidden (Craith) on BBC One Wales and S4C

The BBC in Wales

It was a year dominated by Brexit and a Christmas UK General Election – and BBC Wales offered comprehensive coverage of both across its services and on S4C. Led by Political Editor Felicity Evans, and Welsh Affairs Editor Vaughan Roderick, round-the-clock coverage explored every aspect of the economic, political and social outlook.

Away from news, drama from Wales continued apace. The RTS Best Single Drama Award winner *The Left Behind* was an unflinching account of the roots of the far right in Wales – and the role socio-economic factors can play in drawing people towards xenophobia and hate crime. *Keeping Faith* returned for a second series – this time on BBC One across the UK – and continued to attract millions of requests on BBC iPlayer. And the altogether darker *Hidden* returned for a second series on BBC One Wales and BBC Four. *His Dark Materials*, produced in Wales, also attracted international acclaim for its adaptation of Philip Pullman's novels.

Comedy was front and centre this year. A second series of *The Tourist Trap* saw the return of the all-star cast to poke some gentle fun at Welsh tropes and preoccupations. And *The Tuckers*, written by and starring Steve Spiers, made its mark instantly as it returned for a first full series following a pilot episode a year earlier.

There were also opportunities to explore Wales' landscape and history. The natural history series, *Wales: Land of the Wild*, narrated by Michael Sheen, gave us a remarkable window onto Wales' wildlife and countryside, whilst *The 1900 Island* was a unique insight into life in a fishing village at the turn of the last century. The prestigious *BBC Cardiff Singer of the World* also returned – drawing competitors from across the globe.

In our audio services, BBC Radio Cymru commissioned 12 new Welsh language podcasts for BBC Sounds, focusing heavily on younger audiences, whilst *Shreds*, the innovative collaboration between BBC Wales' newsroom and audio drama teams, had more than 450,000 plays on BBC Sounds.

This year we launched a new schedule on BBC Radio Wales which has helped to increase both the number of listeners and how long they listened for, and the numbers listening to BBC Radio Cymru were steady. While down year-on-year, BBC network radio listening and BBC TV viewing in Wales is higher than in England, Scotland and Northern Ireland.

Around half of BBC Wales' staff relocated to its new broadcast centre in Central Square in Cardiff before the coronavirus outbreak paused the move. Once completed, the move will open a new chapter in the story of broadcasting in Wales.

In mid-March, BBC Wales started to deal with the effects of the coronavirus pandemic. The initial editorial response focused on providing vital public information relating to Wales as well as entertainment on Radio Wales and Radio Cymru during the first weeks of lockdown.

To read more about how the BBC Board has monitored and reviewed performance in Wales, see the report on page 140.



% of adults in Wales who think the BBC is effective at informing, educating and entertaining people in the UK/them (ineffective: 14%. 2018/19: 12%).



% of adults in Wales who think the BBC is effective at providing content/services that set a high standard for quality (ineffective 11%. 2018/19: 11%).



% of adults in Wales who think the BBC is effective at reflecting people like them (ineffective 29%. 2018/19: 23%).



BBC Television reach
% of adults in Wales in TV homes who watch BBC Television each week.



BBC Television time per head
Time spent watching BBC TV in TV homes per head, per week in Wales (hh:mm).



BBC Radio reach
% of adults in Wales who listen to BBC Radio each week.



BBC Radio time per head
Time spent listening to BBC Radio per head, per week in Wales (hh:mm).



Dedicated Welsh news services on television
% of adults in Wales in TV homes who view this content on BBC Television each week.



BBC Online reach
% of adults in Wales who use BBC Online each week.

Sources: Ipsos MORI, BARB (28 days), RAJAR. All reach and time per head figures are based on adults 16+. BBC TV and BBC Radio reach based on 15+ minutes. BBC TV dedicated news services reach based on 3+ minutes. BARB figures for 2018/19 are restated to include viewing within 28 days of the linear broadcast.



Award-winning drama *Elizabeth is Missing*

The BBC in Scotland

In its first year of operation, the BBC Scotland channel reached more viewers in Scotland than any other digital channel, with one in six of the population tuning in each week. iPlayer requests to view BBC Scotland-commissioned and co-commissioned content have more than doubled since launch.

The BBC Scotland channel will be an important part of how we do more for audiences in Scotland and help to improve overall perceptions of the BBC in the nation. So far, the channel has helped minimise drops in TV viewing: the time Scots spent watching BBC TV was down in 2019/20 (as was their viewing of broadcast TV overall) but the drop was less than last year. Its rich mix of news, factual, entertainment, comedy, drama and sports has brought programmes as varied as *Murder Trial*, *Inside Central Station*, *Jamie Genevieve #Unfiltered* and the gripping comedy drama, *Guilt*, co-commissioned with BBC Two and which The Herald called “an appointment to view”.

Friday evening live football proved very popular with audiences, complemented by the irreverent sideways look at Scottish football offered by *A View from the Terrace*. The channel also featured the first linear transmission of the second series of the student drama series, *Clique*. Other drama highlights across the year included the four-part legal thriller, *The Victim*, and the return to the small screen after 25 years of Glenda Jackson in the poignant and compelling *Elizabeth is Missing*.

The landmark documentary series for BBC One, *Sacred Wonders*, travelled the globe to offer insight to the world’s holiest sites; the ever-popular *Trust Me, I’m a Doctor* returned; and a new series of *This Farming Life* followed the working lives of Scotland’s farming community.

It was a busy year for our news teams, with extensive coverage of a snap UK General Election in December, Brexit and the coronavirus crisis. There was a welcome return for *Debate Night* on the BBC Scotland channel and the conversations on the week’s hot topics continued on Radio Scotland’s *Debate Night Extra*.

Changes were made to the Radio Scotland schedules as the station looked to refresh its news offering. Radio nan Gàidheal developed programmes for learners and reflected community and music events. And sport – particularly women’s football – featured prominently on BBC ALBA.

The award-winning *The Social* continued to connect with younger audiences and its work on pick-up artists made the transition to television, with *Disclosure* and *Panorama* specials.

To read more about how the BBC Board has monitored and reviewed performance in Scotland, see the report on page 144.

Sources: Ipsos MORI, BARB (28 days), RAJAR. All reach and time per head figures are based on adults 16+. BBC TV and BBC Radio reach based on 15+ minutes. BBC TV dedicated news services reach based on 3+ minutes. BARB figures for 2018/19 are restated to include viewing within 28 days of the linear broadcast.

64% 2018/19
70%

% of adults in Scotland who think the BBC is effective at informing, educating and entertaining people in the UK/them (ineffective: 17%. 2018/19: 12%).

61% 2018/19
69%

% of adults in Scotland who think the BBC is effective at providing content/services that set a high standard for quality (ineffective 16%. 2018/19: 13%).

51% 2018/19
54%

% of adults in Scotland who think the BBC is effective at reflecting people like them (ineffective 22%. 2018/19: 24%).

79% 2018/19
81%

BBC Television reach
% of adults in Scotland in TV homes who watch BBC Television each week.

08:16 2018/19
08:45

BBC Television time per head
Time spent watching BBC TV in TV homes per head, per week in Scotland (hh:mm)

53% 2018/19
54%

BBC Radio reach
% of adults in Scotland who listen to BBC Radio each week.

06:53 2018/19
07:14

BBC Radio time per head
Time spent listening to BBC Radio per head, per week in Scotland (hh:mm).

44% 2018/19
45%

Dedicated Scotland news services on television
% of adults in Scotland in TV homes who view this content on BBC Television each week.

58%

BBC Online reach
% of adults in Scotland who use BBC Online each week.

73% Ineffective
12%

% of adult weekly users rating the BBC Scotland channel as effective at helping the BBC to deliver the mission overall in Scotland.

75% Ineffective
16%

% of adult weekly users rating the BBC Scotland channel as effective at helping the BBC to deliver the public purposes overall in Scotland.

Delivering our public purposes

4. To reflect, represent and serve the diverse communities of all of the United Kingdom's nations and regions and support the creative economy *continued*

BBC Two's Mountain Vets

The BBC in Northern Ireland

We reflected community and cultural life in its many different aspects across the BBC's services in Northern Ireland.

We reported issues linked to Brexit, elections and the return of devolved government at Stormont. And we explored the events and legacies of The Troubles with landmark programmes and series, and made effective use of BBC iPlayer to make this content more easily accessible.

We also refreshed the schedule on BBC Radio Ulster/Foyle and made a number of changes to programme formats, presentation and durations, seeking to maintain its distinctiveness and broad popular appeal. 2019/20 saw Radio Ulster/Foyle's reach stabilise following a decline the previous year.

BBC Radio Foyle celebrated its 40th birthday with a series of outside broadcasts and a special concert of music and readings from the Guildhall.

We showcased the excitement and spectacle of The Open at Royal Portrush and delivered critically acclaimed network output with a returning series of *Line of Duty* and an *Arena* profile of Seamus Heaney. We brought the Ulster Orchestra's work to listeners at home and around the UK and our local television output blended comedy with topical studio discussions, musical performances including *School Choir of the Year*, and documentaries. We profiled life and work in rural communities in *Home Ground* and *Mountain Vets* and captured the beauty of the Fermanagh Lakelands in *The Chronicles of Erne*.

We renewed our successful partnership with Libraries NI and developed an ambitious, youth-focused initiative in association with BBC Three and Northern Ireland Screen. We supported the region's linguistic diversity through programmes in Irish and Ulster-Scots and commissioned a broad range of content from the independent sector – underscoring our role in helping to sustain the wider creative industries and economy in Northern Ireland.

Our local services also played a critical role in keeping audiences informed about the coronavirus pandemic. And programmes such as *The Nolan Show* and *Talkback* provided a vital forum for people's issues and concerns. All of this was complemented by music, entertainment and educational output and new content about coronavirus' effects on everyday life.

To read more about how the BBC Board has monitored and reviewed performance in Northern Ireland, see the report on page 149.

62% 2018/19
65%

% of adults in Northern Ireland who think the BBC is effective at informing, educating and entertaining people in the UK/them (ineffective: 15%. 2018/19: 14%).

60% 2018/19
60%

% of adults in Northern Ireland who think the BBC is effective at providing content/services that set a high standard for quality (ineffective 17%. 2018/19: 16%).

52% 2018/19
50%

% of adults in Northern Ireland who think the BBC is effective at reflecting people like them (ineffective 23%. 2018/19: 25%).

79% 2018/19
81%

BBC Television reach
% of adults in Northern Ireland in TV homes who watch BBC Television each week.

06:45 2018/19
06:53

BBC Television time per head
Time spent watching BBC TV in TV homes per head, per week in Northern Ireland (hh:mm).

58% 2018/19
60%

BBC Radio reach
% of adults in Northern Ireland who listen to BBC Radio each week.

06:53 2018/19
07:26

BBC Radio time per head
Time spent listening to BBC Radio per head, per week in Northern Ireland (hh:mm).

48% 2018/19
50%

Dedicated Northern Ireland news services on television
% of adults in Northern Ireland in TV homes who view this content on BBC Television each week.

45%

BBC Online reach
% of adults in Northern Ireland who use BBC Online each week.

Sources: Ipsos MORI, BARB (28 days), RAJAR. All reach and time per head figures are based on adults 16+. BBC TV and BBC Radio reach based on 15+ minutes. BBC TV dedicated news services reach based on 3+ minutes. BARB figures for 2018/19 are restated to include viewing within 28 days of the linear broadcast.



BBC Local Radio New Voices team

The BBC in England

During the year we developed exciting plans to transform BBC services in England and to do more to refocus resources across the whole nation, with a particular focus on the Midlands and the North. The plans were approved by the Board and announced in July 2020. They are intended as a significant step towards addressing the challenges and differences in perception and usage of the BBC across the regions of England that the data on these pages shows.

And we continue to seek other new ways to engage with audiences across our services. In September, BBC Local Radio launched 'New Voices' – the biggest talent search in its 50-year history. All 39 local radio stations held open auditions in their areas. Anyone over 18 was welcome to audition, with no broadcast experience required. Every station found at least one new voice to develop but most found many more. In total, more than 421 new voices were discovered and have been featured on stations as presenters, reporters or contributors. The movement brought in voices from diverse, underserved and under-represented communities and was particularly successful at engaging with younger age groups, in Nottingham, for example, where 43% of hopefuls entering were aged 18-25.

Upload was rolled out across BBC Local Radio at the beginning of 2020. The platform is designed to launch the careers of writers, comedians and creators in the same way BBC Introducing Music has done for artists like Lewis Capaldi. Upload, first launched at BBC Bristol, enables anyone to share content to a hub where it is picked up by teams from the local radio station. Content is selected to contribute to a weekly programme for broadcast on local radio. It has brought in new voices from younger groups and underserved communities.

BBC England appointed a Head of TV Commissioning in 2019 with a brief to develop and deliver a broader offer for the audience in England and to reflect their lives in new and positive ways. In partnership with BBC Three, BBC England TV Commissioning now co-funds the successful series *Angels of the North* from Gateshead and the series *Models: Street to Catwalk* from Manchester and launched the talent initiative Northern Voices aimed at promoting young documentary talent in the North of England. BBC England TV Commissioning also partnered with other channels including BBC Two and BBC Four, delivering immersive walking series *Yorkshire Walks* and *A Very British History*, which reflects the lives of minority communities across England. We continue to build partnerships and work with other parts of the BBC to make new exciting programmes for the audience in England.

To read more about how the BBC Board has monitored and reviewed performance in England, see the report on page 153.

71% 2018/19
72%

% of adults in England who think the BBC is effective at informing, educating and entertaining people in the UK/them (ineffective: 12%. 2018/19: 12%).

69% 2018/19
71%

% of adults in England who think the BBC is effective at providing content/services that set a high standard for quality (ineffective 13%. 2018/19: 12%).

57% 2018/19
57%

% of adults in England who think the BBC is effective at reflecting people like them (ineffective 21%. 2018/19: 21%).

78% 2018/19
79%

BBC Television reach
% of adults in England in TV homes who watch BBC Television each week.

07:35 2018/19
07:38

BBC Television time per head
Time spent watching BBC TV in TV homes per head, per week in England (hh:mm).

62% 2018/19
63%

BBC Radio reach
% of adults in England who listen to BBC Radio each week.

09:15 2018/19
09:44

BBC Radio time per head
Time spent listening to BBC Radio per head, per week in England (hh:mm).

38% 2018/19
39%

Dedicated English Regions news services on television
% of adults in England in TV homes who view this content on BBC Television each week.

53%

BBC Online reach
% of adults in England who use BBC Online each week.

Sources: Ipsos MORI, BARB (28 days), RAJAR. All reach and time per head figures are based on adults 16+. BBC TV and BBC Radio reach based on 15+ minutes. BBC TV dedicated news services reach based on 3+ minutes. BARB figures for 2018/19 are restated to include viewing within 28 days of the linear broadcast.



Delivering our public purposes

4. To reflect, represent and serve the diverse communities of all of the United Kingdom's nations and regions and support the creative economy *continued*

The tables on this page set out the perceptions of people in different areas of England in terms of how effective they feel the BBC is at delivering the mission, reflecting people like them and setting a high standard for quality. It also shows how they use the BBC across TV, radio and online.

% of adults in different areas of England who think the BBC informs, educates and entertains people in the UK/them

	North of England 16+	Midlands 16+	South of England 16+	London 16+
Effective	69%	74%	73%	67%
Ineffective	15%	10%	12%	13%
2018/19: Effective/Ineffective	72%/14%	69%/12%	76%/11%	72%/11%

% of adults in different areas of England who think the BBC is effective at reflecting people like them

	North of England 16+	Midlands 16+	South of England 16+	London 16+
Effective	52%	58%	59%	59%
Ineffective	24%	17%	22%	21%
2018/19: Effective/Ineffective	56%/23%	58%/20%	57%/19%	54%/20%

% of adults in different areas of England who think the BBC is effective at providing content/services that set a high standard for quality

	North of England 16+	Midlands 16+	South of England 16+	London 16+
Effective	65%	71%	70%	69%
Ineffective	15%	13%	12%	10%
2018/19: Effective/Ineffective	69%/13%	71%/12%	74%/12%	69%/12%

BBC Television reach: % of adults in TV homes in different areas of England who watch BBC Television each week

	North of England 16+	Midlands 16+	South of England 16+	London 16+
2019/20	78%	78%	81%	74%
2018/19	80%	80%	81%	75%

BBC Radio reach: % of adults in different areas of England who listen to BBC Radio each week

	North of England 16+	Midlands 16+	South of England 16+	London 16+
2019/20	59%	67%	73%	50%
2018/19	61%	68%	73%	51%

Dedicated English Regions news services: % of adults in England in TV homes who view this content on BBC Television each week

	North of England 16+	Midlands 16+	South of England 16+	London 16+
2019/20	40%	37%	43%	32%
2018/19	42%	39%	43%	32%

BBC Television: Time spent watching BBC TV in TV homes per head, per week (hh:mm)

	North of England 16+	Midlands 16+	South of England 16+	London 16+
2019/20	07:44	07:23	08:47	06:24
2018/19	07:56	07:36	08:25	06:32

BBC Radio: Time spent listening to BBC Radio per head, per week (hh:mm)

	North of England 16+	Midlands 16+	South of England 16+	London 16+
2019/20	08:34	10:12	11:42	06:48
2018/19	09:03	10:50	12:11	07:08

BBC Online reach: % of adults in different areas of England who use BBC Online each week 2019/20

	North of England 16+	Midlands 16+	South of England 16+	London 16+
2019/20	51%	50%	54%	58%

Sources: Ipsos MORI, BARB (28 days), RAJAR. All reach and time per head figures are based on adults 16+. BBC TV and BBC Radio reach based on 15+ minutes. BBC TV dedicated news services reach based on 3+ minutes. BARB figures for 2018/19 are restated to include viewing within 28 days of the linear broadcast.

Delivering representation and portrayal

The BBC remains committed to ensuring our audiences in the United Kingdom's nations and regions see themselves authentically reflected and their stories told through all of our content on-air, online and on-screen. This helps us to respond to differences in usage and perceptions of the BBC among different audience groups and in different parts of the UK.

On-screen/on-air representation

Our Diversity Commissioning Code of Practice sets out our framework for greater on-air, on-screen and online representation, against which we measure progress in an annual report. These principles are built into how we operate: across all platforms, on- and off-screen, we actively search for new, diverse voices to enrich our storytelling, nurture emerging talent to make their mark, and work with established talent to showcase their best work.

This year we have collaborated with Michaela Coel on her ground-breaking series *I May Destroy You*, based on her real-life experience of sexual abuse, as well as exploring issues of consent, gender identity and sexuality, and with a predominantly black cast. We have developed *Small Axe* with Oscar winning director Steve McQueen – five compelling films focusing on London's West Indian community across 20 years – which provided 14 BBC funded black, Asian and minority ethnic trainees the opportunity to work on the production. We've adapted Malorie Blackman's award-winning novel *Noughts + Crosses*, with newcomer Masali Baduza in one of the lead roles, and we've put real-life stories like *Sitting in Limbo* and *Anthony* at the heart of our BBC One schedule. Glenda Jackson won a BAFTA for her performance portraying issues of old age and dementia in *Elizabeth is Missing*, and we have built diverse storylines around racism, gay romance, deafness, disability and mental health into continuing dramas *EastEnders*, *Casualty* and *Holby City*.

Reflecting and representing our audiences is central to what we do. Our Assistant Commissioner scheme helps to provide more diversity of thought, ideas and creativity to shape our editorial decision-making to deliver a wider variety of content both on-screen and online. This year we have told stories from across the UK which resonate with a range of communities; Mobeen Azhar won RTS Best Presenter for his compelling documentary series *HomeTown: A Killing* set in Huddersfield, which was in the top



BBC One drama *Years and Years*

20 factual shows for young audiences on iPlayer; David Olusoga told the story of the Windrush generation and their treatment by the British government in *The Unwanted: The Secret Windrush Files*, and Birmingham-born poet Sue Brown looked at the experience of the Caribbean community in BBC Four's *The First Black Brummies*. The Asian Network has hosted comedy nights in Birmingham and Edinburgh to develop relationships and identify emerging talent, while Radio 4 has commissioned *Doorstep Daughter*, a remarkable look at the cross-cultural experience of child-raising. BBC Sounds has commissioned podcasts that represent diverse audience groups in an authentic, relatable and entertaining way, including *The Reality Tea*, *Comic Sanskrit* and *Brown Girls Do It Too*. The BBC's 50:50 Project is a voluntary self-monitoring system to increase women's representation. During the second 50:50 Challenge in March 2020, two-thirds of datasets reached 50% of women contributors.

Authentically reflecting people

As a broadcaster we seek to lead by example. Principle two of our Diversity Commissioning Code of Practice highlights the importance of portrayal and authenticity to truly reflect our audiences. To this end, we have made significant investments in a number of projects that support opportunities for diverse creators who can authentically tell stories that portray the true depth and variety of all the audiences we serve.

Talent development schemes like BBC Writersroom have led to authentic new dramas and comedies including: *The Left Behind*, which centres on white working class experience in Wales, and *My Left Nut* from Belfast. Sophie Willan, a winner of the Caroline Aherne bursary has been commissioned to write a series *Alma's not Normal* set in her hometown of Bolton. And we have continued to reflect disability authentically across our output, including casting Ruth Madeley, who was born with spina bifida, as Rosie the youngest Lyons sibling in *Years and Years*.

Delivering our public purposes

4. To reflect, represent and serve the diverse communities of all of the United Kingdom's nations and regions and support the creative economy *continued*

We support producers and the wider sector through our £2 million Diversity Fund, and our diversity partnership with PACT. Our recent commitment to invest £100 million to diverse representation, talent and companies builds on this foundation and is a game-changer for the industry, motivating our programme-makers to be increasingly diverse both on- and off-screen. Our new diversity target of 20% representation off-screen for new commissions – with a focus on social mobility, disability and ethnicity – underpins the financial commitments and ensures production teams better reflect the audiences we serve.

Our commercial arm, BBC Studios, is committed to greater inclusion across all of its content. Harnessing the diversity of thought and ideas from its teams has been a key component to their success. Across all of our genres additional efforts have been made to ensure our output is authentic and draws on the diverse talents from within the organisation. This has led to shows like *Brain in Gear*, *Famalam* and *Muzlamic* making their way to TV.

Local representation

We continue to reflect community life in all of its changing aspects and give voice to stories as they unfold. Our local radio stations connect audiences to local community events and engage people in different ways and in different places to deliver services that are innovative, relevant and distinctive.

In February 2019, we launched the BBC Scotland channel which has grown throughout 2019/20 and now reaches more viewers on average each week than any other TV channel in Scotland except for BBC One, BBC Two, ITV, Channel 4 and Channel 5. We have built on this success, continuing to reflect modern Scotland through high-quality, distinctive and innovative programming.

Network portrayal – nations and regions

Over half the BBC's spend and half our teams are out of London. We have more than doubled the proportion of network TV programmes produced in Scotland, Wales and Northern Ireland in a decade. We have told stories that resonate locally, but showcase the nations globally. The biggest TV audience of 2019 celebrated an intimate family Christmas with *Gavin and Stacey* in Barry, South Wales and viewers were gripped by surrogacy thriller *The Nest*, set in Glasgow, and laughed along with BBC Two's dark comedy, *Guilt*.

We told innovative new stories from the north of England, like Manchester-set *Years and Years* and *Gentleman Jack* in

Actual on and off-screen diversity: 1 April 2019 to 31 March 2020

Data provided from contributions by individuals who have a role in eligible programmes.

	Actual off-screen	Actual on-screen
Female	54.7%	55.7%
Black, Asian and minority ethnic	9.8%	26.8%
Disabled	5.8%	8.4%
LGB	12.1%	11.5%
Transgender	0.2%	0.4%
Number of contributions*	220,358	78,576

* An individual may make multiple contributions to a programme or programmes

Perceived on-screen diversity: 1 April 2019 to 31 March 2020

Data input by production companies taking a viewer's perspective of what they see and hear.

	Perceived on-screen
Female	46.2%
Black, Asian and minority ethnic	23.0%
Disabled	5.2%
LGB	6.1%
Transgender	0.1%
Number of contributions*	480,696
% for whom diversity characteristics were determined	89.3%

* An individual may make multiple contributions to a programme or programmes.

Halifax, as well as refreshing the voices on long-running series *Top Gear*. *Angels of the North* is based in a Gateshead beauty salon and gives viewers a window into local entrepreneurship and an honest exploration of mental health issues. And our award-winning Northern Ireland series *Spotlight on the Troubles* has won plaudits at home and abroad. In radio, Salford is the proud home of podcast hits including *That Peter Crouch Podcast*, *End of Days* and *You, Me and the Big C*.

Sector support

Alongside our production successes, the BBC continues to contribute to the economic growth of our nations and regions, supporting the development of talent, skills and companies in all four nations. This year we launched our Small Indie Fund, with two thirds of companies supported coming from the nations and regions, and a quarter with diverse leadership.

As part of our coronavirus pandemic response, we doubled the scale of our ring-fenced investment. As a result we are now providing strategic support to nearly a hundred companies. We have worked in partnership with local screen agencies and training bodies to support business development, diversity and content for young audiences. For example, BBC Three and Northern Ireland Screen worked together on a scheme to stimulate ideas for the channel which has a guaranteed commission at the end of the process. This has already led to two pilots – one exploring young farmers' competitive tractor racing

from Londonderry-based Alleycats and an intergenerational cooking show from Rare TV. We are extending this approach to the north of England, Scotland and Wales.

The data we report on these pages gives more detail on how we measure and monitor our progress with representation and portrayal. This report underlines the vital role that we play in contributing to reflecting and representing the United Kingdom's nations and regions and supporting the creative economy.



BBC Three's *My Left Nut*

The tables on these pages sets out audience groups' perceptions of how effective the BBC is at delivering the mission, reflecting people like them and setting a high standard for quality. It also shows how these audience groups use the BBC across TV, radio and online.

% of each audience group who think the BBC informs, educates and entertains people in the UK/them

	Male 16+	Female 16+	ABC1 16+	C2DE 16+	16-34	35-54	55+	White 16+	BAME 16+
Effective	69%	71%	79%	60%	68%	69%	73%	72%	57%
Ineffective	14%	11%	10%	16%	12%	14%	12%	12%	15%
2018/19: Effective	70%	73%	79%	63%	69%	70%	74%	72%	69%
2018/19: Ineffective	14%	11%	9%	16%	11%	13%	12%	12%	13%

% of each audience group who think the BBC is effective at reflecting people like them

	Male 16+	Female 16+	ABC1 16+	C2DE 16+	16-34	35-54	55+	White 16+	BAME 16+
Effective	54%	58%	61%	50%	53%	53%	61%	58%	43%
Ineffective	23%	20%	19%	24%	23%	22%	20%	21%	26%
2018/19: Effective	55%	56%	62%	48%	51%	57%	59%	57%	48%
2018/19: Ineffective	23%	19%	19%	24%	20%	22%	21%	21%	26%

% of each audience group who think the BBC is effective at providing content/services that set a high standard for quality

	Male 16+	Female 16+	ABC1 16+	C2DE 16+	16-34	35-54	55+	White 16+	BAME 16+
Effective	68%	69%	75%	60%	66%	67%	71%	70%	54%
Ineffective	15%	11%	11%	16%	11%	16%	12%	13%	15%
2018/19: Effective	70%	71%	77%	61%	69%	68%	74%	71%	66%
2018/19: Ineffective	13%	11%	9%	16%	11%	13%	12%	12%	10%

BBC Television reach: % of each audience group in TV homes that watch BBC Television each week

	Male 16+	Female 16+	ABC1 16+	C2DE 16+	16-34	35-54	55+	White 16+	BAME 16+
2019/20	72%	75%	75%	72%	55%	79%	92%	77%	60%
2018/19	73%	77%	77%	74%	58%	81%	93%	78%	63%

BBC Radio reach: % of each audience group that listen to BBC Radio each week

	Male 16+	Female 16+	ABC1 16+	C2DE 16+	16-34	35-54	55+	White 16+	BAME 16+
2019/20	64%	59%	69%	52%	49%	60%	72%	64%	43%
2018/19	66%	59%	70%	53%	51%	62%	72%	66%	45%

BBC Online reach: % of each audience group that use BBC Online each week

	Male 16+	Female 16+	ABC1 16+	C2DE 16+	16-34	35-54	55+	White 16+	BAME 16+
2019/20	60%	47%	63%	42%	55%	62%	45%	54%	53%

BBC Television: Time spent watching BBC TV in TV homes per head, per week (hh:mm)

	Male 16+	Female 16+	ABC1 16+	C2DE 16+	16-34	35-54	55+	White 16+	BAME 16+
2019/20	06:28	07:07	06:44	06:52	02:28	05:48	12:55	07:28	03:30
2018/19	06:32	07:19	06:54	06:58	02:39	05:55	13:07	07:34	03:44

BBC Radio: Time spent listening to BBC Radio per head, per week (hh:mm)

	Male 16+	Female 16+	ABC1 16+	C2DE 16+	16-34	35-54	55+	White 16+	BAME 16+
2019/20	09:28	08:41	10:01	07:55	03:57	08:05	13:55	09:54	03:46
2018/19	10:04	09:04	10:29	08:27	04:20	08:40	14:31	10:38	04:26

Sources: Ipsos MORI, BARB (28 days), RAJAR. BBC TV and BBC Radio reach here and on page 137 based on 15+ minutes. This BARB data measures TV set viewing only within 28 days of the linear broadcast, meaning that on-demand viewing on other devices or pre-broadcast or post-28 days is not included in the figures. BARB figures for 2018/19 are restated to include viewing within 28 days of the linear broadcast.

Delivering our public purposes

5. To reflect the United Kingdom, its culture and values to the world

The following page demonstrates how the BBC works to inform, educate and entertain people across the globe. This year the BBC reached a new record global reach of 468 million weekly users – up 11% on last year. We have bureaux in 58 countries and 74 cities. These include Newsgathering, BBC World Service, BBC Monitoring, BBC Global News and Media Action.

468^m

up 11%

Global weekly reach
Including BBC News and BBC Studios.

Source: BBC Global Audience Measure.

116^m

up 96.2%

BBC World Service total digital reach
English and other languages.

Source: BBC Global Audience Measure.

351^m

up 11.2%

BBC World Service weekly reach
Includes TV, radio, online and social media in English and other languages.

Source: BBC Global Audience Measure.

438^m

up 12.5%

BBC News
Total international weekly audience.

Source: BBC Global Audience Measure.

137^m

down 0.4%

BBC World Service television weekly reach
Non-English languages.

Source: BBC Global Audience Measure.

160^m

down 1.5%

BBC World Service radio weekly reach
English and other languages.

Source: BBC Global Audience Measure.

Africa Eye

Investment in the World Service has enabled the BBC to produce an award-winning investigative documentary strand, *Africa Eye*, which went from strength to strength this year, reaching 7.8 million people weekly. This is a type of journalism that local news providers are sometimes unwilling – or unable – to carry out.

Sex for Grades, a devastating undercover investigation which exposed sexual harassment in West African universities, had a huge impact both socially and politically. The film led to widespread media coverage and social media activity after its broadcast.

Four lecturers exposed in the documentary were suspended – and suspensions followed in Malawi, Zambia and Kenya after students reported professors in the wake of the film.

In Nigeria, prominent political figures – including the President and First Lady – spoke out about the issue. The long-overdue Sexual Offenders Register was introduced and the Nigerian Senate drafted and submitted a bill which will criminalise sexual harassment in universities, backed by 120 senators.

Reaching new audiences

During the year the BBC joined forces with Angelina Jolie and Microsoft Education to produce a weekly half-hour news programme for younger audiences. *My World*, broadcast on BBC World News and BBC iPlayer, with multi-lingual distribution around the world, draws on the global reporting of the BBC World Service to make a programme for teenagers – who are often poorly served by the news content available to them. The BBC retains full editorial control over this co-production.

The BBC World Service has also been reaching younger audiences, with a third of the audience for the BBC World Service's non-English language services aged 15-24.

BBC Minute is an hourly 60-second audio newscast broadcast on more than 40 music stations around the world, as well as on digital platforms such as Spotify, Google, Apple and Amazon Alexa. A Spanish-language version broadcasts across South America, with a further English-language bulletin produced in Delhi. Younger audiences can also engage with *BBC Minute's* journalism through explainers on its Instagram account.

66% 2018/19
65%

% of UK adults who think that the BBC is effective at reflecting the UK to the world (ineffective 12%. 2018/19: 13%).

Source: Ipsos MORI



Reporting on a climate change demonstration



Ranked

No.1

for Trust, Independence, Reliability amongst international news providers.

Source: BBC Brand Tracker 2019 (ex UK)

The GAM process and methodology has been improved this year, like every year. Among other improvements, from this year survey data is no longer being used for direct digital audio – ie consumed on the World Service website. Instead, this data now comes from digital analytics. Related, but separately, all digital audio and digital TV consumption is being reported in digital from this year rather than within a broader radio/audio and TV category. The radio category this year refers to content consumed through SW/MW, FM, satellite radio, DAB and radio on TV only. In order to understand accurately performance this year, last year's reach numbers have been 'adjusted' where necessary and increases or decreases have been shown against those adjusted figures rather than the figures reported last year.

Coronavirus

Coronavirus is a global health crisis, and the BBC's global news operations have been playing a crucial role bringing factual information to millions of people around the world, particularly in countries where disinformation is common.

Correspondents operated in increasingly challenging conditions as coronavirus spread around the world.

Extensive coverage and live updates of key developments featured on all of the BBC World Service's 42 non-English language sites as well as in English.

Coronavirus Global Update, a new daily podcast featuring a round-up of reports and medical information, was broadcast on radio each day, made available on World Service websites, and also given free of charge to partner radio stations around the world.

BBC Persian saw its digital reach more than treble as the outbreak took hold in Iran. We introduced a new daily television programme putting viewers' questions directly to a different expert each day – a vital service in a country lacking any real public health information campaigns.

The BBC's international English language website saw its biggest audience of all time in March, with just under 180 million unique browsers – a year-on-year increase of 84%. The BBC's commercial international news channel, World News, saw a surge of requests from partners for inclusion in their subscription packages and increased its weekly global audience by 12.1% to 112 million in 2020.

BBC Global News, which operates the BBC's commercial news outlets, made advertising inventory available free of charge to international and governmental organisations around the world to communicate public health messages to viewers.

My World produced extra digital content about the pandemic. This was also shared with UNESCO's Global Education Coalition, a website providing remote learning for children around the world.

And it was not just in developing media markets that there was appetite for accurate, independent news. BBC World News saw its US audiences increase by 50% over the year.

BBC World Service weekly reach across all platforms, by service

	2019/20 Millions	Year-on-year change %		2019/20 Millions	Year-on-year change %
World Service English	96.7	7.6%	Pidgin	6.0	-2.5%
Afaan Oromoo	0.3	143.2%	Punjabi	0.9	110.6%
Afrique	13.5	10.4%	Russian	5.4	31.8%
Amharic	0.3	67.1%	Serbian	0.6	326.9%
Arabic	42.2	-3.6%	Sinhala	0.9	-5.5%
Azeri	0.3	75.5%	Somali	6.0	1.2%
Bengali	12.6	4.5%	Swahili	22.4	17.0%
Brasil	6.9	5.0%	Tamil	12.8	9.0%
Burmese	6.4	20.2%	Telugu	8.8	10.5%
Chinese	2.7	140.2%	Thai	1.7	0.1%
Dari*	4.4	2.0%	Tigrinya	0.2	64.0%
Gahuza**	1.7	28.5%	Turkish	2.9	51.5%
Gujarati	3.7	19.9%	UK China	0.1	37.0%
Hausa	20.1	-15.0%	Ukrainian	4.4	16.0%
Hindi	24.9	33.6%	Urdu	8.6	14.2%
Igbo	1.9	62.3%	Uzbek	2.6	17.2%
Indonesian	5.2	13.6%	Vietnamese	2.7	104.4%
Korean	0.9	3.1%	Yoruba	4.3	165.9%
Kyrgyz	3.1	1.1%			
Learning English***	2.3	1.0%			
Marathi	4.0	104.1%			
Mundo	10.7	40.2%			
Nepali	5.6	6.5%			
Pashto	10.4	2.2%			
Persian	18.3	-0.1%			

The Global Audience Measure is an annual update of how many people are consuming the BBC weekly for all services in all countries across all platforms (television, radio, website and social media). Key to this is de-duplication i.e. ensuring that a person who consumes multiple BBC services or platforms or on multiple devices is not counted many times in the top level totals. For example, BBC World Service television, radio and online audience is less than the sum of its parts to ensure we do not count people more than once when looking at the total World Service audience.

* Dari is reported separately from Persian in GAM 2019/20.

** Service in Kinyarwanda and Kirundi languages for the Great Lakes region of Sub Saharan Africa.

***BBC Learning English teaches English to global audiences.

45m

up 6.8%

bbc.com and social media weekly reach

International English language digital.

Source: BBC Global Audience Measure. bbc.com is commercially funded.

112m

up 12.1%

BBC World News TV channel weekly reach

English language global news channel.

Source: BBC Global Audience Measure. BBC World News TV channel is commercially funded.

Ranked No.1

international news provider for helping to gain a more in-depth understanding of the news.

Source: BBC Brand Tracker 2019 (ex UK)



BBC News editing room

Finance and operations

Our goal is to ensure that the organisation is run as efficiently and effectively as possible and to redirect spending and simplify procedures in a way that supports a more creative and sustainable BBC.

Non-Financial Reporting Information (NRI) Statement

We acknowledge the non-financial reporting requirements of the Companies Act 2006 and have disclosed relevant associated information throughout the strategic report. For ease of reference, information relating to the five matters covered by the regulation can be found on the following pages: environmental sustainability (page 66); our people (pages 59 to 63); human rights, modern slavery, anti-bribery (page 58). Further information can also be found in our business model (page 70), our principal risks (page 95) and our non-financial performance (throughout the strategic report, pages 6 to 68).



David Mitchell in BBC Two's *Upstart Crow*



Sandra Oh in *Killing Eve*

Chief Financial Officer's Review



We end the financial year in uncertain times, with the global coronavirus pandemic increasing the demand for BBC content and services whilst giving us many operational and financial challenges.

Our focus this year has been on continuing to reinvent the BBC for our audiences, ensuring that we offer value for money to our licence fee payers.

Due to the timing of its development, the coronavirus pandemic has had limited impact on our financial results for 2019/20. However, we face significant challenges in 2020/21, and beyond. Along with the wider media industry, our operations have been severely affected. Production activity has been put on hold, sporting and cultural events have been cancelled or postponed and the organisation has had to evolve to accommodate new ways of working. In response to the pandemic we have developed plans to mitigate the impact on our financial position and have identified £125 million of additional savings required in 2020/21, with further savings challenges to follow in the years ahead on top of significant underlying efficiency targets. As an organisation our focus continues to be on ensuring the licence fee remains value for money, offering compelling content and vital services during this time of national emergency. The BBC will emerge different from the national crisis, but will continue to deliver great output for audiences.

A year of focused investment in content, including investments in critically-acclaimed drama and in digital priorities including iPlayer and BBC Sounds.

£199 million of annual savings delivered in 2019/20.

Continued strong commercial performance from our subsidiaries with year-on-year EBITDA (earnings before interest, tax, depreciation and amortisation) growth of 9%.

Overheads remain at industry-leading levels, at only 5% of our total costs, with 95% directed to audience-facing content and services.

Net debt of £1,613 million includes an operating cash balance of £401 million which is required to help mitigate the impact of coronavirus and the transition to collecting the licence fee from eligible over-75s.



Finance and operations

Summary

The BBC continues to focus on building resilience to face the challenges presented to us in the year ahead. Our goal is to run the organisation efficiently and effectively, directing as much money as possible to content and our audiences whilst ensuring a sustainable and more creative BBC.

We have accomplished a vast amount to make the BBC simpler, leaner, and more efficient and will continue to do so in the future. Since 2016/17, we have delivered £618 million of cumulative savings and in 2020/21 we are projecting our savings total to rise above £800 million – beating our target a year earlier than planned.

As expected, and with the phased reduction in the Government funding of over-75s' licence fee income, this year's results show a group operating deficit of £122 million, compared to an operating deficit of £52 million last year. The reduction in licence fee income is partially offset by reduced Public Service expenditure and improved performance in our commercial subsidiaries. The planned changes to licence fee funding and the timing of content spend causes fluctuation in our annual results. The BBC's financial objective is to maintain a medium term breakeven income and expenditure position, whilst ensuring adequate liquidity to manage cash flow timing differences and provide some limited contingency in the form of financial reserves.

Careful cash management and planning over the next year is essential as we manage the transition to collecting the licence fee from eligible over-75s and respond to the coronavirus pandemic and other uncertainties facing the BBC in the near future.

This report sets out detail on our income and expenditure across the year, as well as our commercial performance and specific areas such as pension contributions and tax issues. It also includes detail on our continued performance in delivering efficiencies, with a further £199 million of annual savings delivered this year.

Income

The phased reduction in Government funding for over-75s' licences, and a small reduction in the number of paid licences, has resulted in a 5% decline in overall licence fee income to £3,520 million compared to £3,690 million last year. This is a result of underlying drivers of licence fee income including household growth, evasion and economic growth. This year we received £253 million of Government funding for over-75s, compared to £468 million in 2018/19. This reduction was partially offset by the CPI inflation increase applied to the licence fee, increasing the annual fee from £150.50 to £154.50.

Other income includes the contribution of our commercial operations and third party

sales income. Income of £1,423 million was recognised in year, an increase of £224 million from last year. This increase is due to growth in BBC Studios and the acquisition of the UKTV group in June 2019, with results now consolidated within the BBC group, previously included in share of results of associates and joint ventures.

Spend

We have continued to invest in high quality content and our digital services by expanding the availability of programmes on iPlayer and BBC Sounds. This investment is funded by ongoing savings plans. This year, our Public Service content spend decreased by 3% to £2,777 million due to major sporting events in the prior year. Content spend and its delivery represented 95% of total spend, maintaining our industry leading overhead rates at just 5% of the total cost base.

Cash and net debt

Our borrowing limits, set by the Department for Digital, Culture, Media & Sport (DCMS), were increased from 1 April 2019 due to mandatory accounting changes (IFRS 16: Leases) resulting in additional leases reported on the balance sheet. The Public Service net borrowing limit was increased to £2,200 million, of which £2,000 million is specifically for leases. The BBC Commercial Group borrowing limit increased to £500 million, of which

Summary consolidated income statement

For year ended 31 March 2020

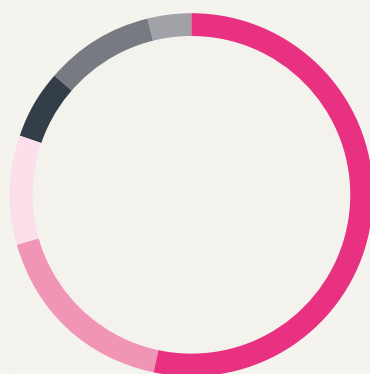
Income statement classification	What is it?	2020 £m	2019 £m	What has happened?
Licence fee income	The total of licence fees collected	3,520	3,690	5% decrease due to planned reduction in Government funding of free TV licences to over-75 population.
Other income	Commercial income and grant income	1,423	1,199	Increase in income due to BBC Studios revenue growth.
Total income		4,943	4,889	
Operating costs	The cost of producing all content and of running the BBC	(5,093)	(4,977)	Increased spend due to BBC Studios growth partially offset by savings and reduced Public Service spend.
Share of results of associates and joint ventures	Our share of the profit of businesses where we control 50% or less	28	36	Reduction compared to 2019 following the full consolidation of UKTV.
Operating deficit		(122)	(52)	
Gains on disposal	Profit on disposal of operations and fixed assets	118	36	2019/20 includes a one-off gain recognised on the acquisition of UKTV. Prior year includes the sale of the Good Food business.
Other gains and losses	Net gain on movements in financial instruments	(6)	7	Change in value of derivative financial instruments.
Net financing costs	The net interest on the BBC's pension assets and liabilities, interest on loans and fair value movements on derivatives	(100)	(65)	Increase due to the additional finance charges arising from leases, pensions and financial instrument valuations.
Taxation	The net tax liability of the BBC on its taxable profits	(9)	5	Increased tax charge and reduction in High End Television tax credits.
Group deficit for the year		(119)	(69)	

Licence fee spend

- Increase in licence fee has funded additional content in television, radio and online.
- 5p in every £1 is spent distributing our services to audiences.
- The cost of collecting the licence fee is 3p per £1 collected.

How your monthly licence fee is spent

2019/20 £12.88 per household (2018/19: £12.54)



	Total
Television 2018/19	£6.83
Radio 2018/19	£6.92
BBC World Service 2018/19	£2.22
Other services and production costs 2018/19	£2.17
BBC Online 2018/19	£1.24
Licence fee collection and pension deficit cost 2018/19	£1.24
	£0.88
	£0.80
	£1.24
	£1.08
	£0.47
	£0.33

£150 million is specifically for leases. The impact of the changing environment and coronavirus will be closely monitored to ensure borrowing limits remain appropriate.

Loans of £204 million in the commercial subsidiaries and finance leases of £1,842 million offset the group cash position to reach group net debt of £1,613 million, well within our borrowing limits. The BBC Commercial Group is in a £65 million net debt position compared to £17 million net funds position in 2018/19.

The BBC retains cash for day-to-day operations and to manage the timing of cash flow. Our group cash balance at the end of 2019/20 is £401 million, a £67 million decrease on the prior year. This reduction is partly due to the decline in funding for free licences for over-75s.

The immediate financial impact of the coronavirus pandemic is being actively managed. The mitigations identified in Public Service will help offset the immediate impact of the Board's decision to delay the introduction of licence fee collection from over-75s by two months to 1 August and timing of dividends from the commercial group. However, it is too early to fully understand the long-term impact on both the licence fee collection and on our commercial businesses. We are therefore adopting a prudent approach towards financial planning to sustain critical audience services whilst ensuring our financial health.

Commercial subsidiaries

Our commercial subsidiaries have yet again delivered an encouraging performance despite facing challenging competition in the market. The BBC Commercial Group has achieved EBITDA (earnings before interest, tax, depreciation and amortisation) of £189 million, a year-on-year increase of 9%. All of

our commercial subsidiaries achieved the commercial rates of return set by the BBC Board. These rates are based on benchmarks against similar commercial competitors and we publish these commercial targets in line with our Charter requirements.

Building on the success of the integrated production and distribution entities, BBC Studios achieved a 14% growth in EBITDA to £181 million, through creating and owning high quality British content. In addition, the UKTV group

performed ahead of our investment expectations. The acquisition of UKTV was completed in June 2019 after reaching agreement with Discovery on the future of its channel business within the UK, and will provide further content creation opportunities within BBC Studios. BBC Studios is receiving a strong reception for its creative work, including commissions secured from third parties from both UK broadcasters and global brands such as Amazon, Apple and Netflix. The success



Central Square Cardiff Broadcast Centre



Finance and operations

of BBC Studios is pivotal in offering value for money to licence fee payers through high quality programme production and its financial contribution to the BBC.

BBC Global News faced a challenging international news market; this was compounded by the impact of coronavirus with reduced sales in the APAC region causing a decline in EBITDA from £8 million to £2 million.

BBC Studioworks delivered EBITDA of £8 million through providing studio and edit facilities to both the BBC and a large number of external clients. The company paid a second dividend to the commercial group after its first ever dividend last year.

In November 2019 we contributed to the launch of BritBox UK, a joint venture with ITV offering subscription video-on-demand. The competitively priced service offers access to the largest collection of British content available on any streaming platform, from recently broadcast shows to the nation's favourite programmes from the archives. We hold a 10% stake in the business and so far we have contributed over 2,000 hours of content to the platform. More content has been added during the year and the service and subscriptions continue to grow.

Dividends

In response to the coronavirus outbreak, we have been careful to retain financial headroom within the commercial group to ensure that our commercial companies can mitigate the impact of an economic downturn and likely loss of business. As a result, a reduced BBC Commercial Group dividend of £3 million has been declared and paid to the BBC Group this year, a significant decrease on last year (2018/19: £73 million). This will provide some flexibility to deal with the financial

consequences of coronavirus and allow time to make the necessary changes to the business in response to the changing market. Within the Commercial Group, BBC Studios overall return to the BBC was £276 million including investment in programming and dividend declared.

Licence fee collection

Effective financial management is a key part of the BBC's unique relationship with our audiences. This includes spending the licence fee efficiently and collecting a television licence fee from everyone who is required to buy one. The collection of the licence fee is underpinned by a legal requirement to buy a licence if watching or recording programmes as they're being shown on TV; viewing live streams via an online TV service; or by downloading or watching BBC programmes on iPlayer (live, catch up or on demand). The current collection method remains fair, effective and good value for money and we continue to work with the poorest in society by extending a flexible payment scheme for the over-75s to those on lower incomes.

The BBC has a number of contractual arrangements covering collection, administration and enforcement of the licence fee, marketing, payment channel management and retail networks. The majority of the administration is contracted to Capita Business Services Ltd. We are now in the eighth year of the current collection contract, which has delivered £200 million of savings to date. Total cost savings of £215 million are expected to be delivered over the ten-year contract, releasing more funding to be spent on our programmes and services.

Licence fee statement

As in previous years, we have prepared a licence fee revenue statement which is audited by the National Audit Office (NAO). This statement sets out the

amounts collected and paid over to HM Government during the year. Alongside their audit work, the NAO examines our collection arrangements and reports on them to Parliament. More on the licence fee revenue statement can be found on the NAO website: www.nao.org.uk.

Pension costs




At 31 March 2020, the accounting pension surplus (as defined by IAS 19 Employee Benefits) was revalued to £247 million, compared to a deficit of £530 million a year ago. The movement during the current year is due to a net gain of £862 million as a result of changes to the valuation assumptions and contributions paid of £159 million. These are partially offset by an annual operating charge of £234 million and net finance costs of £10 million. The gain from changes in valuation assumptions is a result of gains in scheme assets, changes in demographic assumptions and actuarial gains driven by changes in financial assumptions.

This accounting valuation presents a 'snapshot' at a particular date, and is therefore sensitive to short-term fluctuations within the market. There is no impact on the actual cash cost of recovering the actuarial pension scheme deficit, which is reviewed at triennial actuarial valuations as required by law.

The most recent triennial actuarial valuation was completed in June 2020 resulting in a funding shortfall of £1,138 million as at 1 April 2019 (previously £1,769 million at 1 April 2016). A new repayment plan has been agreed between the BBC and the Pension Scheme Trustees. The agreed repayment plan runs until 31 December 2028, ensuring the scheme delivers security for members' accrued benefits and value for licence fee payers. The defined benefit scheme closed to new employees in 2010.

Commercial performance

- Continued strong commercial performance from our subsidiaries with year-on-year EBITDA growth of 9%.
- A challenging year ahead with the significant impact of coronavirus, weaker economy and changing market.

	2019/20 EBITDA	2018/19 EBITDA	% year-on-year growth
	£181 million	£159 million	14%
	£2 million	£8 million	(75%)
	£8 million	£6 million	33%

The IAS 19 accounting valuation differs from the actuarial valuation due to the difference in the discount rate used to value the liabilities. Whilst the actuarial valuation uses discount rates based on gilts, the accounting valuation uses discount rates based on high credit corporate bonds – this leads to accounting valuations that generally present a more favourable funding position than that required on an actuarial basis.

People costs

When comparing persons employed at 31 March, Public Service headcount has reduced year-on-year by 48 full-time equivalents to 19,430. Our average headcount for the year was 19,572 full time equivalents. More detail about our people and headcount can be found in the Our People section on page 59.

Payroll wages and salaries currently contribute to around 20% of the group operating costs. Earlier in the year we announced savings plans to modernise our newsroom in response to changing audience needs. This initiative will see a reduction in headcount in 2020/21 as part of plans to deliver £80 million of recurring savings within BBC News. In addition, restructuring announcements were made in June 2020 in the nations and regions in response to the ongoing savings challenge across the organisation.

Since the coronavirus outbreak, we have identified a number of savings plans, some of which impact our employees. We have

announced a pay freeze for senior managers. We have also put in place a recruitment pause for all non-business critical roles and offered staff the opportunity to change working patterns through reduced hours and unpaid leave. We have initiated a voluntary redundancy programme with the intention that this will allow us to deliver savings quickly in the face of the growing financial challenge and also to minimise any compulsory redundancies within restructuring programmes. In addition, voluntary redundancy will offer us an opportunity to reshape and simplify the structure of the BBC.

Tax strategy

At the BBC, we are committed to paying the right amount of tax at the right time in all the jurisdictions in which we operate, including, but not limited to, employment tax, VAT and corporation tax. We recognise the importance of paying the right amount of tax for the communities in which we operate, and take our tax compliance obligations seriously.

We manage our tax affairs within the framework of the taxes legislation for the UK and the other jurisdictions in which we operate. The BBC has a low tolerance to tax risk, as demonstrated by our attitude to tax planning and governance. Our assessment of tax risk takes into account not only the financial amount at stake, but also the reputational consequences of the matter in question.

We publish our tax strategy in accordance with the Finance Act 2016, which can be found on our website: <http://downloads.bbc.co.uk/aboutthebbc/reports/reports/bbc-tax-strategy-1920.pdf>

In 2017, the Government introduced new legislation relating to the tax accountability for payments to intermediaries in the public sector. We are committed to resolving the historic tax issues in cases where presenters who have been engaged through personal service companies (PSCs) now find their tax employment status being questioned by HMRC.

Our annual accounts include a provision of £12 million (2018/19: £12 million) to cover the settlement of these tax liabilities. Progress is being made with HMRC and presenters to settle the liabilities that have arisen as a result of the misclassification of presenters' status for tax.

Delivering efficiencies

This year we delivered £199 million of additional savings to help mitigate the loss of licence fee income and enable investment in services. Savings have been delivered across all areas, with a focus on maintaining our industry-leading overheads and support costs, at 5% of our total cost base. Savings have been achieved through production efficiencies, removing duplication and through careful management of contracts.

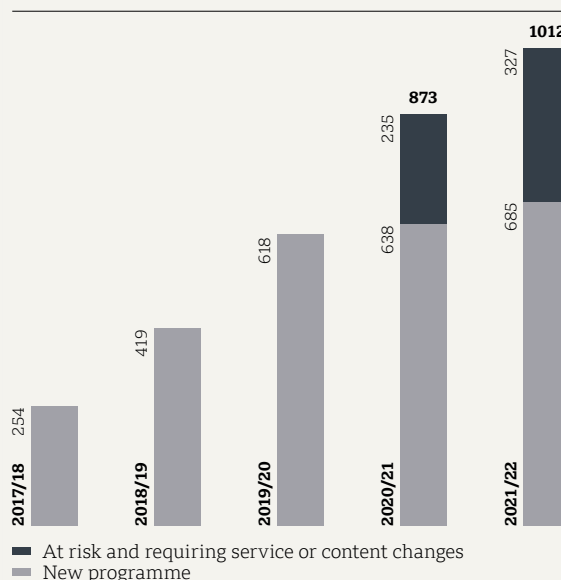
Efficiency savings

- £712 million of sustainable savings achieved during Delivering Quality First programme, which finished in April 2017.
- £618 million of savings achieved to date to address our future financial challenges.

Savings delivered in 2019/20

- Efficiency savings through content pricing and multi-year deals.
- Focus on production savings and efficiencies.
- Simplification of platforms, infrastructure and operations.
- Renegotiation of contract pricing and business outsourcing.

Cumulative savings (£m)



Finance and operations

As a result of changes in the licence fee charging mechanism, particularly when held flat between 2010 and 2017, licence fee income is now 31% less than had the licence fee consistently risen with inflation. Concurrently, the BBC has taken on a number of new commitments including funding the World Service, S4C and BBC Monitoring. Throughout this period, we have balanced the need to maintain quality and reach with maintaining an efficient cost base via a number of comprehensive pan-BBC cost management programmes. We are addressing our future financial challenges to meet the reductions in underlying income and invest in modernising our services by delivering £1 billion of recurring savings over the period from 2016/17 to 2021/22. This enhances our original target of £800 million. We are making good progress against the target, delivering £618 million of cumulative savings to date.

Our work on efficiencies and making the BBC simpler, leaner, and more efficient continues. We commissioned Deloitte to update the 2017/18 analysis of the efficiency of our overheads, 'Benchmarking the BBC's overhead rate'. Applying a consistent methodology, Deloitte assessed the BBC's overheads and indirect costs to be 5% and 17% respectively as percentages of our total 2019/20 cost base. This reconfirmed our position in the top quartile of our comparable peer group, respectively regulated and non-profit organisations in the UK (overheads) and international telecommunications and media companies (indirect costs). Furthermore, in terms of the overhead rate, Deloitte concluded that we had closed the gap on the most efficient comparator in 2020 as compared to the most efficient comparator in 2017, and had improved our relative positioning within our comparator group.



Content

We have focused on reviewing our production pipeline to deliver savings within content delivery. This has been achieved through organisational design efficiencies and increased third-party income. We have remixed our pipeline to ensure value for money, making savings across the sport, factual and drama slates. This has allowed us to absorb inflationary increases in production costs, reinvest in programme production and increase delivery of content for younger audiences.

Property

A key part of our business strategy is to reduce our property estate and create modern and efficient working environments for our staff. Since 2017 we have closed a number of satellite London properties and focused on making core London properties more efficient. In January 2020, the Director-General outlined an

ambition to increase the proportion of the workforce working outside London. A number of projects are already in progress to help deliver on this plan, including a new technology hub in Newcastle; a move of the curations team of BBC Sounds to Salford; and an expansion of the Natural History Unit in Bristol. We will continue to investigate ways in which we can increase the balance of our non-London/London staff to deliver against this ambition.

In 2020, we will see the final BBC Wales teams relocating to Cardiff Central Square, reducing the property footprint in Cardiff by nearly 50%. Whilst plans are impacted by the social distancing restrictions currently in place, revised timetables will ensure progress continues safely. We are seeking to exit some smaller satellite offices across England in 2020/21 and, as a result of coronavirus, we are revisiting our planned investment in Broadcasting

BBC Sounds at Leeds and Reading festivals 2019



House in Northern Ireland from a financial perspective, but also to reflect on learnings from working during the pandemic.

Procurement

We perform regular reviews of our major outsourced service suppliers, which includes analysing reports from external commercial credit agencies. Contractual arrangements with these suppliers include open book audit provisions as well as comprehensive business continuity and exit obligations. Outsourced services include IT, facilities management, licence fee collection and terrestrial transmission. Dedicated supplier contract managers ensure strong contract management and performance tracking against business requirements.

Through careful management of the portfolio, including astute sourcing and procurement decisions, in 2019/20 we made savings of £99 million on major strategic contracts and further savings of £66 million on the purchase of goods and services. Working closely with suppliers to improve performance, automation and transforming the procurement process has been instrumental in reducing spend.

Technology

Another area where the BBC is making significant savings is in technology. Across the technology portfolio, savings initiatives outperformed targets, with key enterprise-related benefits delivering £41 million of savings in 2019/20. Throughout the year we secured additional contractual benefits and efficiencies through additional renegotiations which, over the next five years, will realise an additional £10 million of savings.

We have also re-prioritised funding and workloads to support the digital strategy of the BBC, focusing on the development of iPlayer, BBC Sounds and News.

Looking ahead

The UK media landscape continues to change rapidly, with increasing competition from new and existing online streaming services. We also face funding challenges due to high inflation in areas such as drama and comedy, as well as competition in factual programming. We want to ensure we are well positioned to continue to deliver the output demanded by our audiences.

When coupled with the severe impact of coronavirus, careful planning is essential. Whilst the situation is not unique to the BBC, we face our own challenges and difficult decisions to ensure financial stability and the necessary investment in our services. In 2020/21, we have identified that £125 million of additional savings are required to offset the impact of lost income and additional expenditure due to the coronavirus. We will continue to monitor the situation and how it affects the BBC financially and will review and update plans accordingly.

The licence fee settlement phasing out Government funding for free licences to over-75s ceased entirely in March 2020. In response to the coronavirus outbreak, the BBC Board announced the decision to delay over-75s licence fee implementation to August 2020, resulting in a £70 million loss of income. Whilst we have been preparing for the transition through savings to build cash reserves, the additional delay has significantly impacted anticipated income at a time when the collection of the licence fee is challenged by the impact of the UK-wide lockdown.

Coronavirus has impacted both content delivery and operations. These impacts have happened at scale and at speed. Social distancing measures have caused delays to production and postponement of major sporting events such as the Tokyo 2020

Summer Olympics. Whilst some events and productions have been delayed to 2021/22 and costs deferred, additional content is required in the place of these events, incurring additional spend in 2020/21.

Coronavirus is expected to have a significant impact on the BBC Commercial Group's revenue in 2020/21, due to reduced production activity, lost sales and an unprecedented fall in UK and global advertising markets. The commercial group have reacted swiftly, identifying and implementing mitigations to reduce the cost base and re-phase planned investment. This will conserve cash in the short term and maximise our ability to provide a meaningful and sustainable contribution to the Public Service.

It is clear that 2020/21 will be a challenging year for both the BBC and the wider economy. Given the scale and complexity of the impact of coronavirus we will review and update our plans in response to unfolding events. We will continue to simplify the organisation, changing our size, shape and working practices. We will use insights from our emergency measures, combined with existing work on business efficiencies, to effect practical and accelerated change. Our focus continues to be to fulfil our strategic ambitions, whilst delivering value for money to the licence fee payer.



Glyn Isherwood
Chief Financial Officer
 2 September 2020

Finance and operations

Public Service Broadcasting expenditure

The table below illustrates how licence fee funds have been spent during the current and prior year, including the Charter requirement for the BBC to report on expenditure on the UK Public Television Services by genre (as defined in accordance with industry standards). Total content spend represents the cost of making content across the BBC's services. The total service spend represents the full cost of producing, supporting and delivering BBC content to audiences.

World Service operating licence

The BBC committed to protect its annual spend on the World Service for a period of five years from 1 April 2017 to ensure it remains a valued public broadcaster for the future. In order to deliver this commitment, the BBC must spend at least £254 million per annum on this service over this period. Including content, distribution and general support costs, £261 million (2019: £278 million) was spent on the BBC World Service operating licence.

World Service grant funding

In 2016/17 the Foreign & Commonwealth Office (FCO) awarded a grant to the BBC of £291 million, to be spent over the following four years, to assist in the expansion of the World Service. Negotiations with government on their investment in the World Service have led to an extension of FCO funding to the end of September 2021.

PSB expenditure

	2020 £m	2019 £m
News and Current Affairs	348	355
Factual and Learning	239	259
Arts and Music	41	52
Film and Drama	356	333
Entertainment and Comedy	196	175
Sport Production	58	76
Children's	83	83
Other television content spend	288	366
Television services by genre	1,609	1,699
Radio	494	504
BBC Online	238	214
Content spend on services by platform	2,341	2,417
Orchestras and performing groups	29	29
S4C (service spend)	22	22
Development spend	70	67
BBC World Service grant	92	93
BBC World Service operating licence*	223	234
Other service spend	436	445
Total content spend	2,777	2,862
Distribution costs	192	194
Content and distribution support	436	490
General support	173	185
Total service spend	3,578	3,731
Licence fee collection costs	119	103
Other obligations (S4C, Broadband roll-out)**	83	94
Monitoring	5	6
PSB pension deficit reduction payment	22	-
Costs incurred by PSB to generate non-licence fee income	205	165
Restructuring costs	37	25
Total PSB expenditure	4,049	4,124
Lease reclassification***	(54)	(48)
PSB expenditure****	3,995	4,076

* The BBC World Service operating licence includes distribution spend of £31 million (2019: £33 million).

** Under the terms of the 2015 licence fee agreement, the BBC has committed to contribute funding towards broadband roll-out across the UK.

*** In order to reflect the full cost of PSB expenditure by service, finance lease interest is included, although it is not included in the Group operating expenditure.

**** Includes over-75s consultation costs of £1.5 million (2019: nil) which was the BBC's largest ever consultation exercise.

Commercial operations

The BBC's commercial subsidiaries support the BBC public service mission and generate income for the BBC Group. These companies maximise the value of the BBC's intellectual property, providing income to fund high quality, distinctive content for the licence fee payer, whilst supporting the UK's television industry on the world stage.

The commercial criteria:

The BBC's commercial subsidiaries deliver quality creative content for audiences and increase the value of BBC intellectual property (IP), as well as providing critical support for the wider creative industry, both in the UK and around the world. They do this whilst promoting and protecting the BBC brand and reputation worldwide, according to the commercial criteria as set out in the Charter and Agreement:

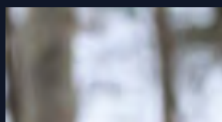
1. the activities must fit with the Mission and the Public Purposes;
2. the activities must exhibit commercial efficiency;
3. the activities must not jeopardise the good reputation of the BBC or the value of the BBC brand; and
4. the activities must not, as a result of the relationship of the activity with the UK Public Services, trading activities or non-service activities, distort the market or create an unfair competitive advantage.

The BBC's commercial subsidiaries are overseen by the Commercial Holdings Board, which is tasked with setting strategy in line with overall BBC Group company goals, agreeing business plans and ensuring compliance in regulatory and legal matters. A report from the Chair of the Commercial Holdings Board is on page 104.

Commercial activities

The BBC has three wholly owned commercial subsidiaries which complement the BBC's public service remit:

BBC One's *Seven Worlds, One Planet*



BBC STUDIOS

BBC Studios – the BBC's production and distribution business. It creates, invests, develops, produces, commercialises and distributes content which sits at the heart of the BBC schedule, as well as across multiple platforms and around the world, delivering better value back to the licence fee payer through support for programme funding and cash dividends. For more on BBC Studios activities see page 52.



BBC Global News operates the BBC's international 24-hour TV channel BBC World News and bbc.com, both of which are funded by advertising and sponsorship, as well as income from pay TV operators carrying the channel. Read more on page 56.

BBC STUDIOWORKS

BBC Studioworks provides TV studio facilities, equipment, crew and post-production services from locations in the UK. It supports UK public service broadcasting through annual cash dividends. See more on what Studioworks delivers for the BBC on page 57.

Commercial operations

BBC Studios

Overview

At the close of the financial year, the coronavirus pandemic began to cause significant social and economic issues around the world, with a sudden impact on the global media industry in which BBC Studios operates. The over-riding priority is to protect the health and wellbeing of its people, and this has guided the business' response. Although, as this overview shows, BBC Studios enters the year in a position of financial strength, looking forward this crisis will significantly affect its ability to deliver revenue in 2020/21, requiring preservation of cash and a tight rein on costs.

BBC Studios had its highest-ever level of content investment and its best year for content sales. Along with the acquisition of UKTV, this meant that Studios delivered record sales and profit (EBITDA).

In its second year as a merged business, delivering the very best of British creativity to audiences in the UK and around the world, these results show success in transforming BBC Studios' culture and operations, achieving a strong position

alongside other global players. BBC Studios Production was the most commissioned creator of new content in the UK in 2019.

Sales were £1,388 million (2018/19: £1,189 million), up 17%. EBITDA (earnings before interest, taxes, depreciation and amortisation: the preferred measure of profit) increased to £181 million (2018/19: £159 million). For the sixth year running, returns to the BBC, which included dividends and investment in programming, were above £200 million, at a record £276 million (2018/19: £243 million).

Investments in programming increased 19% on the previous year, partly as a result of increased contributions to BBC commissions enjoyed by UK audiences. In the year, those transmitted included *Seven Worlds, One Planet*, from BBC Studios' award-winning Natural History Unit, and indie-made *His Dark Materials*.

A number of significant content deals were agreed, which either deepened existing partnerships or marked the beginning of new, high growth potential relationships.

With culture a major area of focus, BBC Studios brought in new creative talent, continued to realise the organisational benefits of the merger, and focused on the commercial and audience rewards of reflecting all audiences during the year, as well as working actively to improve the diversity of its workforce.

Efforts within the business to reduce environmental impact were increased, with BBC Studios ending the year with 100% Albert Sustainable Certification across its UK productions from the new financial year, and carbon neutrality for all UK operations, backdated to April 2018 through a combination of reduction and offsetting. The business committed to a long-term reduction in travel that will reflect the drop achieved by global lockdown measures.

Strategic approach

Alongside shorter-term measures to mitigate the effects of the coronavirus pandemic, BBC Studios' strategy is a long-term plan to grow revenue and EBITDA. Guided by its purpose to be Bold, British, Creative, BBC Studios' ambition is to bring to life brilliant, inspiring stories with a unique British flavour. By putting people at the heart of the business, and backed up by ongoing transformation and investments, it will focus on three key areas.

First, generating sustainable creative hits through early investment in new intellectual property and growing exploitation of successful formats and programmes. Second, through strengthening services – building on the success of BritBox internationally and UKTV – and evolving global channel brands like BBC Earth and CBeebies. Third, targeting new, and growing existing, major customer partnerships, which take a long-term and strategic approach to financing and developing high quality content for audiences around the world.



BBC One's *Our Girl*



UKTV

The BBC has been a shareholder in UKTV since 1997. Its much-loved portfolio of distinctive British channels, such as *Dave and Gold*, blend its own originals – like *Hypothetical* and *Dial M for Middlesbrough* – with BBC favourites, to complement the BBC's public service channels.

Today, BBC content represents approximately half of UKTV's schedule and around 60% of its viewing, making UKTV part of a virtuous circle that benefits both licence fee payers and the creative community.

In June 2019, BBC Studios took control of seven of UKTV's channels and its catch-up service UKTV Play, with full ownership simplifying the way that the BBC's rights are exploited in the UK, but retaining the UKTV name, office and culture.

Its overall share of audience and its share of commercial impacts was strong in the year, as UKTV's offer across comedy, classics and originals draws audiences in uncertain times. The business is building on its reputation for quality content with titles such as *We Hunt Together*, *Traces* and *Meet The Richardsons*.

Content

New titles reaching audiences in the year alongside successful favourites *Top Gear*, *DIY SOS*, *Doctor Who* and *Silent Witness* included *Seven Worlds, One Planet*, *Thatcher: A Very British Revolution*, *Sacred Wonders*, *A Fresh Guide to Florence with Fab 5 Freddy*, *Ladhood* and *For Love Or Money* for the BBC, *Prince Charles: Inside the Duchy of Cornwall* for ITV, *Good Omens* for Amazon and the BBC and *The Edge of Science* for YouTube.

Overall, the business won 77 new commissions (49 for the BBC and 28 from third-parties including Apple and Netflix). At year end, the number of third party commissions secured by the production business in its three years as a market-facing commercial studio totalled 53, with more than 700 from the BBC, resulting in a strong future pipeline. Notable new wins for the business were futuristic Terry Pratchett adaptation *The Watch* for BBC AMERICA (a BBC Studios and AMC Networks joint venture) and the Jon Favreau collaboration *Prehistoric Planet* for Apple.

Recognition for BBC Studios' creative success in UK production continues, with 73 awards and 202 nominations in the financial year. The production team was boosted by new senior creative leads into the key genres of drama, comedy and factual.

BBC Studios' production arm is complemented by a quality portfolio of independent production companies, including Sid Gentle, maker of global hit *Killing Eve*, and Lookout Point, producer of *Gentleman Jack*, and an adaptation of Vikram Seth's epic novel *A Suitable Boy* for BBC One. These partly or wholly owned businesses now make up a significant proportion of content investment and sales, boosting the range of programming that BBC Studios can offer to customers as well as the business' ability to invest in areas including customer insight and trade marketing.

Brands

The year saw strong performances for BBC Studios' core brands. The tangible chemistry between *Top Gear*'s new presenters broadened and grew the show's audience. Viewer numbers increased across both series 27 and 28 when compared to the previous series, heralding a move to BBC One for the forthcoming series 29. The brand continues to deliver huge audience engagement on digital, with more than 500 million views globally on YouTube



BBC Three's award-winning *Famalam*

New ways of making deals

BBC Studios' major customers connect the business to its audiences, helping it fund world-class content. The BBC is its largest customer for content, and long-standing relationships with BBC AMERICA and UKTV also support this.

However, as production costs rise, long-term and strategic partnerships with major customers enable investment in premium programming enjoyed by BBC viewers at home and international audiences – for example, the majority of the BBC's natural history programming is supported by longstanding partners including

BBC AMERICA, PBS and Discovery in the US, ZDF in Germany, FTV in France and CCTV9 and Tencent in China.

This enables the business to plan ambitious new programming many years into the future – moving beyond individual transactional sales deals to wide-ranging, mutually beneficial strategic relationships.

In 2019, BBC Studios agreed new or extended partnerships with Discovery, HBO Max, ZDF and Yandex, meaning that the business will increasingly work alongside other global media players to distribute existing programmes and make entirely new ones for their audiences, creating new intellectual property for both parties.



Commercial operations

BBC Studios *continued*

across the financial year. Jodie Whittaker’s series 12 of *Doctor Who* continued to bring younger audiences to BBC One, ranking amongst the top 20 shows for the 16-34 age group. The brand also attracted more than 125 million YouTube views in the year.

The latest landmark Planet title – *Seven Worlds, One Planet* – was the BBC’s most watched factual title in 2019. It has also been a hit internationally, with over 180 million views on the Tencent platform in China to date. Meanwhile, the BBC Earth brand increased in popularity, reaching one billion views on its website shortly after year end.

Children’s brand *Bluey* goes from strength to strength. Now the number one children’s show in Australia – awards include a Logie Award, an AACTA Award and an International Emmy after year end – a deal with Disney announced in June 2019 saw the title premiere on Disney Junior in the US followed by Disney+ in early 2020, alongside the launch of branded events and merchandising.

Markets

In the UK, full ownership of UKTV brought immediate benefits, as the team achieved a very sound year in audiences and revenues. Both businesses now work together much more closely, realising the strategic advantages of full ownership, increasing UKTV’s investment in original productions and simplifying the way that BBC Studios controls its rights in the UK.

The business combined its international operations across content sales, branded services and ancillaries outside the UK to form a new Global Distribution division, enabling greater strategic focus on long-term partnerships of scale.

At the beginning of the financial year, a significant deal was announced with Discovery, making it the exclusive partner for BBC landmark natural history programmes through subscription to video-on-demand (SVOD). Warner Media’s new streaming service HBO Max signed

up to become the streaming home of *Doctor Who*, and licensed 700 episodes of content including *Top Gear*; a co-development and co-production deal was agreed with Germany’s ZDF for scripted and landmark factual content, and a pioneering deal was signed with Russia’s biggest technology company Yandex for over 100 hours of scripted programming.

BritBox UK, majority owned by ITV with a content supply agreement from BBC Studios, launched in the UK in November. At year end, ownership of BritBox in North America became equally split between BBC Studios and ITV, whilst performance has been particularly strong, achieving one million subscribers in March 2020 to become the fastest-growing niche SVOD service in the US. In the same month, plans were announced to launch BritBox in Australia.

Financial review

BBC Studios’ financial results for the year demonstrate the strength of the business and the success of its strategy, as well as the smooth implementation of the merger and UKTV acquisition.

Record sales, EBITDA, content investment and content sales were achieved.

Sales have grown by 17% to £1,388 million and EBITDA is up by 14% to £181 million.

The net debt position at year end, excluding leases, was £112 million (2018/19: £46 million) and free cash flow £89 million (2018/19: £111 million)*.

* Free Cash Flow (FCF) represents cash from operating activities including the purchase and sale of property, plant and equipment and the purchase of distribution rights.

Production and Distribution

Production and Distribution includes programmes commissioned by, and sold to, broadcasters and platform owners globally and BBC Studios’ share of the results of its joint venture and associate production companies, format sales, and consumer products.

The UK Production business is continuing to perform well, and activity has increased in commissions for future year delivery as noted above.

During the year the business focused on the creative refresh of its key brands and as a result *Top Gear*, the BBC’s *Planet* series and *EastEnders* have gone from strength to strength, and as noted above, the pipeline for new business is strong for both third parties and the BBC.

BBC Studios’ independent production portfolio continues to grow in scale, developing and producing both returning and original series across scripted and unscripted genres, for both UK PSB channels as well as US and SVOD services. BBC Studios also sold its 25% stake in indie producer Two Cities Television to STV Productions.

Revenues in total content sales reached record levels this year, growing 21% year-on-year. This reflects strong performance in securing and delivering global content partnership deals as mentioned above. This part of the business has benefited from record levels of content investment. The consumer products business managed to hold its results year-on-year despite significant market pressure, reflecting strong management and cost control.

In the year, the business made a small investment in short-form mobile platform Quibi alongside a first commission for a natural history series, *Fierce Queens*, and a small equity investment alongside US PSB players into podcast specialists Pocket Casts.

Branded Services

BBC Studios’ Branded Services includes the BBC-branded channels and digital consumer services outside the UK, UKTV, BBC Studios’ share of the results of the joint venture and associate operations in BritBox and BBC AMERICA, and of digital branded services including BBC Player in Asia.

The Branded Services performance in the year was strong, with growth in both sales and EBITDA. This reflects the consolidation and strong performance of UKTV and continued growth of BritBox in North America.

Performance by operating segment

	Sales (£ million)		EBITDA (£ million)	
	2019/20	2018/19	2019/20	2018/19
Production & Distribution	1,059	1,047	75	81
Branded Services	385	161	111	71
Eliminations	(56)	(19)	(5)	7
Total	1,388	1,189	181	159



BBC One's *Seven Worlds, One Planet*

53

commissions secured from third parties since launch.

1m

BritBox: fastest-growing niche SVOD in the US, now at 1 million subscribers.



On 5 June 2019, BBC Studios took control of the UKTV brand and the majority of its linear channels from a previous joint venture with Discovery, for a purchase consideration of £100 million. An additional £73 million will be paid, representing the assumption of debt previously financed by Discovery and the impact of recognising the consideration at its present value. The results therefore reflect two months of UKTV as a 50:50 ten-channel joint venture, followed by ten months of full ownership of UKTV and its now-seven channels.

Forward view

BBC Studios' content has made an immediate and positive contribution to the BBC's response to the pandemic, bringing the whole of the UK together to educate, inform and entertain during tough and unprecedented times – with titles including *The One Show*, *Health Check UK*, *Horizon: Coronavirus Special*, *Big Night In* and *VE Day 75th anniversary*. The business has also supported customers with enhanced licensing terms and non-exclusive access to public service content packages.

Looking forward, the first priority for the business is to protect the health of its people and families, with extensive support available for those working from home and juggling childcare, and a focus on maintaining wellbeing in a stressful and uncertain climate.

The pandemic has had a significant effect on the BBC's community of freelance production talent – the lifeblood of the creative industry both on and off

screen – and BBC Studios has worked to support these individuals with a number of initiatives. The business also made a donation to support the Film & TV Charity's emergency relief fund for industry freelancers.

In operational terms, the coronavirus pandemic will have an impact on a number of key areas of business. Although the business is seeing continuing demand for premium content, underpinned by audience choices and the continuing proliferation of services, elsewhere the knock-on effect on the global economy of social distancing measures is, at the time of writing, profound. Filming pauses will delay delivery of content to commissioners and customers, as well as increasing the costs of production overall. Advertising revenues are under significant pressure globally, following dips in consumer confidence and business investment.

BBC Studios is working to minimise the overall financial impact through careful planning and reduction of discretionary spend to safeguard cash and profit where possible. The effects are likely to be significant, however, and the duration of the crisis will be key to the extent of this.

Against this backdrop, BBC Studios will continue to bring the best ideas to audiences around the world, transforming the business to lead the market in its customer approach and focusing on measures to underpin the long-term security of its returns to the BBC Group.

Seven Worlds, One Planet

The latest in the successful Planet series – *Seven Worlds, One Planet* – took a fresh approach to find new stories as it looked at each continent individually.

There were 90 shoots in over 40 countries, filming for a total of 1,794 days and shooting 2,260 hours of footage. Ground-breaking technology was key: the latest thermal imaging cameras to cover a wolf hunt in Italy, and widespread use of drones with 4K cameras to showcase landscapes and capture behaviours more quietly, more efficiently and with a much lower environmental impact than helicopters.

In Australia, the team filmed a newly discovered jumping spider performing a very bizarre mating ritual and, for the very first time, dingos successfully hunting kangaroos. In Chile, the team spent six weeks on location filming a successful puma hunt, and in the hostile Southern Ocean they filmed the largest aggregation of great whales ever shot in Antarctica.

The programme was the first BBC landmark natural history programme to receive the full Albert certification of sustainability, whilst only 20% of the programme's funding came from the licence fee, with the rest coming from co-producers, BBC Studios Distribution and UK tax credits. Audiences have been extremely positive, with the programme topping the BBC's list of factual titles in 2019 and a hit in China and beyond.

Commercial operations

BBC Global News

BBC Global News is the BBC's commercial news subsidiary and operates the BBC's English-language television and online services outside the UK; BBC World News and bbc.com. BBC Global News' mission is to bring the BBC's trusted and impartial journalism to a growing global audience whilst operating as a sustainably profitable business.

2019/20 saw revenues hold steady across our Advertising Sales and Distribution businesses, with total revenues of £115 million. Growth was slowed and profitability hit by challenging conditions in Asia-Pacific, including the coronavirus pandemic. BBC Global News achieved EBITDA of £2 million, its fifth successive year of profitability. Revenues from new business activity increased significantly. Our new Programme Partnerships division, which collaborates with leading international associations to produce content focusing on particular issues or industries that are shaping society, has expanded rapidly since its launch in late 2018/19, contributing several million pounds in annual revenues, with further growth planned for the coming years.

BBC World News' weekly global audience increased to 112 million in 2020, up 12% year-on-year and up 48% from 2014. Growth was particularly strong in the US where weekly reach increased to 32 million, up 50% year-on-year. The channel's profile in the US was boosted by a new partnership with WETA, one of the biggest PBS member stations, for the distribution of BBC World News programmes on public television stations across America.

bbc.com saw a major expansion in its audience reach, with average monthly browsers up from 93 million in 2018/19 to 121 million in 2019/20, up 29% year-on-year*. Video views on the bbc.com website and apps also increased, from 31 million to 40 million, up 27% year-on-year*. A new monthly audience record was set on bbc.com in March 2020, with 179 million visitors (up 27 million on previous record reach) and 1.5 billion page views, driven by the BBC's coronavirus coverage. The combined total for video views on the bbc.com platform and syndicated platforms reached 179 million in March 2020, another record. bbc.com re-launched its BBC Capital feature site as BBC WorkLife and unveiled new propositions including Future Planet, which focuses on sustainability.

Off-platform global partnerships play an increasingly important role in the

commercial and distribution strategy. 2019/20 saw an increase in off-platform consumption, with bbc.com content reaching over 26 million users on average per month on platforms such as Apple News, MSN and Facebook Instant Articles. BBC News is the most followed news source on Facebook with over 50 million followers. BBC Global News renewed an agreement with Facebook to provide a weekly show, *Cut Through The Noise*, on their Watch platform following its success in 2019/20, and signed an agreement with Quibi, the new, short-form mobile video platform, to provide an exclusive international news show called *Around the World* from April 2020. The BBC News YouTube channel saw continued growth in 2019/20, passing six million subscribers, making BBC News one of the biggest news sources on YouTube.

BBC Global News was recognised for the excellence of its journalism with a number of awards in 2019/20, including the George Polk Award in Journalism for *Inside China's Hidden Camps* which aired on BBC World News, and a Travel Media award for best broadcast programme of the year for *The Travel Show's* programme on the Tokyo Paralympics. On bbc.com, BBC Future won a Webby for Best Writing (Editorial) and BBC Reel won silver Telly Awards for three of its video productions including the *Searching For Starlite* series about the invention of a potentially world-changing material. BBC Culture, BBC Reel and BBC Future all won Lovie awards, which honour the best of the European internet.

Forward view

The coronavirus pandemic has had a dramatic impact on the markets in which BBC Global News operates, shrinking advertising budgets and putting additional pressure on pay-TV operators already facing challenges from over-the-top (OTT) competitors. At the same time, demand for BBC Global News' output has never been higher as readers and viewers seek trustworthy, independent coverage of world-changing events. BBC Global News will build on this audience growth in 2020/21, establishing a closer relationship with its online audiences through an expanded roll-out of user registration. Although there is uncertainty about how rapidly the online advertising and TV distribution markets will recover, the coronavirus pandemic will continue to have an impact on BBC Global News's financial performance into 2020/21. BBC Global News plans to continue to respond to these impacts through the pursuit of a range of new and existing revenue opportunities, continued development of its editorial propositions and a sustained focus on cost management.

* Part of the 2019/20 uplift in browsers and video views is attributable to new measurement of audiences viewing BBC content on Google AMP.



Talking Business on BBC World News



BBC Studioworks



Even Later... with Jools Holland and Mark Ronson



BBC Studioworks is a wholly owned commercial subsidiary of the BBC, providing television studios and post production services to all the major UK broadcasters and production companies. Our London-based facilities are home to some of the nation's most watched and loved entertainment shows.

2019/20 has been a standout year, with total income up 8% year-on-year at £40 million (2019: £37 million) and EBITDA of £8 million (2019: £6 million). The increase in sales was driven by solid utilisation across our portfolio by returning clients as well as a wealth of new business. Delays to new capacity opening in the market also helped to deliver a robust performance. Whilst increased pension liabilities have impacted overall profitability, these additional costs have been absorbed, meaning BBC Studioworks will be returning a cash dividend to the BBC of £0.4 million (2019: £0.8 million).

During the year, the business extended its lease agreement with Elstree Studios until 2024. In turn, investment has also been made in new technology, reinforcing BBC Studioworks' commitment to providing a consistent and creative proposition underpinned by premium kit.



New clients won in the last 12 months include:

- *Later... with Jools Holland and Take Off with Bradley & Holly* for BBC One
- *Crazy Delicious, The Fantastical Factory of Curious Craft, Harry Hill's ClubNite and The Lateish Show with Mo Gilligan* for Channel 4
- *Saturday Night Takeaway, Kate and Koji and Ball & Boe: A Very Merry Christmas* for ITV

The move of *Saturday Night Takeaway* to Television Centre means BBC Studioworks is now broadcasting live from our West London facility seven days a week, with ITV Daytime shows *Good Morning Britain, Lorraine, This Morning* and *Loose Women* transmitting on weekdays and Channel 4's *Sunday Brunch*.

In the same timeframe, returning shows included:

- Live broadcasts – *Strictly Come Dancing* and *Children in Need* for BBC One, *Peston* for ITV and *The Last Leg* for Channel 4

- Chat shows – *The Graham Norton Show* for BBC One, *The Apprentice: You're Fired* for BBC Two, *The Jonathan Ross Show* for ITV and *The Great British Bake Off: An Extra Slice* for Channel 4
- Game shows – *Pointless* for BBC One, *The Chase* for ITV, *Don't Hate the Playaz* for ITV2 and *A League of Their Own* for Sky One
- Comedy – *Have I Got News For You* and *Mock the Week* for BBC One, *Celebrity Juice* for ITV2 and *The Russell Howard Hour* for Sky One
- Continuing drama – *EastEnders* for BBC One

The post production team also experienced a strong year, with clients including *Strictly Come Dancing, Strictly Come Dancing: It Takes Two, The Last Leg, Holby City* and *Saturday Night Takeaway*.

Forward view

The market in which BBC Studioworks operates remains challenging. The shortage of studio space in the UK has seen an influx of new developments being built across the country. As productions trial new locations and Public Service Broadcasters deliver their nations and regions quotas, the pressure to retain business, attract new clients and continue to deliver a first-class service is real. A lack of industry investment in the future workforce has also created an acute and accelerating skills shortage.

Looking ahead, the impact of coronavirus and the cancellation of productions will negatively impact financial performance, the level of which is unknown. BBC Studioworks will continue to rigorously manage our pipeline of work, retain clients, win new business and make shrewd investment decisions to mitigate any loss, whilst maintaining security of supply for the light entertainment TV market.

How we operate

This section sets out how we operate both internally, with our staff, suppliers and producers and externally with a range of stakeholder groups, the public, charities and in partnerships. The BBC voluntarily complies with corporate governance reporting requirements under section 172 of the Companies Act.

Human rights, modern slavery, anti-bribery

We are committed to respecting the human rights of all those who work for or with us. Our Terms of Trade require any suppliers we work with, and any sub-contractors they use, to adhere to the codes of practice published by the Equality and Human Rights Commission and the Equality Commission Northern Ireland. In addition, suppliers, and sub-contractors, are required to abide by our Code of Ethical Policy. The full code can be found here: downloads.bbc.co.uk/supplying/pdf/BBC_Ethical_Policy.pdf

We recognise the need to prioritise tackling the most severe human rights abuses, including modern slavery. We abide by the Modern Slavery Act 2015 and publish our Modern Slavery Statement in accordance with this. The full statement is available at: <https://downloads.bbc.co.uk/aboutthebbc/reports/pdf/bbcmrsa2020.pdf>

We are committed to a zero-tolerance approach to bribery and corruption. We expect all of those representing the BBC to abide by the BBC's Anti-Bribery Code of Conduct. The full code can be found here: downloads.bbc.co.uk/foi/classes/policies_procedures/anti-bribery-policy.pdf



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Partnerships and collaboration

Our people

The BBC is at its best when our people work together and feel included and valued. This year we have embedded the transformational change of the last three years and gone even further in delivering inclusive, innovative solutions to attract and develop the best talent and the best leaders in the industry.

An inclusive culture

The BBC's ambition is to create an inclusive culture, developing and supporting brilliant leaders and great talent doing their best work in an organisation that's simple and easy to work with.

In 2016, we published our Diversity and Inclusion (D&I) Strategy and, four years on, we have achieved many of our ambitions and goals. We have met our targets on workforce disability, LGBTQ+ and all-staff representation of black, Asian and minority ethnic employees.

We know that we have more to do to reach our targets on gender and diverse leadership and to build trust across the organisation. In 2019/20 we consulted our people and stakeholders, listening to their ideas and working with our employee networks to build trust and to better support our workforce. Our new strategy, to be published later this year, will run to 2023 and will build on those ideas and address the challenges head on. We have taken immediate action towards our ambition of creating a truly inclusive organisation and key initiatives include:

- the Senior Leadership Team Advisers programme: in March and April, we appointed two people from different backgrounds and perspectives to each of our Executive leadership teams (and one each for the Scotland and Wales leadership teams) to help us take decisions which shape the BBC's place in the world;
- beginning work to develop a Disability Passport: a 'living document' we will launch in 2020 to ensure workplace adjustments are tailored and preserved for individual users if they change jobs or their line manager changes;
- the launch of BBC Elevate: an initiative designed to give disabled people with industry experience the chance to gain further experience on flagship BBC shows. Recruitment into the scheme will continue in 2020.

Our next generation

In 2019/20, 2.4% of the BBC's workforce was either an apprentice or trainee. We were ranked 9th in The Times Top 100 Graduate Employers (first in the Media category) and we also employ non-

graduate apprentices across all areas of our business. We've been shortlisted in the 2020 School Leaver Awards and our entry-level programmes aim to attract the UK's best talent from the broadest backgrounds. Our intake in 2019 was over 25% black, Asian and minority ethnic and over 15% with a declared disability.

Flexible working

Over the course of 2019/20 we have seen investment across the UK and internationally, creating over 200 new content and digital roles, to support the growth of BBC iPlayer, BBC Sounds, our digital services and global output. This is offset by the closure of 249 roles as a result of saving plans across all BBC Divisions.

We have continued to strengthen our broadcasting hubs across the UK and around the world. In Cardiff we moved into Central Square, an impressive new building which will be home to around 1,000 staff across several divisions. Pacific Quay in Glasgow has become home to a new base for Design and Engineering (D+E), with another D+E hub planned for Newcastle in the future.

Overseas, the World 2020 expansion continues to revolutionise our coverage, attracting new audiences everywhere.

An agile and flexible workforce

Our approach to flexible working is central to our people ambition. We have transparent policies in place to provide staff with the ability to work in ways which suit their lives and commitments. We are proud to report that by the end of 2019/20 (in March 2020) 96% of new vacancies were advertised as being open to flexible working. As a result of the lockdown during the coronavirus pandemic, the vast majority of our people were required to work remotely, supported by effective and robust technology, and by best-in-class homeworking and employee wellbeing policies. We aim to build on this experience to ensure flexible working becomes the first consideration for every role across the BBC.

We are also committed to job-sharing as demonstrated by the recent appointment of our job-share Group HR Directors Wendy Aslett and Rachel Currie.

Wellbeing

Helping staff maintain and improve their wellbeing is an essential part of our people strategy and this year we have continued our investment to make the BBC a healthier, happier and greater place to work. We have increased the

number of health kiosks in BBC buildings and introduced a remote GP service in February 2020. We are also now offering health check sessions for night workers.

In November 2019 we curated 'Wellbeing Live', a week of resources and events around the country. Our commitment to providing mental health support has continued with the number of trained Mental Health First Aiders now over 1,000 across the UK, and a further 75 in our international bureaux. Our new Trauma Pathway supports the diagnosis and treatment of Post-Traumatic Stress Disorder.

Our commitment to wellbeing has been central to how we've supported staff through the stresses created by the UK lockdown in response to coronavirus, with a comprehensive Wellbeing Collection curated by the BBC Academy and the launch of a new mental health application, UnMind.

In addition to wellbeing and flexible working, we've provided enhanced support to our staff in many other areas as a result of coronavirus. We've made changes to several policies (in areas such as expenses, transport and leave) to meet the challenges faced by our employees and we've transformed how we communicate with everyone. Weekly calls, providing staff with access to members of the Executive and the Director-General, have resulted in significant levels of engagement and greater transparency and accountability with regard to decision-making.

Recruitment

Our recruitment processes are inclusive, transparent and fair, underpinned by a new interview and assessment framework. Our Interview Champions Programme now has over 250 trained champions based in over 30 BBC UK locations, bringing diverse perspectives to our selection decisions.

We successfully launched The BBC Talent Cloud – a secure database aimed at off-air freelancers seeking bookings or short-term contract work with the BBC in the UK and covering all BBC public service and commercial subsidiaries.

Leadership

In 2019 we introduced new Leadership Commitments, setting out what's expected of all BBC leaders, communicated via BBC-wide 'Leadership Matters' workshops to almost 2,000 leaders. Three new BBC Leadership Development programmes (junior, mid and senior levels) have



How we operate

Our people *continued*

been launched, with over 750 delegates, alongside shorter BBC Leadership courses, reaching almost 2,000 in 2019/20. For the BBC’s senior leadership, our team of Executive Coaches, offering one-to-one support, has grown.

We have reinvented the way we share information with our leaders, using three main platforms (Ariel for Leaders, Senior Leader Summits and Team Leader Calls).

All staff and leadership: 31 March 2020

Workforce	31 March 2020	2020 target
Women (all staff)	48.3%	50%
Women (leadership)	45.0%	50%
Disability (all staff)	10.2%	8%
Disability (leadership)	8.6%	8%
BAME (all staff)	15.7%	15%
BAME (leadership)	12.3%	15%
LGBTQ+ (all staff)	11.2%	8%
LGBTQ+ (leadership)	11.2%	8%

Learning and development

The BBC Academy has continued its three-year transformation programme. Staff can now access multiple sources of learning from face-to-face to virtual classrooms, podcasts, webinars, masterclasses and a library of digital content. The Academy’s commitment to learning design has been recognised nationally this year with the Gold award in the category ‘Best Use of Blended Learning’ at the Learning Technologies Awards.

The Academy, in partnership with the News division, ran the first ever BBC Young Reporter Festival this year. More than 1000 people from 77 schools took part in Young Reporter workshops across the UK and over 600 schools and youth groups ran their own festival events.

This year also saw the completion of the Open Media training programme with 8,000 staff trained on the new news production system since 2016 through face-to-face or online courses.

Trust and transparency

Trust and transparency are at the heart of our BBC values.

We need to attract, motivate and retain the very best people so that we continue to make brilliant content. Our policies are central to that ambition and they enable us to balance our wish to attract talent in a highly competitive market with our responsibility to deliver value to licence fee payers.

In 2019/20, with the agreement of the unions and the support of our staff, we completed the final phase of the reform

BBC staff (including employees working for BBC Studios and other commercial areas) are now mapped to 27 Career Path Framework job families, divided into three categories. The following table provides a breakdown of our headcount by job family.

CPF Category	CPF Headcount March 2020 CPF Job Family	Group total		
		Headcount	EFT	
Content	Commissioning	212	206	
	Content Production	2,419	2,276	
	Journalism	6,254	5,700	
	Presenter	561	480	
	Production Management	978	907	
	Programme Scheduling	203	195	
	Research and Development	190	182	
	Technical Production	2,066	1,916	
	Technology, Systems and Delivery	2,990	2,908	
	Content Total		15,873	14,770
Content Support	Commercial	276	265	
	Commercial, Rights and Business Affairs	394	369	
	Data and Analytics	150	144	
	Information and Archive Management	353	329	
	Marketing and Audiences	712	645	
	Resourcing	146	136	
	Training, Trainees and Apprentices	430	425	
	Content Support Total		2,461	2,313
	Support	Business Management and Admin	879	791
External Communications		204	193	
Finance		507	492	
Fundraising and Partnerships		83	72	
HR and Internal Comms and Engagement		329	307	
Legal		119	108	
Policy and Strategy		132	126	
Procurement		102	100	
Project Management		540	516	
Quality, Risk and Assurance		95	93	
Workplace		22	21	
Support Total		3,012	2,819	
Grand Total		21,346	19,902	
No CPF		446	393	
Overseas		2,837	2,834	
Total		24,629	23,129	

of our policies, our pay structure and our terms and conditions, providing an unparalleled level of transparency and consistency. The National Audit Office report of May 2019 (‘Managing the BBC’s pay-bill’) stated that “the BBC has taken big steps in improving consistency and fairness and is well ahead of other organisations with regards to pay transparency”.

Our new policies

Our employees now benefit from a range of new policies enhancing every aspect of their working life. As well as policies on flexible working, diversity, wellbeing and learning and development, we introduced clear and consistent guidelines on health and attendance, expenses and attachments. The importance we attach to a healthy work-

life balance has shaped policies for weekend workers and night workers to support their health, wellbeing and resilience.

Pay

Employees are now mapped to 880 distinct roles across 27 job families and seven career bands. Each job has a clear, market-aligned pay range delivering industry-leading levels of pay transparency. We use independent experts and professional pay and benefit surveys to inform these ranges, ensuring employees are paid fairly and competitively with rules and guidance to maintain consistency. We have a robust approvals and governance framework to ensure that pay decisions are challenged and calibrated across the organisation.

This year we also introduced information on our staff database, 'PeopleView', to show the distribution of pay by gender and ethnicity within each of our pay bands or job pay ranges.

We are still addressing a small number of historic equal pay cases. Resolving them remains a priority.

The gender pay gap (GPG)

The BBC's gender pay gap remains the lowest in the industry and is reducing every year. We remain substantially ahead of the national average and we are closing our GPG at a faster rate than the industry and UK average. The median GPG has been

reduced this year to 6.2% from last year's figure of 6.7%, significantly lower than the national average which is currently 17.3%. In the roles where we have most staff (Journalist, Senior Journalist, Producer, Senior Journalist-Reporter, Assistant Editor) our median GPG is less than 3%.

Supporting change

This year the BBC HR team has supported the BBC's strategic aims, providing insight into the lived experience of our workforce and developing innovative solutions that drive the BBC's ambition for change. Over the next year and beyond we will be building one BBC with people who are proud to work for us, who feel valued and

who have every opportunity to thrive in a BBC that's relevant and inspirational.

Data tables

On the following pages, we provide further data to support the information reported in this section.

Total average headcount (equivalent full time as at 31 March 2020)

	2020	2019
UK Public Service Broadcasting	19,572	19,231
BBC Studios	2,672	2,641
Other commercial businesses	505	456
Group total	22,749	22,328

Within the averages, above 3,085 (2019: 2,907) part-time employees have been included at their full-time equivalent of 1,971 (2019: 1,840). In addition to the above, the BBC employed an average full-time equivalent of 1,409 (2019: 1,350) persons on a casual contract.

Career Path Framework

Employee roles are mapped across 27 job families and seven career bands.

BBC Group

EFT/Headcount by CPF Band (excluding Performing Groups, Trainees & Apprentices and Non-CPF)

CPF Band	EFT		Headcount	
	EFT	EFT (%)	Headcount	Headcount (%)
A	313	2%	402	2%
B	2,385	12%	2,586	12%
C	6,626	34%	7,193	34%
D	6,774	34%	7,211	34%
E	2,198	11%	2,306	11%
F	879	4%	905	4%
FP	103	1%	115	1%
SL	329	2%	333	2%
Total	19,607	100%	21,051	100%

UK senior leader headcount by salary band (PSB only)

Salary band	2019/20 Actual	2018/19 Actual
£50,000 – £99,999	44	52
£100,000 – £149,999	103	100
£150,000 – £199,999	73	63
£200,000 – £249,999	23	25
£250,000 – £299,999	3	3
£300,000 – £349,999	5	5
£350,000+	2	2
Total*	253	250

* Total excludes BBC Board members and pension directors

RAISED participant Miriam Barker



Real Action in Socio-Economic Diversity

A new staff network launched in November 2019.

The Real Action in Socio-Economic Diversity (RAISED) network was set up to address the under-representation of BBC employees from lower socio-economic backgrounds, and to support the BBC's ambition to make content that reaches audiences from those backgrounds.

The network promotes the interests of BBC audiences from less affluent backgrounds, bringing BBC content makers closer to

all of our audience. It champions the recruitment and career progression of colleagues from underserved socio-economic groups, as well as being pivotal in connecting colleagues from lower socio-economic backgrounds to key decision and programme makers in the BBC.

BBC Wales Digital Journalism Apprentice Miriam Barker, 30, says: "As a working class, gay and mixed-race woman, I have felt like the BBC isn't for me. But BBC RAISED has made me feel like I belong here and I can openly be myself. It's 100% introducing me to different opportunities and it's given me the confidence to put myself up for new things."

How we operate

Our people *continued*

Spend on on-air roles

	2019/2020		2018/2019*		Variance £000s
	Spend £000s	Volumes	Spend £000s	Volumes	
Less than £40,000	40,750	26,993	43,210	28,234	(2,460)
£40,000 – £100,000	69,445	1,139	65,184	1,083	4,261
£100,000 – £150,000	12,731	103	13,388	109	(657)
£150,000 – £500,000	17,908	73	18,162	75	(254)
£500,000 – £1m	726	1	610	1	116
£1m – £5m	3,113	2	3,001	2	112
Total	144,673	28,311	143,555	29,504	1,118

* Spend on on-air roles for 2018/19 has been restated following a review of the introduction of the BBC's Career Path Framework and on-air review. An individual is deemed to have an on-air role where they have significant (i.e. 80% or more) on-air responsibilities.

During 2019/20, spend on on-air roles represented 10% of total internal creative content spend (2018/19: 10%).

Severance payments

Our redundancy policy is one month's pay for each year of service up to a maximum of 12 months' pay (for those who joined before January 2013 it is a maximum of 24 months' pay). Employees must have two or more years' continuous employment on cessation to be eligible for payment. We have maintained a cap on redundancy and severance payments of £150,000 and await further clarification on the Government's proposed new cap of £95,000, which we understand will apply to the BBC. Redundancy payments over £75,000 and all other severance payments are approved by the Senior Management Remuneration Committee.

Where redundancy pay is paid, notice is served. If an individual wishes to leave earlier than the end of their notice period, they must waive the remaining notice period and they do not receive payment in lieu for it.

In 2019/20, we paid one payment in lieu of notice (PILON) to a member of staff who left the organisation. This was an employee employed overseas who, on leaving the BBC, was paid PILON and severance pay under local law.

Payment band	2019/2020		2018/19	
	Spend £000s	Volumes	Spend £000s	Volumes
Under £10,000	119	19	162	25
£10,000 – £50,000	2,928	103	3,169	113
£50,000 – £75,000	3,949	63	3,407	56
£75,000 – £100,000	5,284	61	3,278	38
£100,000 – £150,000	11,159	85	7,820	64
Over £150,000	0	0	0	0
Total	23,439	331	17,836	296

BBC Academy training

Reach	2019/20
Total training completions*	94,354
Face-to-face	22%
Online	78%
BBC staff who completed one or more course	95%
Total learning and development hours face-to-face and online	258,468
Number of learning and development days per EFT	1.82
Total online usage**	73,130
Value for money	2019/20
Training delivery spend (£m)***	£12
Learning and development cost per EFT****	£592

Training data and EFT figures are BBC wide, including PSB, BBC Studios and other commercial subsidiaries.

* Individual face-to-face and online training completions.

** Individual online course completions and those with 'in progress' status.

*** Total Academy training delivery spend excluding major projects.

**** Total Academy training delivery spend divided by total EFT.

Information provided in line with the Trade Union (Facility Time Publication Requirements) Regulations 2017 – schedule 2 (1 April 2019 – 31 March 2020)

We have continued to work closely with our recognised Trade Unions in the last 12 months in embedding the changes of Terms and Conditions and working through the challenges posed by the pandemic. We continue to value and build on our positive and constructive relationships with our unions. No strike action was taken in 2019/20.

As part of the Trade Union (Facility Time Publication Requirements) Regulations 2017, public authorities are required to report information about facility time taken by trade union officials for a 12-month period. (Facility time refers to the time taken for our recognised trade unions to represent members both individually and collectively in a range of issues across the BBC). This is detailed in the table below.

Relevant union officials

	2019/20
Number of union officials	326 (EFT: 312)
Percentage of time spent on facility time	Number of employees
0%	0
1% – 50%	319
51% – 99%	0
100%	7*
Total cost of facility time	£706,997
Total eligible PSB paybill	£1,203k
Percentage of total paybill spent on facility time	0.06%
Paid trade union activities	
Time spent on paid trade union activities as a percentage of total paid facility time hours	80%

This information has been provided based on approximated numbers on known union representative numbers.

* There were seven full time union representatives (5.5 EFT)

Volume of internal complaints

Complaints made and investigated

	2019/20	2018/19
Bullying and harassment	92 formal cases	86 formal cases
Grievance complaints notified either direct to HR, via a grievance being raised, or via the confidential bullying and harassment helpline.	<ul style="list-style-type: none"> — 10 sexual harassment — 82 bullying and harassment — 65 closed — 16 ongoing — 11 withdrawn Average time to close case: 77 days	<ul style="list-style-type: none"> — 5 sexual harassment — 81 bullying and harassment — 52 closed — 24 ongoing — 10 withdrawn Average time to close case: 108 days
Whistleblowing cases	39 cases in total (a range of issues covering safety, theft, fraud):	26 cases in total (a range of issues covering safety, theft, fraud):
Whistleblowing allegations are received either via Expolink, who manage an independent whistleblowing hotline on our behalf, via senior management including a designated non-executive director, or directly to the Investigations teams.	<ul style="list-style-type: none"> — 5 upheld — 21 unsupported — 13 ongoing 	<ul style="list-style-type: none"> — 6 upheld — 14 unsupported — 6 ongoing

How we operate

Consultations



The BBC's Charter requires the BBC Board "to have regard to the benefits of consultation with interested persons" as part of our commitment to openness, transparency and accountability and is a key element in our engagement with stakeholders.

In 2019/20, we published the outcomes of four consultations and details of these are below.

Public Interest Test consultation to extend the availability of content on BBC iPlayer

We reported last year that the BBC, as part of a Public Interest Test, had consulted on proposals to transform BBC iPlayer, from primarily a catch-up and linear TV service into a destination for audiences, where the BBC's programmes would be available for longer. The consultation had asked for views on the potential public value of the proposals and their potential competitive impact. The BBC Board concluded that the proposals had met the Public Interest Test and would be referred to Ofcom for a final determination.

In August 2019, following a Competition Assessment which included further consultation, Ofcom agreed that the proposed changes could go ahead,

concluding that they would deliver significant public value over time through increased choice and availability of public-service broadcast content, and that they would help ensure the BBC remained relevant in the face of changing viewing habits. Ofcom also asked us to publish further metrics on the performance of BBC iPlayer. As such in this year's Annual Report we are publishing the signed-in reach and total weekly hours of BBC iPlayer, its share of all BBC TV viewing, users' perceptions of BBC iPlayer, and the extent to which they feel it contributes towards the BBC's delivery of the mission and purposes. This data is included for all audiences and, where measurement allows, under 35s/16-34s. We are keeping the sources from which we report this data under review as measurement of BBC iPlayer continues to evolve.

Details of this consultation and decision are available online at: bbc.co.uk/aboutthebbc/reports/consultation/iplayerpit

Consultation on the future of free TV licences for over-75s

In June 2019, the BBC Board published its decision on the future of free licence fees for over-75s – that any household with somebody over 75 who is in receipt of pension credit would receive a free TV licence.

To help inform the Board's decision, between November 2018 and February 2019, the BBC held its largest ever public consultation, in which more than 190,000 people and stakeholder organisations shared their views with the BBC.

The consultation had asked for views on a range of options, including copying the current concession, restoring a universal licence fee, discounting the concession, raising the age threshold from 75 to 80, or using the UK Government's own measure on pensioner poverty to give a free TV licence to any household where someone is over 75 and receives Pension Credit. Details on the consultation and the BBC Board decision can be found at: bbc.co.uk/aboutthebbc/reports/consultation/age-related-tv-licence-policy

Consultation on a revised draft of the BBC's Editorial Guidelines

In July 2019, we published the seventh edition of the BBC Editorial Guidelines. This followed a consultation held at the end of 2018 on a revised draft of the Guidelines which sought views on whether the Guidelines set out appropriate editorial standards for those making BBC programmes and content and sufficiently reflected the changes in the media landscape since the last review in 2010. The BBC's Editorial Guidelines can be found here: bbc.co.uk/aboutthebbc/reports/consultation/editorialguidelines

Consultation on amendments to the BBC's Complaints Framework

Between February and April 2020, we held a consultation asking for views on a number of proposed changes to the Editorial and General Complaints Procedures contained in the BBC's Complaints Framework. The changes were aimed at providing greater transparency around the way in which we explain and communicate our decisions. We also used the consultation to update the Complaints Framework to bring it into line with Ofcom's regulations in relation to On Demand Programme Services (ODPS) and Ofcom's guidelines for Fairness and Privacy complaints handling.

In May 2020, the BBC Board approved the proposed changes and a revised Complaints Framework was published, which can be found online: bbc.com/aboutthebbc/reports/consultation/complaints-framework-amendments

Audience engagement report

The BBC's Charter requires us to "carefully and appropriately assess the views and interests of the public and audiences, including licence fee payers, across the whole of the United Kingdom". The BBC has many ways of achieving this, including extensive market research and a 24-hour Contact Centre that runs 365 days a year.

In addition to this regular activity, members of the BBC Board and Executive Committee met with representatives of the audience across the UK:

1. Salford – 25-45 year olds – focus on BBC Sounds and BBC iPlayer
2. Wrexham – broad age range from 18-75 – focus on North Wales and BBC News
3. Belfast – 35-55 year olds – focus on radio, including Radio Ulster
4. Exeter – 18-26 year olds – focus on younger audiences in the South West
5. London – 18-35 year olds – focus on audio services including BBC Sounds
6. Glasgow – 25-60 year olds – focus on BBC Scotland and the Scotland Channel

All the sessions comprised of around 20-25 people and participants discussed their media consumption, their attitudes towards the BBC and how it portrays their lives.

Key themes raised by the audience in the sessions:

- **People struggle to know who has commissioned a programme** – views on our services are usually framed in terms of the content they offer, and content discovery can be increasingly difficult in a sea of choice and can sometimes feel overwhelming. Attribution is also an increasing problem – people struggle to know who has made a programme.
- **Watching on-demand is becoming the norm** – nearly all say they are watching less live now and many claim to now go to on-demand before browsing the Electronic Programme Guide (EPG). Netflix is often seen to be the market leader by younger audience members.
- **iPlayer is generally valued**, but it is usually used to find something they already know about rather than as a destination. Many are pleasantly surprised by what's on there – and many feel there is more content than in the past.

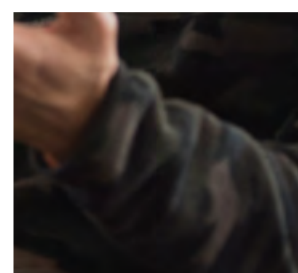
- **Many are still 'traditional' radio listeners** – but they are increasingly using new ways of listening (including podcasts). BBC Sounds is gaining visibility and those who use it value having the means to discover new content.
- **Broad respect for BBC** – but, particularly younger audiences, feel that it is a bit 'out of date' and maybe for an older audience. The BBC is often associated with being factual, professional, grown-up and serious.
- **Many want more light-hearted content from the BBC** – but want it to remain true to its values, not just copy others, and take more risks and be bolder.
- **Desire for more representation of their part of the country** – there was warmth for programmes/services where they might 'recognise the accent' and local news felt relatable and 'for them' but national news can feel 'all about London'.

Plans for 2020/21

We have announced that we want to increase our engagement with the British public to hear their views on the BBC as it approaches its centenary. Whilst face-to-face engagement will likely remain challenging for much of the year, we have established a successful model of 'Virtual In Person' online sessions where BBC staff

are able to hear directly from audience members using video conferencing technology. These sessions, which in many ways are more personal as we are talking to people in their own homes or workplaces, are an excellent way to ensure that we stay closely connected to audiences at a time when 'in person' contact is difficult.

Participants discussed their media consumption, their attitudes towards the BBC and how it portrays their lives.



How we operate

Environmental sustainability

Public awareness and concern over environmental issues reached new heights this year. The BBC has helped raise this awareness and responded to it through our programmes. We are following our Greener Broadcasting strategy with the aim of creating “a positive environmental impact”.

In 2019 the BBC launched Our Planet Matters, which collates and promotes our extensive and wide-ranging environmental content from TV, radio and online. TV highlights include *Climate Change – The Facts*, presented by Sir David Attenborough, *War on Plastic with Hugh and Anita* and an edition of *Panorama* entitled *Climate Change: What Can We Do?*

On radio, Greta Thunberg guest-edited *Today* on Radio 4, 5 live ran their *Cool Planet* series, offering practical advice to listeners wishing to reduce their environmental impact and *My World* appeared on BBC World Service, bringing environment issues to a global audience of teenagers.

Online, BBC Ideas’ Sustainable Thinking playlist presents visionary perspectives on current and future living and BBC Sounds hosts ‘Green Pods’ on pioneering figures of the environmental movement.

Green themes are not just for news and factual programmes. *EastEnders* character Bailey challenged environmental attitudes and an episode of *Doctor Who* saw the team confronting the impacts of climate change on a devastated future earth.

We have briefed 1,000 colleagues, produced our programmes in more sustainable ways and upgraded our buildings to become more green.

Our course Reporting Climate Change continues to engage journalists from across our News output and bespoke training sessions have been delivered to operational and editorial teams.

Cardiff Central Square, our new building in Wales, has been awarded ‘BREEM Outstanding’ status for consideration given to the environment during design and construction. Its features include the use of local materials and rainwater harvesting. Energy-saving lighting upgrades have begun in Pacific Quay in Glasgow and we have vacated two buildings, helping our energy efficiency.

More than 100 of the programmes we’ve broadcast this year have been certified as ‘sustainable productions’. *Seven Worlds, One Planet* hired local camera crews to reduce air travel, *Strictly Come Dancing* provided sustainable catering to its cast and crew and *The Dengineers* used upcycled materials to build dream dens for children.

Our partnerships with other industry players are breaking new ground for sustainability in broadcasting.





The BBC and our commercial subsidiary BBC Studios are active partners in the BAFTA Albert Consortium, co-founded by the BBC nearly ten years ago. His Royal Highness the Duke of Cambridge recently hosted a meeting attended by senior commissioners from the BBC and the UK’s other major broadcasters to discuss how TV can have a positive impact on the planet.

We have also worked with the pan-industry group, the DPP, to promote sustainable practices across the supply chain.

We have made some progress against our targets.

Following improvements to our reporting there has been an increase in the number of productions completing a carbon footprint, with 95% of titles now measuring their impact. We continue to hit our carbon reduction target due to the purchase of renewable electricity to match that used at the majority of our sites. We are working with our caterers and the rest of our supply chain with the aim to fulfil our commitment of removing single-use plastic from our operations by the end of the year. There has been a slight reduction in our energy consumption but there is much more to do to ensure we reach our targets.

The table below describes the targets we are aiming for by 2022, along with progress we have made to date. We will continue to take action in these areas and report annually on our progress.

Greener BBC targets and measures		Target/measure by 2022 (baseline 2015/16)	Progress 2019/20 vs 2015/16
	CO ₂ e	Reduce 24% ¹	Reduced by 77%
	Energy	Reduce 10%	Reduced by 1%
	Waste	Reduce 10%	Reduced by 21%
		Recycle 75%	Recycled 51%
		Zero waste to landfill	Waste to landfill 12%
		No single-use plastic by 2020	In progress
	Programmes	100% albert calculation	95% calculated
		25% ² output albert certified	34% certified
			127 programmes

1 CO₂e reduction target follows a science based methodology addressing scope 1 and 2 emissions and uses a sectoral decarbonisation approach.
2 Methodology for this target has been revised in 2019/20 to improve accuracy.

UK electricity consumption in 2019/20 in accordance with the SECR reporting guidelines: 237,175 MWh.
UK gas consumption in 2019/20 in accordance with the SECR reporting guidelines: 74,461 MWh.
Consumption of fuel for the purposes of transport in 2019/20 in accordance with SECR reporting guidelines: Diesel and petrol used in fleet cars operated for business and company cars on business: 746,622 litres; Data on fuel used in personal/hire cars on business is not available.
Waste data is for UK waste only.
Where necessary due to lack of data, energy consumption by international bureaux has been calculated using averages based on previous years.

Greenhouse gas emissions 2019/20	'Gross' emissions	'Net' emissions
Greenhouse gas emissions (tonnes CO ₂ e emissions, scope 1 and 2)	61,947	22,144
Carbon intensity (tonnes CO ₂ e emissions/total group income £m)	12.5	4.5

Greenhouse gas data is for UK sites and managed international bureaux. 'Gross' emissions use location-based grid average factor. 'Net' accounts for renewable electricity purchased in the UK.
Data has been produced in accordance with the GHG Protocol Corporate Accounting and Reporting Standard.

Charitable work



A mother in northern Zambia is interviewed for BBC Media Action's radio show, 'Natwampane' (Coming Together), which aims to help stop gender-based violence in the region

Audiences continue to be incredibly generous in their response to charity appeals broadcast on the BBC. Once again, millions of pounds have been raised, money that will benefit individuals, communities and organisations across the UK and around the world. Our audiences get involved in all kinds of creative ways.

BBC Broadcast Appeals

Since 1923, the BBC has offered charities airtime. This now takes the form of a Radio 4 Appeal or a BBC One Lifeline Appeal. A quarterly application process selects 60 charities per year covering a wide range of causes. Audiences are able to read about the impact of these appeals: bbc.co.uk/charityappeals/what-your-money-does. The Radio 4 Christmas Appeal with St Martin-in-the-Fields raised £4.2 million, a 21% rise on the previous year, to help homeless people at The Connection at St Martin's and offer grants to vulnerable people across the UK. In Northern Ireland

there were 11 Radio Ulster Appeals and three Community Life television Appeals: bbc.co.uk/niappeals. BBC Radio Sheffield in collaboration with the South Yorkshire Community Foundation raised funds for those affected by the flooding in November.

BBC Children in Need

BBC Children in Need is currently funding around 3,000 local charities and projects supporting disadvantaged children and young people throughout the UK. In the last year alone, the charity helped change 600,000 young lives. The BBC inspired huge numbers of people across the UK to support its 2019 Children in Need Appeal, including over three million children in around 17,000 schools across the UK. The BBC's special programming included *The One Show's* Rickshaw Challenge, *Countryfile Ramble*, *DIY SOS: The Big Build*, *Got It Covered*, as well as programmes on CBeebies and CBBC. Radio 2's fundraising endeavours, including Rylan's Karaoke

Challenge, were another highlight. All of this culminated in a spectacular Appeal Show, with a total of £47.8 million announced at the end of the programme. For more information, visit: bbc.co.uk/Pudsey

Comic Relief

Sport Relief 2020 had amazing support across the corporation, including *The One Show*, *Catchpoint*, *Bargain Hunt*, *BBC Breakfast*, BBC Radio 1, plus an epic BBC Radio 2 triathlon challenge and BBC Radio 3's *Beat Beethoven*. A team of brave celebrities took on an intense four-day 100-mile expedition across the Namib desert for *The Heat is On* challenge, a BBC documentary. The fun-filled night of TV saw celebrity spoofs of popular shows including *Line of Duty* and *Killing Eve*. Powerful appeal films reminded viewers of how their donations are changing lives in the UK and around the world. The BBC's support helped raise over £40 million on the night. For more information visit: comicroelief.com

Children in Need and Comic Relief came together for *The Big Night In*, raising over £70 million (at the end of April) to help support vulnerable people of all ages impacted by the coronavirus crisis.

Media Action

BBC Media Action is the BBC's international charity. Their work supports independent media for democracy and development, and creative communication that helps save lives, improve health, counter misinformation and build more peaceful communities. They work in over 20 countries and reach 84 million people a year.

Projects this year have included a global emergency response to the coronavirus pandemic; internationally recognised support for Rohingya refugees, and challenging stigma around disability in Tanzania, Nigeria and Bangladesh.

BBC Media Action is not funded by the licence fee and the work relies on the generous support of donors. Find out more: bbcmediaaction.org

How we operate

Partnerships and collaboration

The BBC has a duty to work collaboratively in partnership with other organisations in the national interest. In 2019/20 the BBC had more than 350 partnerships, large and small, focused on supporting UK culture and the creative economy. Such partnerships came into dramatic focus during the coronavirus pandemic. Here's a snapshot.

Impact partnerships during the pandemic

BBC Learning's Bitesize expanded with the help of more than 45 partners to create an unprecedented 14 weeks of home learning for every household, whatever the child's age.

The BBC's two main charities, Children in Need and Comic Relief, came together for the first time ever, to create *The Big Night In*, which had raised over £70 million by the end of April, for local charities and projects in the UK.

Joining with Global Citizen and the World Health Organization, plus stars from the contemporary music scene, the BBC helped create *One World: Together at Home*, a moving tribute to health workers everywhere.

BBC Arts' Culture in Quarantine was created in record time with the support of Arts Council England and countless other funding and producing bodies to create a vibrant showcase for arts in this crisis period.

BBC Local Radio's Make a Difference brought together those in need of help with providers and agencies: more than 1.1 million people had responded by the end of June 2020.

Developing learning & skills

The BBC Academy's partnership with the National Film and Television School supported students from diverse backgrounds, and bases in Glasgow and Leeds ran an ever-expanding set of skills gap courses. Likewise, the Academy's Digital Cities ran in multiple UK locations to offer free talent development opportunities, with a host of industry partners.

Our longstanding relationship with the Open University was re-focused by new initiatives such as Our Planet Matters, a five-year project combining landmark programming with school campaigns and environmental vocational training.

Culture and the creative economy

Ten Pieces, the popular schools music education package, transformed itself into

Ten Pieces Trailblazers last year, asking students to rethink orchestral music for their time. And BBC Music Introducing Live brought together 20,000 young people under the age of 30 to help facilitate future careers in the music and creative industries.

On the classical front, orchestral partnerships were as ever the lifeblood of BBC music-making, including the European Broadcasting Union's Music Exchange scheme which shared classical music recorded concerts across Europe. Other new collaborations featured a transatlantic relationship with Museum of Modern Art in New York, and the AHRC-supported New Generation Thinkers, both projects for Radio 3.

In the wider arts, Get Creative mobilised UK-wide partners – including new national festivals – for a bumper nine-day festival, with activities ranging from dance and DJing to painting and pottery, whilst the new Dance Passion brought together leading dance companies including Birmingham Royal Ballet, Akram Khan and ACE Youth in 25 live streams of dance celebration and exploration.

Mental health and wellbeing

The BBC's innovative Mental Health season presented well known figures such as Nadiya Hussain and Alastair Campbell and their very own personal stories; the BBC also worked with the Mental Health Foundation, Public Health England and Mind to coordinate resources and messaging to the general public. As a result of the season and other mental health initiatives in 2019, the linked Action Line received an astonishing 83,122 online visits and calls. Music Day also took up this theme, using music to explore dementia, and partnering with 100 major organisations in this field in over 800 events across UK.

Partnerships across the UK

This year saw a strengthening of the TV industry in the nations through the power of partnership. The BBC and Screen Scotland committed to deliver a minimum of three television dramas, three comedies and three factual series from Scotland each year. In Northern Ireland, a new youth-focused initiative was initiated in association with BBC Three and Northern Ireland Screen. And in Wales, the BBC began a collaboration with Channel 4 and S4C to create a dynamic production centre for factual TV production there, as well as continuing It's My Shout, a vibrant short film showcase for new talent.

Our collaboration with libraries continued in all the nations of the UK. BBC Archive broadened its partnerships with the sector, working with the British Library, National Archives, National Library of Wales, National Library of Scotland, the Imperial War Museum, National Media Museum and others to make available our vast array of archive content.

BBC partnerships and collaborations: a snapshot in 2019/20

The table below presents the main collaborations and creative partnerships across the BBC:

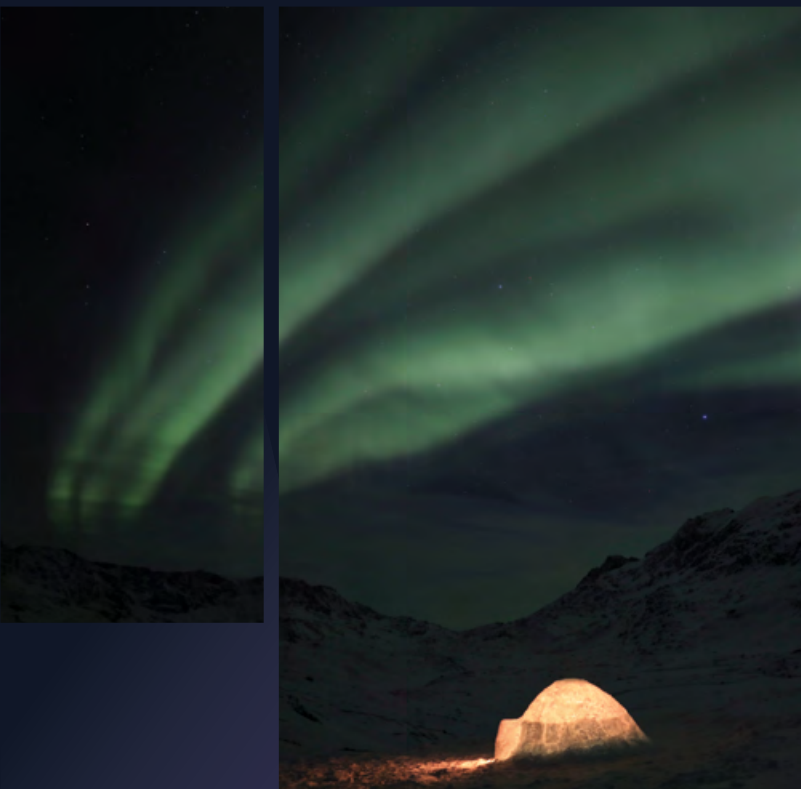
BBC Area	No. partnerships/collaborations
Archive	19
Arts/Arts North	35
Academy (Birmingham)	10
Children's (Salford)	7
Content/TV	18
Learning (Salford)	70
Sport (Salford)	12
News	5
Music	43
Radio	64
R&D	46
England Network Centres	15
Scotland	8
Wales	16
Northern Ireland	6
Total	374

This data includes programme-making divisions, R&D and training in network production centres across the UK. It does not record the activities of individual local radio stations.

Governance

This section looks in detail at the role of the BBC Board and includes reports from the Board's delegated sub-committees. The section also includes detail on our overall approach to corporate governance, our regulatory position and affirmation of the Board's duties in relation to the Annual Report.

BBC Four's *The last Igloo*



p.70

BBC Board
The Board is responsible for ensuring the BBC fulfils its mission and public purposes as set out in the Charter.

p.91

Audit and Risk Committee Report
This reviews and maintains oversight of the BBC's corporate governance, particularly with respect to financial reporting, internal control and risk management.

p.74

Remuneration Report
This report sets out the BBC's remuneration policy for executive directors and details the annual remuneration received by the members of the BBC Board, Executive Committee and Commercial Holdings Board for the 2019/20 financial year.

p.81

Pay disclosures
Under the terms of our Charter we are required to publish the names of people working for the BBC who are paid more than £150,000 from licence fee revenue.

p.104

Commercial Holdings Board
The Commercial Holdings Board oversees the BBC's commercial activities. It sets strategy in line with overall BBC Group company goals, agrees business plans and ensures compliance in regulatory and legal matters.

p.105

Editorial Guidelines and Standards
The Editorial Guidelines and Standards Committee is responsible for content standards at the BBC.

BBC Board

The Board is responsible for ensuring the BBC fulfils its mission and public purposes, as set out in the Charter.

The Board is constituted under the terms of the BBC's Royal Charter and Agreement. The Charter sets out the Board's responsibilities, its membership and the requirement for a number of committees to support its work. The Board is responsible for the proper, effective and independent exercise of all of the functions of the BBC. It sets the strategic direction for the BBC and approves the creative remit and the budgets for the BBC's services.

The Board is chaired by Sir David Clementi and consists of up to ten non-executive directors – including the Chairman – and four executive directors, including the Director-General.

The Chairman and the four nations' non-executive directors are appointed by HM The Queen on the recommendation of appropriate Ministers across the UK. The remainder of the Board are appointed by the BBC, through the Board's Nominations Committee.

Full biographies of all Board members, including their other roles, can be found on the BBC's website: bbc.com/aboutthebbc/whoweare/bbcboard.

The Board delegates some of its responsibilities to a number of sub-committees. It is required to have a Remuneration Committee, a Nominations Committee and an Audit and Risk Committee. The work of these committees is complemented by the work of a number of other committees, established by the Board – these include the Fair Trading Committee, the Editorial Guidelines and Standards Committee, the Commercial Holdings Board and committees for each of the four nations of the UK.

This section includes reports from those committees, which are chaired by and predominantly made up of non-executive directors, as required by the Charter.

These pages show the membership of the Board as at September 2020.

During the year, Simon Burke stood down from the Board and was replaced by Shirley Garrood as non-executive director and Chair of the Audit and Risk Committee. Nicholas Serota was appointed by the Board as Senior Independent Director. There were no other changes to Board membership during the year, though the outgoing Director-General, Lord Hall, announced in January his intention to leave the BBC and was replaced in the role by Tim Davie on 1 September 2020.

Detail on members' attendance at Board and sub-committee meetings is set out on page 90.



Sir David Clementi
Chairman



Tim Davie CBE
Director-General and Editor-in-Chief



Dame Elan Closs Stephens DBE
Non-executive director
Member for Wales
Chair, Commercial Holdings Board



Shirley Garrood
Non-executive director
Chair, Audit and Risk Committee



Tanni Grey-Thompson, Baroness Grey-Thompson DBE
Non-executive director



Tom Ilube CBE
Non-executive director
Chair, Fair Trading Committee



Ian Hargreaves CBE
Non-executive director
Chair, Editorial Guidelines and Standards Committee



Charlotte Moore
Chief Content Officer



Steve Morrison
Non-executive director
Member for Scotland



Ken MacQuarrie
Director, Nations and Regions



Dr Ashley Steel
Non-executive director
Member for England



Sir Nicholas Serota CH
Senior Independent Director
Chair, Remuneration Committee



Francesca Unsworth
Director, News and Current Affairs

[Find out more: bbc.com/aboutthebbc/whoweare/bbcboard](http://bbc.com/aboutthebbc/whoweare/bbcboard)

Executive Committee

To support and implement the work of the Board, the Director-General chairs an Executive Committee, which is responsible for the day-to-day running of the BBC.

The Executive Committee is responsible for delivering the BBC's services, in accordance with the strategy agreed by the Board, and for all aspects of operational management.

The Executive Committee meets regularly and oversees key strategic projects and proposals of importance to the whole organisation. It takes regular reports on audience and financial performance, as well as maintaining oversight of pan-BBC HR and organisational design issues. It also discusses and approves all relevant papers discussed at the Board.

Information on the membership and remuneration arrangements of the Executive Committee in 2019/20 can be found in the Remuneration report on pages 74 to 80. A new membership of the Committee was announced in September 2020, and details of this can be found at bbc.com/aboutthebbc/whoweare/exco.

Next Generation Committee

The BBC Next Generation Committee (NGC) was established by the Director-General in late 2017 with the purpose of advising senior leaders and ensuring younger people's voices and ideas are heard at executive level. The NGC is composed of 15 younger members of staff from across the organisation, who usually serve on the Committee for a period of 12-15 months.

During the year, the Committee advised on existing ideas and strategies within the organisation and challenged the Executive to go further and move at a faster pace to reinvent iPlayer, commission for younger audiences and support initiatives to attract new staff from different backgrounds. Other ideas focused on innovation in the digital space and strengthening the focus on younger audiences in both News output and in social media.

The Committee also took part in discussions at the BBC's Leadership Summit and contributed at divisional Board meetings as requested.

Next Generation Committee members

For 2020	For 2019
Becca Bryers (chair)	Hayley Reynolds (chair)
Freya Bronwin	Sowda Ali
Malachi Butt-Mukete	William Allott
Aaron Cooper	Tom Bell
Beth Dinnall	Mairead Campbell
Jordan Dunbar	Sarah Corker
Emmanuella Kwenortey	Seren Jones
Lina Mar	Chinwe Kalu-Uma
Shannon McGowan	Junior Kassim
Louise Ogunnaike	Jordan Kenny
Madusha Pallawela	Luke Mason
Ahmed Razek	Waseem Punnu
Jacob Rickard	Jess Quayle
Ben Tattersall Smith	Owen Rawlings
Keely Watson	Ione Wells

2020 Next Generation Committee



Corporate Compliance Report

We comply with corporate governance best practice

The BBC's corporate governance framework is defined in its Charter and the accompanying Framework Agreement. The Charter and Agreement can be found on the BBC website at: <https://www.bbc.com/aboutthebbc/governance/charter>.

The Charter requires the BBC to have regard to generally accepted principles of good corporate governance. Although the BBC is not a listed company, it has opted to apply best practice and follow the provisions of the Financial Conduct Authority's Listing Rules and the UK Corporate Governance Code 2018 ('the Code'), where appropriate. This delivers the governance standards applicable to companies quoted on an EU-regulated stock market.

During the year a Board Effectiveness Review was conducted, which included an assessment of the Chairman's performance.

There are a number of components of the Code that are either not appropriate to the circumstances of the BBC or are overridden by compliance with the BBC's Charter or Agreement. This relates to:

- provision 3, 4, 36 and 37, relating to engagement with shareholders and alignment to their interests, which given that the BBC does not have shareholders in the same way that a company does not apply. However, the BBC does have a wide range of measures in place to ensure engagement with external stakeholders
- provision 5, matters set out in section 172 of the Companies Act 2006, which is relevant to companies only and overridden by the Public Purposes of the BBC as described in the Charter.
- provision 18, membership of the Board, which is governed by the articles of the Charter
- provision 25 and 26, approach taken to the appointment or reappointment of the external auditor, which is governed and determined by clause 55 of the Agreement.

However, the BBC has fully complied with the corporate governance requirements of the Charter and Agreement and has also fully complied with the Code.

Cost of compliance

In order to ensure that we complied with all relevant legislation that the BBC is subject to as a broadcaster and a public body, in 2019/20 we incurred compliance costs estimated at £17 million (2018/19: £17 million). This figure includes the BBC's annual £10 million fee paid to Ofcom.

Regularity

The management of all of the BBC's resources must accord with the provisions of the Charter, Framework Agreement and other agreements the BBC enters into with Government Ministers. Transactions that meet the intended purposes and are in line with relevant authorities are considered to be 'regular'; those that do not meet these criteria are considered 'irregular'. Fraudulent transactions and fines or penalties are treated as 'irregular'. In addition to the NAO's audit of regularity, Internal Audit conducted a review of the BBC's regularity compliance framework, including the processes, controls and assurance mechanisms in place to manage the regularity risk in areas assessed as being at greatest risk of irregularity. The scope of the review considered the appropriate use of licence fee money, the assessment of material changes, operating within borrowing limits and the risk of fraud. No material exceptions were identified as a result of this review and management are not aware of any material transactions that could be considered as irregular.

Remuneration Committee Chair's statement 2019/20

Whilst there has continued to be much public comment on pay practices in the BBC, the Remuneration Committee has been pleased to see clear and strong evidence that recent changes and new processes continue to bed in well and to give pay and reward in the BBC a sound foundation. However, we recognise that there are challenges as the BBC seeks to balance appropriate pay restraint with the demands of creative and technological markets that continue to expand and develop at pace, becoming ever more global at the same time. We also know that the BBC will be operating in markets which have been significantly affected by the coronavirus situation, with consequential impacts on pay and incentives.

This year, the Committee focused on pay arrangements in the commercial parts of the Corporation, particularly in BBC Studios where those competitive market forces are most acutely present. We have sought to ensure that talent continues to be incentivised in a way that recognises the work they deliver whilst also reflecting the greater restraint on pay that is expected across the BBC as a whole. This year we have overseen changes to the relevant incentive schemes in BBC Studios, seeking to ensure that the pay offer is better aligned with market practice, whilst also recognising the effective discount that must come from working as part of a public body. The Committee will continue to review the effectiveness of these schemes on an annual basis to ensure that the incentives are aligned with BBC Studios' and wider Group strategic priorities and are competitive within the constraints of the BBC constitution.

In the public service part of the BBC, we continue to pay close attention to the development of the pay processes introduced in recent years – such as the fair pay check and the Career Path Framework. These processes seek to ensure that pay is set appropriately against the market and benchmarked internally in a way that is consistent, transparent and fair. We recognise that historic pay cases continue to be raised, which is regrettable, and it remains a high priority for the Group to address this issue. As a Committee, we remain of the view that pay systems in the BBC are now significantly more robust and able to stand up to scrutiny in terms of fairness, transparency and equal pay as a result of the improvements made in recent years. In 2019/20, we have made further improvements in transparency with the publication of new pay distribution charts by gender and ethnicity.

The BBC's gender pay gap (GPG) remains the lowest in the industry and is reducing every year. We remain substantially ahead of the national average and we are closing our GPG at a faster rate than the industry and UK average. The median GPG has been reduced this year to 6.2% from last year's figure of 6.7%, significantly lower than the national average which is currently 17.3%. In the roles where we have most staff (Journalist, Senior Journalist, Producer, Senior Journalist-Reporter, Assistant Editor) our GPG is less than 3%.

Similarly, we have continued to observe the implementation of the BBC's fair pay principles and the policy on pay for senior leaders that we set out in last year's report and restate on page 74. In 2019/20, senior leader numbers have remained steady at 253, representing 1.4% of the total workforce. The paybill for these senior leaders has stayed largely flat at £37.5 million. More detail on overall headcount numbers can be found on page 61 and, this year, the Committee reviewed trends in headcount over time, noting the areas where increased resource has been received and invested to meet the strategic objectives of the BBC, such as the extension of the World Service through the provision of additional language services. Also included in this report is the disclosure of pay information for all those earning over £150,000 from the licence fee in the year. We were pleased to see continued progress in the gender balance of the highest earners this year, with the list of on-air employees now at a split of 45% female and 55% male, up from a 34%/66% split two years ago.

During the year, there have been a number of staff changes at Executive level which have been overseen by the Committee. We have also spent time in recent months considering market data and comparators in setting the remuneration level for the new Director-General.

In total, we met as a Committee four times this year as well as conducting other business offline, and I am grateful to my fellow Committee members, Tanni Grey-Thompson and Steve Morrison, as well as to David Clementi, for their thoughtful and wise input and support during the year. We have also enjoyed our collaboration with Elan Closs Stephens, in her capacity as Chair of the Commercial Holdings Board. I look forward to developing that relationship next year as we will continue to look across the BBC's senior leadership and work with management to ensure that pay at the BBC continues to be fair, transparent and a matter of trust.

The Committee is very aware of the current environment arising from the coronavirus pandemic and as part of our work for 2020/21, we will carefully consider the impact when making decisions on pay and incentives.

Nicholas Serota
Chair, Remuneration Committee
2 September 2020

Remuneration Report

This report sets out the BBC's remuneration policy for executive directors and senior leaders and details the annual remuneration received by the members of the BBC Board and Executive Committee for the 2019/20 financial year. This includes our annual disclosure of pay as required by the BBC's Charter.

It has been prepared on the basis that the requirements of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2013 and Listing Rules apply to the BBC wherever these disclosure provisions are relevant. The sections on pensions and remuneration received by this group have been audited by the NAO, the BBC's statutory auditors.

The Remuneration Committee's constitution and operation

The Board's Remuneration Committee, since 1 April 2017, has been responsible for setting the remuneration strategy for the BBC Group and for all aspects of the remuneration of the Executive Committee and Board executive directors. Its members are non-executive directors: Tanni Grey-Thompson, Steve Morrison and Nicholas Serota. Nicholas Serota has chaired the Committee since 1 August 2018.

The Remuneration Committee takes specialist advice from external professional advisers on some matters, particularly those relating to market practice. During the year, independent advice was received from Willis Towers Watson on matters related to executive remuneration and periodically in the form of market assessments, and from PricewaterhouseCoopers LLP on broader incentive design in relation to our commercial subsidiaries.

The Committee makes sure that executive remuneration is aligned to the BBC's purpose and values. It ensures our arrangements are transparent and easily understood, and that remuneration levels are proportionate to contribution.

The Senior Manager Remuneration Committee (SMRC), established in September 2012, has responsibility for aligning the operational needs of the BBC within the strategic framework set by the Board. The SMRC has responsibility for approving any remuneration, compensation or benefit policy within the senior leader pay policy, which includes the review and approval of salaries for employees in the Public Sector who earn over £75,000 per annum (full-time equivalent basis).

Board and Executive Committee membership

For the purposes of this report, executive directors are classed as those who sit on the Board along with the other members of the Executive Committee.

Within the terms of the Charter, the Board is made up of up to ten non-executive directors (the Chairman, five BBC appointees and the four Nations representatives) and four executive members – see page 70 for more details. The member for Northern Ireland is still to be appointed.

The BBC Board is supported by the Executive Committee, which is responsible for the operational leadership of the Corporation. Details on the remuneration levels for the executive directors can be found on page 77. During 2019/20 the following membership changes took place on the Executive Committee:

- Bob Shennan and Sarah Jones were appointed to the Executive Committee on 8 April 2019 and 1 May 2019 respectively.
- Valerie Hughes-D'Aeth resigned as Chief HR Officer and stepped down from the Executive Committee on 31 October 2019. She was replaced by Wendy Aslett and Rachel Currie, who share the role of Group HR Director. They were both appointed to the Executive Committee on 1 November 2019.
- June Sarpong joined the BBC in November 2019 as Director of Creative Diversity and attends the Executive Committee.

BBC Pay Principles

There has been a continued focus on pay at all levels of the BBC allied to an increased focus on fair pay. Several initiatives have been undertaken to ensure our Fair Pay Principles are embedded throughout the organisation and to provide a framework in which fair and consistent pay decisions are taken.

1. Fair
2. Consistent
3. Transparent
4. Competitive
5. Clear

The BBC operates within a fast-changing market with intense competition for talent, and dramatic growth amongst some new media, streaming and digital technology companies offering highly attractive packages. We therefore continue to balance market-competitive pay with the need to demonstrate value for money to the licence fee payer. This balance is reflected in our market-informed job pay ranges which, where external (market) factors support, continue to be discounted against market.

We believe that these Pay Principles ensure the BBC continues to be able to appeal to all those who are excited about the opportunities of working in public service broadcasting.

More detail on this can be found in the Our People section on pages 60.

Senior leadership remuneration policy

The Remuneration Committee is committed to setting appropriate levels of pay for executive directors that attract, motivate and retain the best people to lead the BBC and provide value for the licence fee payer. In 2018, the Committee agreed that the BBC's pay principles should apply to all staff, executive directors and senior leaders across the BBC Group. The Committee has agreed that these pay principles will apply as set out in the table on the following pages.

The BBC has extended its union-negotiated Career Path Framework to include an additional non-union negotiated career level band called SL (senior leader). This includes job pay ranges for the most senior jobs. In framing the BBC's pay policy the Committee gives full consideration to the best practice provisions of the UK Corporate Governance Code.

Executive directors and senior leaders are not entitled to the annual pay increase agreed with the joint unions and are not automatically entitled to any form of annual increment or progression payment. Pay decisions for executive directors can only be taken by the Remuneration Committee and pay decisions for senior leaders by the Senior Manager Remuneration Committee, to ensure consistency and fairness. During 2019/20, the BBC continued to embed this approach to senior leaders' pay.

Component	Purpose and link to strategy	Operation	Maximum opportunity
Base pay	<p>For executive directors, base pay is defined by reference to the market median for total direct remuneration (salary, annual bonus and annualised long-term incentive). It is expected that this will result in remuneration being significantly discounted to market as no long-term incentives are offered at the BBC.</p> <p>For senior leaders, job pay ranges are informed by market median total target cash (base salary, allowances and target bonus) which guide pay decisions.</p> <p>No senior leader is paid below the job pay range minimum for their role and pay ranges are transparent to both senior leaders and the wider BBC workforce.</p>	<p>The following factors are used to determine the level of base pay set for an executive director or senior leader:</p> <ul style="list-style-type: none"> — Scale and complexity of role — Knowledge, skills and experiences — Performance and contribution — Market factors and affordability <p>Salaries are reviewed annually, with increases taking effect from 1 August. A budget is agreed and distributed according to the above factors.</p> <p>Pay ranges for senior leaders are reviewed annually and updated as required.</p>	<p>No prescribed maximum salary or maximum increase for executive directors.</p> <p>Senior leaders have job pay ranges with a minimum and maximum; where an individual is above the maximum of their pay range owing to legacy or commercial reasons their pay will not increase further.</p>
Variable pay	<p>Executive directors and some senior leaders employed in the BBC's commercial businesses are eligible for a performance-related annual bonus. Such bonuses are wholly funded by the commercial businesses and not the licence fee. It is reward for the achievement of strategic goals and profit growth.</p>	<p>Executive directors and senior leaders in the Public Service are not entitled to receive a performance bonus.</p> <p>Payments of a bonus in the BBC's commercial businesses are subject to the achievement of an overall target based on a mix of headline profit and cash flow for their business.</p>	<p>No executive director in the Public Service has received a bonus since 2008.</p> <p>For 2019/20, one executive director – CEO BBC Studios – participated in a bonus scheme. The incentive scheme has a target bonus of 40% and a maximum of 50%.</p>
Benefits – Pension	<p>Pensions are offered in accordance with the pension arrangements offered to all BBC employees.</p> <p>In addition to pensions, life assurance is provided in line with arrangements provided to all BBC employees.</p>	<p>Executive directors and senior leaders can elect to join the BBC's defined contribution scheme LifePlan.</p> <p>The BBC's defined benefit scheme is closed for new joiners.</p> <p>Executive directors are provided with death in service life assurance cover of four times their basic salary.</p>	<p>Current policy provides a defined contribution scheme with no salary cap and a maximum employer contribution of 10% of salary.</p> <p>Existing members of a defined benefit pension scheme are capped at the maximum salary for their pension scheme or are subject to a cap in pensionable salary growth.</p>
Benefits – Transport/travel	<p>In April 2012, the BBC removed the car allowance benefit for all new executive directors to ensure that future policy aligns with arrangements for all BBC employees.</p> <p>Car allowance benefit for senior leaders was removed in 2012 for all new starters.</p>	<p>David Jordan is in receipt of a legacy car allowance; no other executive director receives such an allowance.</p> <p>Some senior leaders are also still in receipt of a legacy car allowance.</p> <p>The Director-General is entitled to the use of a car and driver but has no entitlement to a personal car allowance or fuel allowance. The Chairman is subject to the same arrangements.</p>	<p>There is no prescribed maximum as this is an historic benefit which has not been offered to new starters since 2012.</p>
Benefits – Private Medical Insurance (PMI)	<p>In April 2011, the BBC removed the private health care benefit for all new executive directors and senior managers and aligned to arrangements for all BBC employees.</p> <p>Following consultation, it was agreed to remove the PMI benefit for executive directors and senior leaders from 1 April 2019.</p>	<p>All executive directors now receive a legacy allowance in lieu of PMI.</p>	<p>The maximum level of cover offered is family cover.</p> <p>This is an historic benefit.</p>

Remuneration report

Component	Purpose and link to strategy	Operation	Maximum opportunity
Employment contracts and severance	Employment contracts of executive directors have a maximum notice period of six months, but are subject to earlier termination for cause.	There is no contractual entitlement to any additional remuneration in the event of early termination other than in the case of termination for reason of redundancy.	In the event of redundancy, all executive directors are entitled to payments equal to one month salary per year served up to maximum payment of £150,000.
Other remuneration	There is no entitlement to any other remuneration, so no such payments were made in the year.	Should any additional remuneration be proposed, full consideration is given to the reputational risk to the BBC and any such payment would require the approval of the Remuneration Committee, prior to implementing.	There is no prescribed maximum.

Pension

Executive directors who joined the BBC before 1 December 2010 are eligible to continue to participate in the BBC Pension Scheme ('the Scheme'), which provides for pension benefits on a defined benefit basis. Executive directors who joined the BBC on or after 1 December 2010 are eligible to join LifePlan, which is the BBC's defined contribution arrangement. The BBC pays matching contributions to LifePlan for employee contributions at 5%. Employee contributions between 6% and 7% are matched plus an additional 1%. Employee contributions of 8% or more receive the maximum employer contribution of 10%. There is no maximum pensionable salary for contributions to LifePlan.

Executive directors who decide not to join LifePlan or are not already an existing member of the Scheme are, subject to meeting the relevant criteria, automatically enrolled into the National Employment Savings Trust (NEST). The BBC paid 3% and employees paid 5% of qualifying earnings to NEST in 2019/20 in line with statutory requirements. Individuals can choose to opt out of this.

Executive directors' pension arrangements may be reviewed and amended in response to changes in legislation or similar developments.

Features of the BBC's pension arrangements that our executive directors participate in alongside other BBC employees are provided in the table below.

Details of the BBC Pension Scheme are available at bbc.co.uk/my pension/.

Scheme	BBC Pension Scheme – defined benefit				LifePlan defined contribution	National Employment Savings Trust (NEST) defined contribution (auto enrolment arrangement)
	Old benefits	New benefits	CAB 2006	CAB 2011		
Date closed	30 September 1996	31 October 2006	30 November 2010	1 January 2012	Open to all eligible employees	Open to all eligible employees
Accrual	60ths accrual	60ths accrual	1.67% accrual Adjusted in line with inflation	1.67% accrual Adjusted in line with CPI	BBC will contribute a maximum of 10% of salary if employee contributes 8% with lower sliding scale	BBC will contribute 3% of qualifying earnings (2019/20)
Salary	Final pensionable	Final pensionable	Career average revalued earnings	Career average revalued earnings		
Normal pensionable age	60	60	65	65	N/A	N/A
Earnings cap	Joined before 1 June 1989 uncapped, capped otherwise £166,200	Capped at £166,200	Capped at £166,200	Capped at £154,800	Uncapped	Minimum earnings £6,136p.a. Maximum earnings £50,000p.a. (2019/20)
Pensionable salary growth before the earnings cap is applied	Limited at 1% p.a.	Limited at 1% p.a.	Limited at 1% p.a.	No restriction	N/A	N/A
Employee contribution (% of pensionable salary)	7.50%	7.50%	4%	6%	Minimum employee contribution is 5%	5% of qualifying earnings (2019/20)

Annual remuneration of the BBC Board and Executive Committee – detail of remuneration received

The table below provides full details of the remuneration received by all BBC Board members for 2019/20. The Board was first constituted on 3 April 2017 under the implementation of the 2016 Charter and Agreement, which set out new governance arrangements for the BBC.

Details of the chairs of each of the various BBC committees can be found on page 70. Each Chair receives £5,000 per annum in addition to their base fees. These fees are included in the table below. All fees are shown pro-rata where appropriate.

BBC Board (audited)

Details of remuneration received (values in £000s)

	Appointment term start date	Appointment term end date	Year	Base pay	Taxable benefits ¹	Pension related single figure	Performance related	Total
Non-executive directors								
David Clementi ²	16/02/2017	16/02/2021	2019/20	£100	£16	£0	£0	£116
			2018/19	£100	£13	£0	£0	£113
Simon Burke ³	03/04/2017	03/07/2019	2019/20	£13	£0	£0	£0	£13
			2018/19	£38	£0	£0	£0	£38
Shirley Garrod ³	03/07/2019	02/07/2023	2019/20	£28	£0	£0	£0	£28
			2018/19	–	–	–	–	£0
Tanni Grey-Thompson	03/04/2017	02/04/2021	2019/20	£33	£0	£0	£0	£33
			2018/19	£33	£0	£0	£0	£33
Ian Hargreaves	03/04/2020	02/04/2023	2019/20	£38	£0	£0	£0	£38
			2018/19	£38	£0	£0	£0	£38
Tom Ilube	03/04/2020	02/04/2023	2019/20	£38	£0	£0	£0	£38
			2018/19	£38	£0	£0	£0	£38
Steve Morrison ⁴	03/04/2017	02/04/2021	2019/20	£38	£0	£0	£0	£38
			2018/19	£40	£0	£0	£0	£40
Nicholas Serota ⁴	03/04/2017	02/04/2021	2019/20	£38	£0	£0	£0	£38
			2018/19	£36	£0	£0	£0	£36
Ashley Steel	03/04/2017	01/12/2020	2019/20	£38	£0	£0	£0	£38
			2018/19	£38	£0	£0	£0	£38
Elan Closs Stephens ⁴	20/07/2017	19/07/2020	2019/20	£43	£0	£0	£0	£43
			2018/19	£38	£0	£0	£0	£38
Total non-executive directors			2019/20	£407	£16	£0	£0	£423
			2018/19	£399	£13	£0	£0	£412
Executive directors								
Tony Hall ²	03/04/2017	31/08/2020 ⁵	2019/20	£450	£21	£0	£0	£471
			2018/19	£450	£25	£0	£0	£475
Anne Bulford ⁶	03/04/2017	31/03/2019	2019/20	£0	£0	£0	£0	£0
			2018/19	£435	£0	£0	£0	£435
Tim Davie ⁷	03/04/2017	31/08/2020 ⁵	2019/20	£400	£2	£40	£200	£642
			2018/19	£400	£2	£40	£200	£642
Ken MacQuarrie	03/04/2017	02/04/2021	2019/20	£325	£3	£0	£0	£328
			2018/19	£325	£2	£0	£0	£327
Fran Unsworth ⁶	01/04/2019	31/03/2021	2019/20	£340	£2	£0	£0	£342
			2018/19	–	–	–	–	£0
Total executive directors			2019/20	£1,515	£28	£40	£200	£1,783
			2018/19	£1,610	£29	£40	£200	£1,879
Total Board			2019/20	£1,922	£44	£40	£200	£2,206
			2018/19	£2,009	£42	£40	£200	£2,291

1 Taxable benefits: car allowance, private medical insurance/legacy allowance and other taxable expenses.

2 The Chairman and Director-General are entitled to a car and driver but have no entitlement to a personal car allowance or fuel allowance. During 2018/19 and 2019/20 access to the Chairman's car and driver has also been made available to all other executive directors on a shared basis.

3 Simon Burke stepped down from the Board on 3 July 2019. Shirley Garrod joined the Board on 3 July 2019 and therefore received no remuneration in 2018/19.

4 Steve Morrison chaired both the Remuneration and Scottish Nations Committees during 2018/19, receiving additional Chair fees in respect of both of these positions. He stepped down as Chair of the Remuneration Committee on 31 July 2018. Fees for 2018/19 are shown pro-rata. Nicholas Serota was appointed Chair of the Remuneration Committee on 1 August 2018. Fees for 2018/19 are shown pro-rata. Elan Closs Stephens was appointed Chair of the Commercial Holdings Board with effect from 1 April 2019. In 2019/20 she therefore received additional Chair fees in respect of both this position and her existing position as Chair of the Wales Committee.

5 The role of Director-General is a permanent position on the Board. Following the announcement in January 2020, Tony Hall stepped down from the Board on 31 August 2020. Tim Davie was appointed as the new Director-General with effect from 1 September 2020. His previous term on the Board as CEO, BBC Studios therefore ended on 31 August 2020 and he took up the permanent position on the Board as Director-General on 1 September 2020.

6 Anne Bulford stepped down from the Board on 31 March 2019 therefore no figures are reported for the 2019/20 period. Fran Unsworth was appointed to the Board on 1 April 2019 therefore no figures are reported for 2018/19 period.

7 Tim Davie's role as CEO, BBC Studios is funded entirely by the BBC's commercial revenues and not paid for or subsidised by the licence fee. Payment of any bonus is subject to the achievement of an overall headline profit and cash for that subsidiary, with targets approved by the Remuneration Committee. The performance-related remuneration relates to the amount earned in the year.

Remuneration report

The table below provides full details of the remuneration received by all BBC Executive Committee members for 2019/20, compared to the previous year. Remuneration for members shown below relates solely to the period of time when they served on the Executive Committee. For full annual amounts, please refer to the Disclosures section on page 85.

Total Executive Committee remuneration for 2019/20 has risen since 2018/19, due to increased membership of the Committee in the year (18 members at the end of the year compared to 15 members in 2018/19).

BBC Executive Committee members (audited)

Details of remuneration received (values in £000s)

	Date appointed to Committee	Year	Base pay	Taxable benefits	Pension related single figure ¹	Performance related	Total
Tony Hall	02/04/2013	2019/20	£450	£21	£0	£0	£471
		2018/19	£450	£25	£0	£0	£475
Tim Davie ²	01/11/2012	2019/20	£400	£2	£40	£200	£642
		2018/19	£400	£2	£40	£200	£642
Ken MacQuarrie	22/09/2016	2019/20	£325	£3	£0	£0	£328
		2018/19	£325	£2	£0	£0	£327
Fran Unsworth	01/01/2018	2019/20	£340	£2	£0	£0	£342
		2018/19	£340	£2	£0	£0	£342
Wendy Aslett ³	01/11/2019	2019/20	£63	£1	£8	£0	£72
		2018/19	–	–	–	–	£0
Kerris Bright ⁴	18/06/2018	2019/20	£360	£0	£6	£0	£366
		2018/19	£283	£0	£0	£0	£283
Rachel Currie ³	01/11/2019	2019/20	£63	£1	£3	£0	£67
		2018/19	–	–	–	–	£0
Valerie Hughes-D'Aeth ⁵	01/08/2014	2019/20	£200	£0	£0	£0	£200
		2018/19	£310	£0	£0	£0	£310
Glyn Isherwood ⁴	09/04/2018	2019/20	£335	£0	£0	£0	£335
		2018/19	£318	£0	£0	£0	£318
Sarah Jones ³	01/05/2019	2019/20	£255	£2	£0	£0	£257
		2018/19	–	–	–	–	£0
David Jordan	01/04/2018	2019/20	£178	£3	£0	£0	£181
		2018/19	£171	£8	£0	£0	£179
Charlotte Moore	06/07/2016	2019/20	£370	£2	£29	£0	£401
		2018/19	£370	£2	£32	£0	£404
Matthew Postgate	01/04/2016	2019/20	£317	£0	£30	£0	£347
		2018/19	£310	£0	£31	£0	£341
James Purnell	19/03/2013	2019/20	£315	£0	£32	£0	£347
		2018/19	£315	£0	£3	£0	£318
Gautam Rangarajan ⁴	01/06/2018	2019/20	£181	£1	£40	£0	£222
		2018/19	£146	£1	£26	£0	£173
June Sarpong ⁶	01/11/2019	2019/20	£75	£0	£0	£0	£75
		2018/19	–	–	–	–	£0
Bob Shennan ³	08/04/2019	2019/20	£303	£2	£33	£0	£338
		2018/19	–	–	–	–	£0
John Shield	01/04/2018	2019/20	£220	£0	£1	£0	£221
		2018/19	£218	£0	£1	£0	£219
Clare Sumner	01/04/2018	2019/20	£175	£0	£18	£0	£193
		2018/19	£170	£0	£17	£0	£187
Remuneration relating to former Executive Committee members ⁷		2018/19	£435	£0	£0	£0	£435
Total Executive Committee		2019/20	£4,925	£40	£240	£200	£5,405
		2018/19	£4,561	£42	£150	£200	£4,953

1 Employee pension contributions are ordinarily made via a salary sacrifice arrangement as an employer contribution, with a corresponding reduction in salary. Base salaries for executive directors have not been adjusted to reflect the impact of salary sacrifice to enable like-for-like comparison with prior years before salary sacrifice was introduced. The pension-related single figure is generally calculated at 20 times the increase in the accrued pension over the year net of inflation, less the directors' defined benefit contributions, plus the employer's defined contributions. This is also shown in detail in the defined benefits pension prospective entitlements table.

2 Tim Davie's role as CEO, BBC Studios is funded entirely by the BBC's commercial revenues and not paid for, or subsidised by, the licence fee. Payment of any bonus is subject to the achievement of an overall headline profit and cash for that subsidiary, with targets approved by the Remuneration Committee.

3 Bob Shennan joined the Executive Committee on 8 April 2019. Sarah Jones joined the Executive Committee on 1 May 2019. Wendy Aslett and Rachel Currie were appointed as joint Group HR Directors and joined the Executive Committee on 1 November 2019. Therefore no figures are reported for the 2018/19 period.

- 4 Kerris Bright, Glyn Isherwood and Gautam Rangarajan joined the Executive Committee on 18 June 2018, 9 April 2018 and 1 June 2018 respectively. Figures shown for 2018/19 are pro-rata.
 5 Valerie Hughes-D'Aeth left the BBC on 31 October 2019.
 6 June Sarpong joined the BBC and was appointed to the Executive Committee on 1 November 2019 and therefore received no remuneration in 2018/19. She works on a part-time basis as reflected in the base pay figure disclosed.
 7 Remuneration relates to Anne Bulford, who stepped down from the Executive Committee at the end of the 2018/19 financial year.

Total remuneration – Board and Executive Committee (audited)

There has been an increase in the overall total annual remuneration for the Board and Executive Committee in 2019/20, predominantly as a result of the increase in membership of the Executive Committee in 2019/20 to 18 members (previously 15 in 2018/19).

Total remuneration (values in £000s)	2019/20	2018/19
Total Executive Committee (including Board executive directors)	£5,405	£4,953
Board non-executive directors	£423	£412
Total annual remuneration	£5,828	£5,365

Defined benefit pension prospective entitlements (values in £000s) (audited)

	Age at 31 March 2020	Section	Accrued pension 31 March 2020 (or retirement/leaving the Board if earlier)	Accrued pension 1 April 2019 (or joining the Board if after)	Director DB contributions (via salary sacrifice) 2019/20	Pension related single figure
Tim Davie	52	CAB 2011	21	18	9	40
Wendy Aslett	58	CAB 2011	19	18	4	8
Charlotte Moore	51	New benefits	34	31	11	29
Matthew Postgate	45	New benefits	38	35	12	30
Gautam Rangarajan	48	CAB 2011	20	17	9	40
Bob Shennan	58	CAB 2011	21	18	9	33

Notes:

- Tim Davie is an active member of the CAB 2011 section from January 2012 and retains a deferred benefit in the New Benefits section for service up to that date. The accrued pension shown relates to CAB 2011 only.
 Wendy Aslett is an active member of the CAB 2011 section from January 2012 and retains a deferred benefit in the Old Benefits section for service up to that date. The accrued pension shown relates to CAB 2011 only.
 Charlotte Moore joined the BBC on 1 May 2006. The pension figures shown include the period before she was appointed as an executive director.
 Matthew Postgate joined the BBC on 1 June 2005. The pension figures shown include the period before he was appointed as an executive director.
 Gautam Rangarajan is an active member of the CAB 2011 section from January 2012 and retains a deferred benefit in the Old Benefits section for service up to that date. The accrued pension shown relates to CAB 2011 only.
 Bob Shennan re-joined the BBC in February 2009 and was appointed as an executive director on 8 April 2019. The pension figures shown include the period before he was appointed as an executive director. He is an active member of the CAB 2011 section from December 2011 and transferred out his previous benefits.
 The accrued pension shown relates to CAB 2011 only.

Comparative pay across the BBC

In 2011 the BBC voluntarily agreed to report the top to median Public Service earnings multiple as proposed in the Hutton report 'Fair Pay in the Public Sector'. Since 2011 the BBC has published these figures on an annual basis.

The table below provides a summary of the Director-General to BBC staff median earnings and executive directors to median earnings figures since 2011. The sample group for the executive directors group has changed since 2018/19 following the expansion of the Executive Committee membership in 2019/20.

The Public Service staff median has changed from 10.2 to 9.9 in 2019/20.

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Director-General earnings	9.9	10.2	10.7	10.2	10.4	10.7	10.9	11	16.5	16.8
Executive directors' median earnings	6.9	7.0	7.7	7.7	8.19	8.2	8.2	8.1	8.7	8.9

Notes:

- Earnings calculation includes: basic pay, bonus, continuing allowances, overtime and other non-continuing allowances. Median earnings figures are calculated using Director-General and executive directors' annual salaries.
 These figures exclude roles which are funded entirely by the BBC's commercial operations, such as the CEO, BBC Studios.

The table below provides a summary of the changes to the Director-General's cash earnings for 2019/20 versus the change in pan-BBC median earnings over the same period. There have been no changes to the Director-General's remuneration in 2019/20.

	2019/20 (values in £000s)	Change from 2018/19
Director-General earnings	£450	0%
Pan-BBC median earnings	£45.5	3.4%

Remuneration report

The Committee has considered the new reporting regulations applying to large quoted companies, which require them to publish information on the ratios between CEO and average staff pay. For consistency in reporting and in light of the appointment of a new Director-General during 2020/21, the Committee intends to review the method of calculation of comparative pay across the BBC with a view to publishing figures next year which are based on the requirements of the new regulations.

Severance

No severance was paid to executive directors during the year ended 31 March 2020.

Outside interests

With the prior agreement of the Director-General, executive members of the BBC Board may hold remunerated external directorships. The prime purpose of the external directorship should be to support personal and career development and thereby give back to the BBC.

Remuneration which arises from external directorships may be retained by the individual, but is subject to formal approval. Executive directors may also hold non-remunerated posts outside the BBC. No more than one to two days per month are permitted to fulfil all external duties.

The BBC's commercial businesses

During 2019/20, the BBC had staff employed with three main commercial subsidiaries:

- BBC Studios
- BBC Studioworks
- BBC Global News

Remuneration within the commercial subsidiaries is subject to the BBC's governance and approval processes. The remuneration policy for the subsidiaries includes the provision of an annual bonus available to eligible staff, including directors, and it varies between commercial entities. The full cost of base pay and annual bonus are self-funded by the commercial revenues of each subsidiary company and are not subsidised by the licence fee.

BBC Studios Company Bonus Scheme

The Remuneration Committee has oversight of the design and outturn of the BBC Studios Company Bonus Scheme. The 2019/20 scheme was built on two key financial measures and personal objectives as follows:

- EBITDA, weighted 50% (66.6% of financial element);
- free cash flow, weighted 25% (33.3% of financial element); and
- individual personal objectives, weighted 25%.

Targets are set to ensure achievement of the long-term business strategy for BBC Studios, and for 2019/20 incorporated 7.5% growth (EBITDA) and 5% growth (free cash flow) at target, and 21% growth (both financial measures) at maximum.

The targets are set out in the table below (all figures in £ millions).

	Threshold	Target	Maximum
EBITDA	£153.5	£165.0	£185.4
Free cash flow	£48.1	£50.5	£58.1

Participation is limited to senior roles in key commercial areas, with threshold, target and maximum individual percentages set by grade. For the CEO, BBC Studios, the achievement of the targets above results in the following individual payments, subject to Remuneration Committee discretion and approval:

	Threshold	Target	Maximum
Bonus as % of salary	16%	40%	50%

2019/20 results

For 2019/20, the Remuneration Committee assessed the outturn of the BBC Studios bonus against the targets set out above. BBC Studios exceeded the targets for both EBITDA and free cash flow in 2019/20. This resulted in a bonus payment of 50% (£200,000) to the CEO, BBC Studios in respect of the year's performance.

Pay disclosures

Report from the BBC Remuneration Committee of people paid more than £150,000 of licence fee revenue in the financial year

In the following pages, we set out details of those individuals who received more than £150,000 from licence fee revenue in the year. The Charter requires us only to publish amounts paid during the year for these individuals, set out in bands. We go beyond that requirement by publishing more detail of the work that individuals appearing on air carried out for the remuneration they received.

Last year we set out a projection of what we expected the list to look like this year. We have now met the 55:45 balance projected between male and female on-air employees, a significant further improvement which is shown in the lists below. This is a huge shift from the 76:24 split when we first reported on this in 2016/17, and up again from the 60:40 split we reported last year. The number of women in the top ten has increased to four, compared to none three years ago, and there are now ten women in the top 25 earners. The number of men earning over £500,000 has reduced from three to two, along with diversity in the list remaining at the same level as projected in last year's report.

Year-on-year, we have shown that we are able to deliver on our projections for improvement and development of the list, and we are now approaching a 50:50 balance on a gender basis and seeing increasing numbers of women at the top of the list. We expect this trend to continue, but we have not provided a projection for 2020/21, as coronavirus has made the production environment highly volatile and consequently quantities of work are hard to predict in a number of areas, especially Sport.

It is also worth noting that, both on air and off, we continue to operate in extremely competitive markets for talent, with inflation levels for pay often well above the average for the UK economy. This pressure, taken with the fixed £150,000 entry point to the list, suggests that more individuals will appear on these lists over time. Were the threshold for inclusion to be linked to inflation, we would expect the numbers on the list to be broadly flat. Nevertheless, as in previous years, we will continue to monitor and aim to reduce our total senior leader and on-air paybill as a whole.

On-air talent pay tables

Individuals on this list are shown by category: News, Radio, Sport, and presenters who work regularly across multiple parts of the BBC including Television. These figures include payments from licence fee revenue made to individuals working under a contract for services. These figures exclude any recharges, amounts paid, and investments into programmes made by our commercial entities – for example BBC Studios. Payments made by independent producers, royalties, repeat fees, contractual and other recoverables and expenses are also excluded. Programme commitments have been drawn from contractual commitments or other patterns of work, and have generally been stated to the nearest ten. These have been consistently disclosed for each principal programme or genre. Single episodes have been excluded, unless this represents a significant part of an individual's work.

Pay disclosures

Detailed on-air talent pay tables

Principal programme	Name	Programme commitments	Pay
News and Current Affairs			
<i>Today</i>	Nick Robinson	c.140 presentation days c.40 episodes of <i>Political Thinking Panorama</i> on Brexit Election Specials	£295,000 – £299,999
	Mishal Husain	c.140 presentation days c.20 presentation days for BBC One 12 episodes of <i>From Our Home Correspondent</i>	£265,000 – £269,999
	Martha Kearney	c.140 programmes Radio 4 documentary	£255,000 – £259,999
	Justin Webb	c.140 programmes	£250,000 – £254,999
<i>World at One</i>	Sarah Montague	c.180 presentation days c.10 episodes of <i>HARDtalk</i>	£250,000 – £254,999
<i>PM</i>	Evan Davis	c.200 programmes <i>The Bottom Line</i> on Radio 4	£275,000 – £279,999
<i>BBC News at Six</i> and <i>BBC News at Ten</i>	Huw Edwards	c.180 presentation days for BBC One and News Channel Election Night and News Specials	£465,000 – £469,999
	George Alagiah	c.180 presentation days for BBC One	£325,000 – £329,999
	Sophie Raworth	c.180 presentation days for BBC One Election Programme	£275,000 – £279,999
<i>Question Time</i>	Fiona Bruce	c.40 episodes of <i>Question Time</i> c.50 presentation days for BBC One	£450,000 – £454,999
<i>The Andrew Marr Show</i>	Andrew Marr	c.40 programmes c.20 editions of <i>Start the Week</i> Documentaries for BBC One and Election Night	£360,000 – £364,999
<i>The Andrew Neil Show</i>	Andrew Neil	<i>The Andrew Neil Show</i> , <i>Politics Live</i> and <i>This Week</i> Election Specials and Election Night	£170,000 – £174,999
<i>Newsnight</i>	Emily Maitlis	c.140 presentation days for <i>Newsnight</i> BBC documentaries and Election Programme	£370,000 – £374,999
	Kirsty Wark	c.80 presentation days for <i>Newsnight</i> Cover for <i>Start the Week</i> and <i>Talking Books</i>	£215,000 – £219,999
<i>Victoria Derbyshire</i>	Victoria Derbyshire	Lead presenter on <i>Victoria Derbyshire</i>	£215,000 – £219,999
<i>Westminster Hour</i>	Carolyn Quinn	Lead presenter on <i>Westminster Hour</i> and cover for PM	£150,000 – £154,999
<i>BBC News Channel</i>	Clive Myrie	BBC News Channel, BBC One and location work	£215,000 – £219,999
	Reeta Chakrabarti	BBC News Channel, BBC One and location work Election Night	£180,000 – £184,999
	Ben Brown	BBC News Channel, BBC One and location work	£165,000 – £169,999
	Simon McCoy	BBC News Channel, BBC One and location work	£160,000 – £164,999
	Carrie Gracie	BBC News Channel and location work	£155,000 – £159,999
	Jane Hill	BBC News Channel, BBC One and location work	£150,000 – £154,999
	Joanna Gosling	BBC News Channel and BBC One Presenter on <i>Victoria Derbyshire</i>	
<i>BBC Breakfast</i>	Louise Minchin	c.180 programmes <i>Triathlon: World Series</i>	£215,000 – £219,999
	Naga Munchetty	c.180 programmes and <i>The Media Show</i> cover	£195,000 – £199,999
	Charlie Stayt	c.180 programmes	£190,000 – £194,999

Principal programme	Name	Programme commitments	Pay
On-air editors and correspondents	Laura Kuenssberg	Political Editor and Election Night Two BBC Two documentaries	£290,000 – £294,999
	Jon Sopel	North America Editor BBC Radio 4 <i>Today</i> cover	£235,000 – £239,999
	Jeremy Bowen	Middle East Editor	£220,000 – £224,999
	Katya Adler	Europe Editor	£210,000 – £214,999
	Amol Rajan	Media Editor c.40 episodes of <i>The Media Show</i> Cover on BBC Radio 2, <i>Start the Week</i> BBC Television documentaries	£205,000 – £209,999
	Fergal Keane	Africa Editor, World Service and Radio 4 documentaries	
	Simon Jack	Business Editor and BBC Radio 4 <i>Today</i> cover	£190,000 – £194,999
	Mark Easton	Home Editor	£185,000 – £189,999
	James Naughtie	Presenter and Correspondent	£170,000 – £174,999
	John Pienaar	Deputy Political Editor and <i>Pienaar's Politics</i> One episode of <i>Panorama</i>	£165,000 – £169,999
	Orla Guerin	International Correspondent	£160,000 – £164,999
	Faisal Islam	Economics Editor	£155,000 – £159,999
Radio			
BBC Radio 1	Scott Mills	c.210 editions of <i>The Scott Mills Show</i> c.20 editions of <i>The Scott Mills and Chris Stark Show</i> on Radio 5 live	£345,000 – £349,999
	Greg James	c.180 editions of Radio 1 Breakfast Show Radio 1's <i>Teen Awards</i> and <i>Big Weekend</i> <i>Rewinder</i> on Radio 4	£275,000 – £279,999
	Nick Grimshaw	c.190 editions of Radio 1 Drivetime Show <i>Radio 1's Big Weekend</i>	£240,000 – £244,999
	Annie Mac	c.220 editions of <i>The Annie Mac Show</i> <i>Radio 1's Big Weekend</i>	£170,000 – £174,999
	Clara Amfo	c.190 editions of Radio 1 Mid Morning Show <i>Radio 1's Big Weekend</i>	£155,000 – £159,999
BBC Radio 2	Zoe Ball	c.210 editions of <i>The Zoe Ball Breakfast Show</i>	£1,360,000 – £1,364,999
	Steve Wright	c.220 editions of <i>Steve Wright in the Afternoon</i> c.50 editions of <i>Steve Wright's Sunday Love Songs</i>	£475,000 – £479,999
	Ken Bruce	Radio 2 Mid Morning Show <i>Eurovision Song Contest</i> <i>Radio 2 Live in Hyde Park</i>	£385,000 – £389,999
	Jeremy Vine	Daily show on Radio 2 Election programme	£320,000 – £324,999
	Jo Whiley	c.180 editions of Radio 2 Evening Show	£280,000 – £284,999
	Sara Cox	c.230 editions of Radio 2 Drivetime Show <i>Radio 2 Live in Hyde Park</i>	£275,000 – £279,999
	Trevor Nelson	c.180 editions of <i>Rhythm Nation</i> c.50 Weekend Shows on 1Xtra	£220,000 – £224,999

Pay disclosures

Principal programme	Name	Programme commitments	Pay
BBC Radio 5 live	Nicky Campbell	c.200 editions of 5 live Breakfast Show c.200 editions of <i>Your Call</i>	£300,000 – £304,999
	Emma Barnett	c.180 editions of <i>The Emma Barnett Show</i> c.20 editions of <i>Newsnight</i> Election work	£260,000 – £264,999
	Rachel Burden	c.200 editions of 5 live Breakfast Show Cover for <i>BBC Breakfast</i> and <i>Your Call</i>	£175,000 – £179,999
	Nihal Arthanayake	c.190 editions of 5 live Early Afternoon Show c.40 editions of <i>The Big Debate</i> on Asian Network	£170,000 – £174,999
	Adrian Chiles	c.40 editions of <i>Chiles on Friday</i> c.40 editions of <i>Question Time Extra Time</i> c.20 other shows on 5 live	£155,000 – £159,999
BBC 6 Music	Lauren Laverne	c.210 editions of 6 Music Breakfast Show c.40 <i>6 Music Recommends</i> c.30 <i>Desert Island Discs</i> on Radio 4 Mercury Music Prize	£395,000 – £399,999
	Shaun Keaveny	c.210 editions of 6 Music Early Afternoon Show	£160,000 – £164,999
	Mary Anne Hobbs	c.230 editions of 6 Music Mid Morning Show c.50 <i>6 Music Recommends</i>	£150,000 – £154,999
	Steve Lamacq	c.230 editions of 6 Music Afternoon Show c.50 <i>6 Music Recommends</i>	
Multiple stations	Vanessa Feltz	c.200 editions of Radio 2 Early Breakfast Show c.220 editions of Radio London Breakfast Show Radio 2 cover	£405,000 – £409,999
	Stephen Nolan	<i>The Nolan Show</i> on Radio Ulster <i>Nolan Live</i> on BBC One (Northern Ireland) <i>The Stephen Nolan Show</i> on 5 live	£390,000 – £394,999
Sport			
Men's football	Gary Lineker	<i>Match of the Day: Premier League and FA Cup</i> <i>Sports Personality of the Year</i>	£1,750,000 – £1,754,999
	Alan Shearer	<i>Match of the Day: Premier League and FA Cup</i>	£390,000 – £394,999
	Jermaine Jenas	<i>Match of the Day: Premier League and FA Cup</i> <i>MOTDx</i> and <i>Friday Football Social</i>	£200,000 – £204,999
Cricket	Jonathan Agnew	International test, one-day and Twenty20 series BBC Cricket Correspondent	£170,000 – £174,999
Tennis	Sue Barker	Wimbledon, Queen's, ATP World Tour Finals Australian Open BBC documentaries	£200,000 – £204,999
	John McEnroe	Wimbledon BBC documentaries	£195,000 – £199,999
Multiple sports	Mark Chapman	Three editions of 5 live sport per week Weekly Premier League highlights Rugby League and NFL	£245,000 – £249,999
	Gabby Logan	Athletics <i>Premier League Show</i> and Women's World Cup <i>Sports Personality of the Year</i>	£185,000 – £189,999
	Clare Balding	Wimbledon Cycling and Equestrian The Boat Race <i>Sports Personality of the Year</i>	£155,000 – £159,999

Multiple genres and Television

There are a small number of individuals who have pre-existing multi-year relationships with BBC commissioning. Payments from BBC Studios have been removed from the disclosure, and they may also receive payments from independent producers. We also include in this section presenters who spend close to 50% of their time in more than one of TV, Radio, News and Sport.

Principal programme	Name	Programme commitments	Pay
Television	Mary Berry	BBC television fee for a range of programmes and series	£215,000 – £219,999
Radio and Sport	Jason Mohammad	Daily BBC Radio Wales programme and other BBC Wales television output <i>Final Score</i> , other football and The Boat Race <i>Good Morning Sunday</i> on Radio 2	£285,000 – £289,999
News and Sport	Dan Walker	<i>Football Focus</i> <i>BBC Breakfast</i>	£260,000 – £264,999
News and Radio	Tina Daheley	Radio 2 Breakfast Show and <i>Beyond Today</i> podcast BBC One News and <i>BBC Breakfast</i> cover c.40 episodes of <i>The Cultural Frontline</i> Election Programme and cover for <i>Woman's Hour</i>	£255,000 – £259,999
Radio and Television	Graham Norton	Weekly show on Radio 2 BBC television fee for a range of programmes and series British Academy Television Awards and British Academy Film Awards	£725,000 – £729,999
	Claudia Winkleman	Weekly show on Radio 2 BBC television fee for a range of programmes and series	£365,000 – £369,999

Senior executives

We already publish on our website the pay and expenses for all senior leaders earning over £150,000 in the BBC's public services. Under the terms of our Charter, we are required to publish a report from the Remuneration Committee listing all senior executives of the BBC paid more than £150,000 from licence fee revenue in the financial year, set out in pay bands. These figures exclude any recharges or amounts paid from our commercial entities.

Pay	Name	Role
Director-General		
£450,000 – £454,999	Tony Hall	Director-General
Executive Committee		
£370,000 – £374,999	Charlotte Moore	Director, Content
£360,000 – £364,999	Kerris Bright	Chief Customer Officer
£340,000 – £344,999	Francesca Unsworth	Director, News and Current Affairs
£335,000 – £339,999	Glyn Isherwood	Chief Financial Officer
£325,000 – £329,999	Ken MacQuarrie	Director, Nations and Regions
£315,000 – £319,999	Matthew Postgate	Chief Technology and Product Officer
£310,000 – £314,999	Bob Shennan	Group Managing Director
£305,000 – £309,999	James Purnell	Director, Radio and Education
£280,000 – £284,999	Sarah Jones	Group Legal Counsel
£220,000 – £224,999	John Shield	Director, Communications and Corporate Affairs
£180,000 – £184,999	Gautam Rangarajan	Director, Strategy
	David Jordan	Director, Editorial Policy and Standards
£175,000 – £179,999	Clare Sumner	Director, Policy
£165,000 – £169,999	Wendy Aslett	Group HR Director

Pay disclosures

Pay	Name	Role
Corporate Functions		
£325,000 – £329,999	Bal Samra	Group Commercial Director
£210,000 – £214,999	Dale Haddon	HR Director
	Balram Veliath	Director, Quality, Risk and Assurance
£205,000 – £209,999	Shirley Cameron	Group Financial Controller
£200,000 – £204,999	Anna Gronmark	HR Director, News and Current Affairs
£195,000 – £199,999	Peter Ranyard	Director, Corporate Legal
	Gillian Taylor	HR Director
£180,000 – £184,999	David Curley	Group Corporate Finance Director
	Noel Scotford	Director, HR Systems and Business Affairs
£175,000 – £179,999	Chris Rowsell	Head of Regulation
£170,000 – £174,999	Claudia Giles	Legal Director
	Phil Harrold	Company Secretary
£160,000 – £164,999	Pipa Doubtfire	Director, Revenue Management
	Catherine Hearn	Director, Resourcing
	Sarah Gregory	Director, HR Operations
	Simon Morrissey	Legal Director
	David Attfield	Legal Director
	Nick Wilcox	Legal Director
	Isabel Begg	Director, Commercial Rights and Business Affairs
£155,000 – £159,999	Jessica Cecil	Director, BBC
	Claire Paul	Senior Head of Leadership and Development
	Tim Cavanagh	Director, Workplace
£150,000 – £154,999	Alexis Hawkes	Legal Director
	Natasha Wojciechowski	HR Director
Design and Engineering		
£215,000 – £219,999	Matt Grest	Director, Platform
£205,000 – £209,999	Robin Pembroke	Director, Content Production, Products and Systems
£200,000 – £204,999	Stuart Page	Director, Corporate and Commercial, Product and Systems
£195,000 – £199,999	Chris Condron	Director, Digital Products
	Jatin Aythora	Chief Architect
	Gary Payne	Chief Information Security Officer
£190,000 – £194,999	Kieran Clifton	Director, Distribution and Business Development
	Andy Baker	Director, Engineering Operations
£175,000 – £179,999	Andy Conroy	Controller, Research and Development
	Dan Taylor-Watt	Director, iPlayer and Sounds, Product and Systems
£165,000 – £169,999	Sarah Hayes	Director, BBC Archives
	Richard Cooper	Controller, Digital Distribution
£160,000 – £164,999	Andrew Kaczor	Finance and Operations Director
£155,000 – £159,999	Claire Hetherington	Head of Product
	Grace Boswood	Chief Operating Officer
	Ellie Runcie	Chief Design Officer
	Sundar Srinivasan	Principal System Specialist

Pay	Name	Role
£150,000 – £154,999	John Parrott	Head of Architecture
	Gabriel Straub	Head of Technology Transformation
	Kirsten Mitchinson	Head of Commercial
	Matthew Percy	Head of Architecture
Marketing and Audiences		
£185,000 – £189,999	Justin Bairamian	Director, BBC Creative
£175,000 – £179,999	Nick North	Director, Audiences
Nations and Regions		
£240,000 – £244,999	Ian Haythornthwaite	Chief Financial and Operating Officer
£195,000 – £199,999	Peter Johnston	Nations Director
£190,000 – £194,999	Joe Godwin	Director, Partnerships
	Rhodri Talfan Davies	Nations Director
£185,000 – £189,999	Donalda MacKinnon	Nations Director
£165,000 – £169,999	Helen Thomas	Nations Director
£155,000 – £159,999	Steve Carson	Senior Head of Multi-Platform Commissioning
£150,000 – £154,999	Chris Burns	Senior Head of Local Radio Commissioning
Workplace		
£150,000 – £154,999	Alan Bainbridge	Director, Workplace
Content		
£270,000 – £274,999	Piers Wenger	Controller, Drama Commissioning
£225,000 – £229,999	Dan McGolpin	Controller, iPlayer and Programming
	Patrick Holland	Controller, BBC Two and BBC Four
£220,000 – £224,999	Barbara Slater	Director, Sport
	Alison Kirkham	Controller, Factual Commissioning
	Kate Phillips	Controller, Entertainment Commissioning
	Shane Allen	Controller, Comedy Commissioning
£215,000 – £219,999	Fiona Campbell	Channel Controller
£210,000 – £214,999	Rose Garnett	Commissioning Controller
£205,000 – £209,999	Lucy Richer	Senior Commissioning Editor, Drama
£175,000 – £179,999	Philip Bernie	Head of Sport, TV
£170,000 – £174,999	Manda Levin	Senior Commissioning Editor, Drama
£165,000 – £169,999	Lindsay Currie	Head of Portfolio Scheduling
	Clare Sillery	Senior Head of Factual Commissioning
£160,000 – £164,999	Cassian Harrison	Channel Editor
£155,000 – £159,999	Jo Wallace	Senior Commissioning Editor, Entertainment
£150,000 – £154,999	Ben Gallop	Head of Sport, Digital and Radio

Pay disclosures

Pay	Name	Role
News and Current Affairs		
£205,000 – £209,999	Kamal Ahmed	Editorial Director
£200,000 – £204,999	Alan Dickson	Chief Financial and Operating Officer
	Jamie Angus	Director, World Service Group
£180,000 – £184,999	Gavin Allen	Head of News Programmes
	Jonathan Munro	Head of Newsgathering
	Naja Neilsen	Senior News Controller
£170,000 – £174,999	Mary Hockaday	Controller, World Service English
£165,000 – £169,999	Joanna Carr	Head of Current Affairs
	Sarah Ward-Lilley	Managing Editor
£160,000 – £164,999	Jon Zilkha	Senior Project Director
£155,000 – £159,999	James Gray	Head of Journalism
£150,000 – £154,999	Sarah Sands	Executive News Editor
Radio and Education		
£225,000 – £229,999	Alice Webb	Director, Children's
£215,000 – £219,999	Graham Ellis	Controller, Radio Production
£200,000 – £204,999	Cheryl Taylor	Head of Content, Children's
£180,000 – £184,999	Jonathan Wall	Controller, Radio
	Alan Davey	Controller, Radio
£175,000 – £179,999	Helen Bullough	Head of Children's Production
£155,000 – £159,999	Mohit Bakaya	Controller, Radio
Former Staff*		
£195,000 – £199,999	Ben Cooper	Controller, Radio
	Valerie Hughes-D'Aeth	Chief HR Officer

* This section includes individuals who left the BBC during the financial year 2019/20 and for whom therefore a full annual salary would not have been paid

NAO opinion on pay disclosures

Independent Assurance Report to the Board of the British Broadcasting Corporation, acknowledging that Parliament also places reliance on the Group Accounts and Report

I have conducted independent assurance procedures on the disclosures included in the British Broadcasting Corporation (BBC) Annual Report arising from the requirement under the Royal Charter for the continuance of the BBC (the Royal Charter) to publish the names of all senior executives of the BBC paid more than £150,000 from licence fee revenue in that financial year; and the names of all other staff of the BBC paid more than £150,000 from licence fee revenue in that financial year set out in pay bands for the year-ended 31 March 2020. These disclosures comprise the Pay Disclosures as set out on pages 81 to 88 of the BBC’s Annual Report (the subject matter) (the “Pay Disclosures”).

My work is conducted in accordance with International Standards on Assurance Engagements (ISAE) 3000 Assurance Engagements Other Than Audits or Reviews of Historic Financial Information.

Respective responsibilities of the BBC Board and the Comptroller and Auditor General

For the reporting year covered by this report, the BBC Board was responsible for publishing information required by the Royal Charter as follows:

- the names of all senior executives of the BBC paid more than £150,000 from licence fee revenue in that financial year; and
- the names of all other staff of the BBC paid more than £150,000 from licence fee revenue in that financial year set out in pay bands for the year-ended 31 March 2020.

I am responsible for providing an opinion on whether, in all material respects, the subject matter is complete and accurate and has been properly prepared in accordance with the basis set out therein.

In conducting this work, my staff and I have complied with the Financial Reporting Council’s Revised Ethical Standard 2016. I am independent of the BBC in accordance with the ethical requirements that are relevant to my procedures. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

My staff and I have applied International Standard on Quality Control 1 and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

My approach

I have performed a reasonable assurance engagement as defined in ISAE 3000. A reasonable assurance engagement is to perform such procedures as to obtain information and explanations which I consider necessary to express an opinion on whether, in all material respects, the Pay Disclosures (the subject matter) are complete and accurate and have been properly prepared in accordance with the basis set out therein.

My work consisted of:

- Understanding the process adopted by the BBC to derive the Pay Disclosures, in particular the completeness and accuracy of information used;
- Testing the completeness of disclosures, including:
 - cross-reference to my BBC Group audit procedures relating to payroll and expenditure;
 - comparison to the prior year and my understanding of the BBC; and
 - review of individuals paid in the subsequent month who have been paid close to the disclosure threshold in 2019/20.
- Agreement of staff disclosure to payslips or, where staff are not paid via BBC payroll, agreement of spend back to other evidence such as contracts;
- Agreement of the spend per individual paid more than £150,000 of Licence Fee revenue into the appropriate salary banding;
- Recalculation of the volume of individuals included within each £5,000 band; and
- Review of the accompanying commentary for reasonableness and clarity around the basis of disclosure.

Inherent limitations

My assurance procedures have been designed to provide reasonable assurance. The objective of a reasonable assurance engagement is to reduce engagement risk to an acceptably low level in the circumstances of the engagement as the basis for a positive form of expression of my conclusion. It does not, however, eliminate this risk entirely. In particular, in preparing the disclosures, the BBC Board is required to make a number of judgements which inherently introduces an element of risk. My work has been undertaken so that I might state to the BBC Board and Parliament those matters I am required to in this report and for no other purpose.

Opinion

Based on the results of my procedures, in my opinion, in all material respects the Pay Disclosures included on pages 81 to 88 are complete and accurate and have been properly prepared in accordance with the basis set out therein. This opinion has been formed on the basis of the matters outlined elsewhere in this independent assurance report.

Gareth Davies Comptroller & Auditor General

National Audit Office
157-197 Buckingham Palace Road
London SW1W 9SP
3 September 2020

Nominations Committee Report

Board appointments

The Board Nominations Committee is responsible for making recommendations on appointments to the Board (with the exception of the Chairman and the nations' members) and Board committees.

The Nominations Committee consists of: the Chairman, David Clementi; Nicholas Serota, the Senior Independent Director; Tim Davie, the Director-General; and non-executive directors Ashley Steel and Elan Closs Stephens.

In addition to its responsibility for nominating appointments to the Board, the Committee is also responsible for nominating members to the sub-committees of the Board, and its main commercial subsidiaries. The Nominations Committee also considers and reviews the independence of Board members, including any conflicts of interest, and ensures compliance with the Board's Code of Practice. As part of its work this year, the Committee reviewed and amended its Terms of Reference to ensure it could manage conflicts of interest on the Committee more effectively. The Committee also assesses the composition of the Board and its associated committees in terms of the balance of skills and experience required, and to develop a succession planning strategy.

This year the Nominations Committee has met three times, with some business conducted offline. The Committee's work on appointments has consisted of recruiting and appointing Mai Fyfield as a non-executive director on the BBC's Commercial Holdings Board. As part of its responsibilities for succession planning and performance assessment, the Committee also proposed the re-appointment for a further three years of two of the BBC Board's non-executive directors, Ian Hargreaves and Tom Ilube, which the Board approved at its February meeting.

In fulfilment of its responsibility for evaluating the performance of the Board and its associated sub-committees, the Nominations Committee asked an independent reviewer, Christopher Saul, to assess the performance of the Board and sub-committees of the Board this year. As well as reviewing the related paperwork, the assessment included interviews, an evaluation survey and observation of some meetings. After a positive review, Christopher Saul's additional recommendations have now been considered by the Board and an implementation plan has been completed.

The Nominations Committee has led the process for recruiting the new Director-General, in conjunction with the wider group of non-executive directors of the Board, through a series of formal and informal meetings.

Sir David Clementi

2 September 2020

Board and Committee attendance

	Board Ordinary	Audit and Risk Committee Member	Fair Trading Committee Member	Nominations Committee Member	Remuneration Committee Member	Editorial Guidelines & Standards Member	Nations Committee - England Member	Nations Committee - Scotland Member	Nations Committee - Wales Member	Nations Committee - N. Ireland Member
Number of meetings for the period	11	5	3	3	4	5	3	3	3	3
Non-executives										
David Clementi	11			3				3		3
Simon Burke	5 of 5	3 of 3								
Shirley Garrod	7 of 8	3 of 3	2 of 2							
Tanni Grey-Thompson	11				4	4				
Ian Hargreaves	10		3			5			3	
Tom Ilube	11	5	3				3			
Steve Morrison	10		1		3			3		
Nicholas Serota	10			3	4	5				
Ashley Steel	11	5		3			3			
Elan Closs Stephens	11			3					3	3
Executives										
Tony Hall	11			1*		5				
Tim Davie	11									
Ken MacQuarrie	11						3	3	3	2
Fran Unsworth	11					5				3

This table does not include extraordinary meetings or business conducted offline.

* The Director-General did not attend meetings relating to the appointment of his successor.

Audit and Risk Committee Report

Statement from the Chair of the Audit and Risk Committee

I took on the Chair of the BBC's Audit and Risk Committee when I joined the Board in July 2019. Since then I have enjoyed getting to grips with how the BBC operates and how it manages risk across all its many parts. In taking on my role, I am grateful for the help and advice I received from the outgoing chair, Simon Burke, and for the support I have received both from the other members of the Committee and from the BBC at large.

My colleagues on the Committee – Tom Ilube and Ashley Steel – are both diligent, knowledgeable and committed to the role we fulfil. We receive good, independent and impartial advice from the internal audit and risk teams, as well as from the NAO as the BBC's statutory auditor. I am satisfied, as a result, that the Committee has the necessary skills and support in place to discharge its duties properly.

Through the year, the Committee has focused on its remit to scrutinise the BBC's management of key risk areas and to oversee the development and audit of the Group accounts, including any issues that have a material impact on them. Clearly, the coronavirus crisis will have an ongoing impact on many of the issues within the Committee's remit and we began to consider these at the end of the 2019/20 financial year, including in the decision to publish these accounts later this year than we have in previous years.

Our work-plan for this year has included:

- reviewing and assuring the basis for the BBC Group's statements of going concern and viability;
- developing our ongoing relationship with the NAO, including approving their audit plan, taking an update at every meeting on progress with their work, and approving the BBC's responses to actions arising from their value for money reviews;
- reviewing the regularity of the BBC's financial transactions, including any significant issues, and how these are presented in the accounts;
- oversight of risks and improvements to the processes of risk measurement and reporting in the BBC – this year that has included a deep dive into the risk metrics that support the reporting to the Board;
- continued oversight of risks in the commercial subsidiaries, including an annual session to review and assure controls in BBC Studios. We have also developed our relationship with the Commercial Holdings Board, who review and sign the accounts for the BBC's commercial subsidiaries;
- specific deep dives into risk areas including: technical resilience and cyber-security, processes for the valuation of IP in BBC Studios, management and audit of the BBC's international bureaux, and the implementation of the systems required to begin collecting the licence fee from eligible over-75s;
- maintaining regular oversight of whistleblowing cases and reporting in the BBC;
- monitoring the work of the internal audit team and the findings and actions from their work – this year, 43 audits and assurance reviews were completed, as part of a risk-based plan, with 158 improvement actions concluded from internal audit work (all improvement actions arising from internal audit work are tracked to completion by the Committee); and
- implementation and performance of major projects across the BBC, including the E20 project, see detail below.

One of our key areas of focus during the year has been the monitoring and oversight of major projects across the BBC, of which there are some 6 to 10 at any point in time. We considered both specific projects themselves and also a wider overview of the themes, issues and challenges faced by such projects in the BBC. We continue to monitor the E20 project – the programme to refresh and update the *EastEnders* set – and have also this year spent considerable time reviewing issues and projects related to the Licence Fee Unit (LFU). This included the decision, taken in December, to cancel the implementation of a new customer management system in the LFU, due to unacceptable delays and increases in costs against the original plan.

This was a decision we looked at in some detail and commissioned a thorough piece of work to establish what happened in relation to this specific project and what lessons could be learned from it for other such projects in the BBC. We will assess the implementation of the recommendations arising from the review during this coming year. We will continue to pay close attention to key projects, including the implementation of the Board's decision on television licences for the over-75s.

Through the year we had five meetings overall, timed to fit with key points of the BBC's reporting cycle. Each meeting was attended by Executives as appropriate and by the Chairman, the Director-General, the Chief Financial Officer and the NAO. We have also held sessions in private with both the NAO, as external auditor, and with the Director of Quality, Risk and Assurance and Director of Internal Audit. I'm happy that the Committee has good access to the Internal Audit and Risk teams and that issues raised are looked at properly, on an independent basis.

The effectiveness of the Committee was assessed this year as part of the Board's overall external review, led by Chris Saul. We will consider the findings of the review and will implement changes this year, including an extra meeting of the Committee, to allow more time to consider any issues relating to the commercial businesses. In the coming year we will also formally review our relationship with the external auditor. I have been impressed so far by the maturity and candour that is present in the way the NAO consider and report on their work with the BBC.

Clearly the coming year will present some new and unique challenges as we assess and address the impacts of the coronavirus pandemic. We will work as a Committee to help the BBC review and understand the risks arising from this and to ensure that processes are in place to deal with them. I am now looking forward to a first full year as Chair of the Committee and the chance to work with my colleagues to monitor, review and assist the BBC in delivering the best it possibly can for licence fee payers.

Shirley Garrod
2 September 2020

Audit and Risk Committee report

Audit committee report

Role

The main purpose of the ARC is to review and maintain oversight of the BBC's corporate governance, particularly with respect to financial reporting, internal control and risk management. In order to gain this assurance, the ARC has responsibility for:

- reviewing and overseeing the effectiveness of the BBC Group's internal control and risk management processes;
- providing oversight of the key risks facing the BBC Group and the actions being taken to mitigate those risks to an acceptable level;
- reviewing the activities and risks of BBC's commercial subsidiaries, ensuring that risks are acceptably managed and that assurance is independent and sufficient;
- reviewing and challenging, where necessary, the actions and judgements of management in relation to the BBC's Annual Report and Accounts and related formal statements;
- overseeing and directing the work of the BBC's Internal Audit function, meeting with the Internal Audit senior management privately to discuss issues as necessary;
- giving due consideration to Parliament's expectations of the management of BBC resources, as expressed in reports of the Public Accounts Committee and Value for Money reports by the National Audit Office;
- reviewing the external auditors' proposed audit scope and strategy, ensuring no unjustified restrictions or limitations are made;
- reviewing the auditors' quality control procedures and steps taken by the auditor to respond to changes in regulatory and other requirements;
- meeting separately with the external auditors to discuss any matters the Committee or the auditors believe should be discussed privately;
- considering the independence of the external auditor;
- reviewing the BBC's systems for the detection and prevention of fraud and corruption; and,
- reviewing arrangements by which staff may, in confidence, raise concerns about possible improprieties in matters of financial reporting, illegality or other matters.

The ARC's Standing Orders set out in more detail our responsibilities. These were approved by the BBC Board in 2018 and were reviewed by the Committee in September 2019. They can be read on our website: downloads.bbc.co.uk/aboutthebbc/whoweare/bbcboard/auditandrisk/arc-tor-sep-2019.pdf

Membership

The ARC comprises three non-executive members, of whom one must have recent and relevant financial experience. The members who served during the past year are:

Simon Burke (Chair – term ended 2 July 2019)
 Shirley Garrood (Chair – appointed to the Board 3 July 2019)
 Tom Ilube
 Ashley Steel

Shirley Garrood, the Committee chairman, has significant, recent and relevant financial experience. In addition, all of the members of the committee are individuals who hold or have held senior positions in similar sized organisations and have the experience and skills to properly fulfil their responsibilities. When appropriate, the skills and experiences of members are augmented with advice from internal and external professionals – for example on matters such as developments in financial reporting.

Committee meetings are also attended by the Director-General, the Chief Financial Officer, the Director of Quality, Risk and Assurance and senior representatives from Internal Audit, Legal, Risk Management, Finance and the National Audit Office, as the BBC's statutory auditors.

The Committee also meets privately, without any member of management present, with Internal Audit, Risk and the external auditors, on a regular basis.

The Committee regularly assesses its own effectiveness and this year the work of the Committee was part of the external review of BBC Board effectiveness, conducted by Chris Saul. The findings and recommendations from that review have been considered by the Committee.

Meetings

The Committee met five times during 2019/20, at key times in the reporting and audit calendar.

Minutes from the meetings are made available to the Board and summary minutes are published on the BBC website: bbc.com/aboutthebbc/whoweare/bbcboard/auditandrisk. Additionally the Chairman of the Committee reports back to the Board after each meeting on any issues where action or improvement is required. The Committee also provides views on the integrity of the financial statements before the Annual Report is approved by the Board as a whole.

Integrity of financial reporting

The Committee reviewed the integrity of the financial statements of the BBC. In doing so it:

- identified, through discussion with both management and the external auditor, the key risks of misstatement within the BBC's financial statements, including those areas where significant financial judgements were required and which have influenced the financial statements;
- discussed these risks with the external auditor as part of the agreement of the external audit plan and at the conclusion of the audit of the financial statements; and
- reviewed and challenged detailed papers received from management on those areas requiring significant financial judgement, taking account of the views of the auditor.

Set out below are the key areas of judgement and how the Committee has addressed them:

Revenue Recognition

There is a risk that income is not recognised correctly in line with financial reporting standards. The nature of the risk varies between licence fee revenue in the public service and commercial income. Licence fee revenue is treated as an amount due from the relevant Government department, principally the DCMS, on the basis that amounts receivable from licence fee payers will be paid across.

Commercial revenue is more complex, with a number of different revenue streams including sale of content to global broadcasters, subscription income and revenue from the sale of physical and digital products. The complexity of contractual terms may require judgements in assessing when revenue can be recognised, which is based on the delivery of performance obligations and when control is transferred to the customer.

Committee Response – The Committee receives reports from management on any material or complex judgements. For example, during the year the Committee reviewed the accounting treatment of commercial revenue generated from Warner Media primarily relating to Doctor Who and revenue generated from Discovery, including content relating to the iconic Planet Earth collection.

The Committee considers that the BBC's existing financial control systems should ensure that income is properly treated in the financial statements and has confidence that management understand the risks in this area and have suitable controls in place.

Property

The BBC holds a significant property portfolio, which continues to be rationalised in order to reduce costs. The estate includes properties held under freehold and those held under finance and operating leases. Buildings which have been sub-let or which are available for sub-let may be classified as investment properties. Judgements relate to the future intentions for any vacant buildings and the related timescales. This can change the appropriate accounting treatment and affect the carrying value on the balance sheet.

The adoption of IFRS16 during 2019/20 has led to a reclassification of assets and a material movement in values compared to 2018/19.

The derivative assets and liabilities connected to the underlying Broadcasting House lease structure are subject to sensitivities in market data in addition to an adjustment to the discount rate to take account of risk. As a result, net liabilities of £182 million have been recognised in relation to this arrangement. The transaction was implemented in a manner that limited any increase in the BBC's credit exposure to the derivative counter-parties involved. The special purpose vehicle established to redevelop Broadcasting House, Daunus Limited, is accounted for as a joint venture following an assessment of control. The BBC's interest in the entity is at cost and no indicators of impairment have been identified.

The sale of BBC Wales Broadcasting House is expected within 12 months and is therefore recognised as an asset held for sale.

Committee Response – The Committee reviewed reports from management, which explained the treatment for the most significant buildings, including the projected timescales for future activity and rationale for treatment. Specifically, the Committee reviewed the revised treatment of property assets under IFRS 16. The Committee was satisfied that the treatment of properties within the financial statements was consistent with management intention and in line with international financial reporting standards.

BBC Defined Benefit Pension Scheme

The financial statements include a surplus on the balance sheet of £247 million for the BBC's defined benefit pension scheme. Critical judgements are required regarding the assumptions used in calculating the pension deficit. Changes in these assumptions can result in large swings in the final numbers disclosed. The assumptions used for the latest accounting valuation are based upon the recommendations of independent actuaries and are within an acceptable range according to the NAO.

Current and ongoing economic uncertainty arising from the coronavirus pandemic means that asset valuation techniques that rely on unobservable inputs are less certain as transactional activity in the market is currently lower than normal.

Committee Response – The Committee was satisfied that the assumptions used in the financial statements relating to the pension scheme were reasonable, appropriate to the BBC and supported by independent actuarial specialists. The Committee noted the significant movement in the pension scheme valuation and were satisfied with the explanations and analysis provided by management and the scheme advisors.

Financial provisions and contingent liabilities

Financial provisions are made when the BBC has a present obligation as a result of a past event that is probable and can be reliably measured. Provisions of £153 million are within the financial statements.

Committee Response – The Committee received reports on matters which could result in the recognition of potential liabilities and discussed the level of provisions with management. Management confirmed that they have applied a consistent approach to the identification, recognition and release of provisions across the BBC group. The Committee is satisfied with the level of provisions carried and the disclosure in respect of those provisions.

Capital projects

The BBC undertakes multiple capital projects at any one time, which contribute to the overall strategy of the BBC. An assessment over the appropriateness of capitalisation, along with the valuation of any capitalised asset, is required. If a material capital project cannot be completed on time, or will not derive future benefit to the BBC, this could trigger an impairment charge. Reports from management were reviewed, which explained the status of major capital projects and the approach taken to assess whether any impairment charge was required.

Committee Response – The Committee was satisfied that management's assessment of capital projects, including whether any impairment is appropriate, is in line with international financial reporting standards. The Committee reviewed the costs and capitalisation associated with the cancelled Campaign Management System Modernisation Project (CMoD).

Coronavirus

The BBC worked with the NAO to identify and implement emerging best practice for financial reporting following the emergence of coronavirus in late 2019/20. Key areas of reporting risk were identified and assessed for impact. This has included, but is not limited to: financial instruments, leases and property related contracts, content commitments and work in progress, the viability of independent production partners, the credit quality of debtors and the impact of foreign exchange movements. In addition the impact of coronavirus on the quality and timeliness of year end reporting activity was fully assessed, with controls and mitigations put in place as appropriate.

Committee Response – The Committee has been provided with detailed updates on the impact of Coronavirus on the preparation and content of the financial statements and is confident that management has taken a reasonable approach.

Management confirmed to the Committee that they were not aware of any material misstatements or immaterial misstatements made intentionally to achieve a particular presentation. The auditors reported any misstatements that they had found in the course of their work and that no material amounts remain unadjusted. The Committee can confirm that it is satisfied that the external auditors have fulfilled their responsibilities with diligence and professional scepticism.

After reviewing the presentations and reports from management and consulting, where necessary, with the external auditors, the Committee is satisfied that the financial statements appropriately address the critical judgements and key estimates (both in respect to the amounts reported and the disclosures). The Committee is also satisfied that the significant assumptions used for determining the value of assets and liabilities have been appropriately scrutinised, challenged and are sufficiently robust.

The Committee reviewed the group financial statements and how these are positioned within the wider Annual Report. To assist this review, reports from management and from the internal and external auditors were considered, covering:

- the quality and acceptability of accounting policies, including their compliance with accounting standards;
- compliance with legal and regulatory requirements;
- the clarity of disclosures and their compliance with relevant reporting requirements; and
- whether the Annual Report as a whole is fair, balanced and understandable and provides the information necessary to assess the BBC's performance and strategy.

Effectiveness of internal controls and risk management framework

Internal controls assurance

The Committee reviewed the effectiveness of the BBC's system of internal controls, taking account of the findings from internal and external audit reports and other assurance activity across the Group. Specific areas considered during the year included:

- the trends and themes from Internal Audit activity, questioning representatives of Internal Audit on the outcomes of their work. A summary of every internal audit, including key findings and assurance rating was reviewed by the Committee;
- actions arising from independent assurance activity, including internal and external audit and NAO Value for Money reviews are monitored by the Committee for completion. This is an area



Audit and Risk Committee report

- followed up at every meeting to ensure that agreed actions in respect of any weaknesses found are being properly addressed;
- for areas which are considered high profile or have received critical assurance findings, the Committee ensures there is suitable follow up and scrutiny over the completion of any improvement plans or agreed actions;
 - the Committee approved BBC's Modern Slavery statement and reviewed the approach for ensuring compliance;
 - regular whistleblowing reports and updates on levels of fraud and theft, along with the mechanisms in place to minimise and prevent these; and
 - the findings and progress of actions from the audits of BBC commercial subsidiaries are considered. The Chief Executive and Chief Financial Officer of BBC Studios attend annually to provide assurance on the control environment and management of risk in this subsidiary.

Risk management

The Committee considered the processes for managing significant risks within the BBC.

In particular, the Committee reviewed reports and challenged management on the BBC's major strategic and operational risks, reviewed the governance arrangements for risk reporting and oversight, considered areas of emerging risk with potential to impact the BBC, and conducted "deeper dives" into selected risk topics.

The impact of coronavirus on the BBC was reviewed by the Committee, with particular reference to the health and wellbeing of the BBC's workforce, the effect on production and output, the resilience and security of our infrastructure and the impact on the BBC's finances.

The approach to risk management in the BBC continues to develop and the Committee was actively involved in reviewing progress and improvements. The assessment of the BBC's principal risks is set out on page 96.

Effectiveness of Internal Audit

The work of Internal Audit is overseen by the Committee. This is a regular item at each meeting which the Director of Internal Audit also attends. During the year the Committee has:

- approved the plan of work for the coming year, ensuring that it is risk based and strikes a balance between providing assurance over core business processes and areas of emerging strategic risk;
- considered the findings from audit activity, focusing on audits with unsatisfactory outcomes and management's plans to address these;
- reviewed the re-procurement of the Internal Audit co-source, and the appointment of the preferred provider.
- considered the resource requirements for Internal Audit and its capability; and
- assessed the impact of coronavirus on the internal audit plan and approved changes to the plan to ensure it remains relevant and proportionate.

In addition, the Committee Chair meets with the Director of Quality, Risk and Assurance, and Director of Internal Audit, on a regular basis outside formal Committee meetings.

The Committee continues to monitor the structure of the Internal Audit function and the operation of the current resourcing model, with a proportion of audits provided by an external partner. The Committee is satisfied that this arrangement is functioning well.

An independent assessment of the Internal Audit function's effectiveness was validated by the Institute for Internal Auditors in 2019. The findings of this review have now been implemented.

Independence and effectiveness of our external auditors

Appointment of our external auditors

Under the 2016 Charter and Agreement, the NAO are appointed the BBC's statutory auditor for the duration of the Charter period.

Relationship with external auditors

The Committee oversaw the relationship with the NAO, including the scope of and approach to their work. Specific areas of focus this year have included:

- the external audit process, including the reporting requirements of regularity and propriety;
- private discussions with the auditors without management present;
- NAO's assessment of areas of audit risk or judgement. For 2019/20, this included, but was not limited to, the implementation of IFRS 16, the pension scheme valuation, commercial revenue recognition and the impact of coronavirus; and
- with regard to coronavirus, the impacts of the pandemic on the financial reporting timetable and statements were reviewed. In particular, assumptions underpinning going concern and viability were revisited.

Private discussions with the external auditors without management present took place.

Non-audit services

As one of the safeguards over the independence of the external auditors, the Committee has developed, and oversees, the BBC's policy on the commissioning of the auditors to provide non-audit services.

This policy defines the types of services which the external auditors can and cannot provide. Additionally it includes thresholds above which any proposed non-audit work to be carried out by the external auditors must be approved in advance by the ARC. It also defines when work must be submitted for competitive tender.

The NAO is not considered for work which might compromise its ability to give an independent opinion on the BBC's financial statements. Recruitment from the NAO into any senior management position in the BBC would require the prior approval of the ARC.

Risks and opportunities

Risks and opportunities affect the ability of the BBC to fulfil its Charter obligations and public purposes. Our approach to risk management needs to support the delivery of our strategic ambitions and operational objectives.

Our approach to risk management

In a highly challenging and competitive external environment, the BBC must be able to confidently manage its risks, ensuring that we can continue to deliver our public purposes and value to all audiences. We continue to take seriously our regulatory and statutory responsibilities. Just as taking risk is fundamental to fulfilling our purposes and strategic ambitions, rigorous risk assessment and mitigation are at the core of delivering what we do.

The BBC acknowledges that the coronavirus pandemic has brought both risks but also opportunities. The BBC's core editorial offerings of news, radio, BBC linear channels and iPlayer have had significant demand from audiences as people seek both to be informed about the situation but also to be entertained in these difficult times. The pandemic also poses significant challenges and risks to the safety of our people, our buildings, our finances and our technology, which are being monitored and managed on a real time basis.

Risk management is inherent across the BBC, where careful consideration of risks and opportunities contributes to both our creative ambition and desire to serve our audiences, in the UK and internationally, and also to how we run the BBC.

Risk management – current state

The BBC categorises its principal risks into two risk types:

- Strategic risks – threats to our strategic ambitions;
- Operational risks – threats to our operational activities and business objectives.

Governance – The Board, both directly and via the Audit and Risk Committee (ARC), conducts a regular review of the BBC's principal strategic and operational risks which are measured and monitored by a set of quantitative key risk metrics. Metrics continue to be reviewed and refreshed periodically.

Risk management – 2019/20 improvements

Risk management at the BBC continues to evolve and develop. In 2019/20, we made the following improvements to our risk framework:

Enhanced risk reporting – Risk reporting to the ARC includes a focus on risks that have moved significantly in quarter and provides line of sight on upcoming risks and mitigations.

Risk appetite – Qualitative risk appetite statements have been agreed for selected key operational risk areas which have been discussed at the BBC Executive Committee and the BBC ARC. For these risk areas, quantitative risk metrics and targets are in place. The BBC Executive Committee has participated in facilitated discussions on performance against such targets and further sessions are planned in 2020/21.

Risk registers – Risk registers have been developed for a number of key risk areas including child protection and safeguarding; data protection and tax.

Working across the BBC – A pan-BBC Risk Champions Working Group has been established to discuss and disseminate corporate-wide principles and risks (top down); obtain divisional risk insight (bottom up); and share good risk management practices across the divisions and from the central risk management team.

Risk framework – Enhancement work continues on a pan-BBC risk management framework seeking to build consistency and including a process to identify, monitor and report emerging risks.

Emerging risks – New and emerging risks to the BBC may be identified through a number of processes and activities, including working closely with the divisions, embedding the consideration of risk into Board and Executive Committee papers and reviewing the external environment. As a result of this review, we have recently elevated Data Protection to a principal risk; further details on this are provided on page 102.

Risk Management – 2020/21 Plans

In 2020/21, key improvement initiatives include a pan-BBC risk framework that gives line of sight of both corporate and divisional risks; roll out of consistent divisional risk reporting; monitoring the closure of risk management actions arising from risk registers and refreshed pan-BBC risk acceptance protocols.

Climate change – We are committed to reducing the impact on the environment of our operations and to becoming more sustainable. This is inherently the right thing to do and our audiences expect it from us. Further information on our approach and activities are provided in the environmental sustainability section of the strategic report on page 66.

Coronavirus pandemic

The coronavirus pandemic has had, and will continue to have, a widespread impact across our entire risk landscape. Following the outbreak of the coronavirus pandemic in January 2020, our focus has been on the safety and wellbeing of our people, maintaining quality output and ensuring an agile business model and approach throughout the next phases of the incident response. In March, incident management structures were invoked and business continuity plans activated across the BBC Group.

The pandemic has impacted our people, output and productions, technology and finances as summarised below:

People: The physical and mental health and wellbeing of our staff and contributors remains our top priority. We have put in place a wide range of health and safety and other measures to support our workforce and contributors.

Output and productions: The pandemic has had a significant impact on the media industry as a whole, with large scale cessation of productions, postponement of live events including sports and audience consumption of content increasing significantly. Key output areas developed streamlined plans and prioritised services whilst recognising reduced staffing levels and changing patterns of audience consumption. Return of productions and delivering new content remains challenging in light of limited insurance cover during the pandemic and adherence to social distancing requirements.

Technology: There has been a very significant and rapid increase in the number of staff working from home and accessing BBC systems remotely. Despite this, our technology infrastructure and broadcast chain has held up well, with no large scale issues recorded.

Finances: A number of factors have increased financial risks, including the impact on licence fee income from collection challenges during lockdown, delaying the changes to over-75 concessions, loss of income from cancelled live events and sunk costs due to cancelled productions, the implementation of policies to support people working during these times, and elevated cost pressures arising from any potential delays to savings plans. The BBC was quick and agile to respond to these challenges by re-budgeting and re-forecasting the financials and identifying additional savings for the year.

We continue to be in contact with key stakeholders including health authorities and governmental agencies in all our areas of operation, so that we can respond and adapt to changes to Government guidelines. We will review the lessons learned during this crisis to make the BBC stronger.

Where appropriate, we have incorporated coronavirus commentary into each of the principal risks identified on the following pages.



Risks and opportunities

Our principal strategic and operational risks and opportunities are set out on the following pages.

Key to risk movement: Movement in risk during 2019/20

- ▲ Risk has increased in year
- > Risk has remained static in year
- ▼ Risk has decreased in year

Public purposes

- 1 To provide impartial news and information to help people understand and engage with the world around them.
- 2 To support learning for people of all ages.
- 3 To show the most creative, highest quality and distinctive output and services.
- 4 To reflect, represent and serve the diverse communities of all of the UK's nations and regions and, in doing so, support the creative economy across the UK.
- 5 To reflect the UK, its culture and values to the world.

Strategic risks and opportunities

Note: Strategic risks and opportunities are mapped to the public purposes (1-5)

1 2 3 4 5 ▲	
<p>1. Audiences and external media landscape</p>	
<p>What is the risk? There is a risk that changes to consumer behaviours become permanent and digital SVOD providers cement their positions in the marketplace. There has been a significant acceleration in demand for VOD content across all platforms during the coronavirus lockdown and there is a risk that the BBC fails to adapt, capitalise and provide high-quality and relevant content and services to all licence fee payers including underserved audiences (youth, nations and regions and black, Asian and minority ethnic).</p>	<p>What is the impact? Audience levels are not maintained across all platforms. The BBC is not valued by audiences and/or society and we do not meet the needs of underserved audiences, including youth, nations and regions and black, Asian and minority ethnic.</p>
<p>How is this risk managed (current and planned mitigations)? — Establishing BBC iPlayer as a destination service. — UK route to market strategy with 12-month VOD rights for iPlayer. — Continued investment in BBC Sounds. — Remaining the most trusted provider of news in the UK and the most important source of information/news about coronavirus. — Delivering the biggest education offering to children across the UK to support curriculum-based learning (Bitesize) in response to coronavirus. — Creation of a Director of Creative Diversity role to support making the BBC more inclusive and representative of the broad and diverse audience it serves and with a clear focus on areas such as on-screen portrayal. — Refreshing content to appeal to younger and diverse audiences. — Delivering content via digital platforms i.e. iPlayer exclusive content that is making a real impact with young people. — Audience metrics monitored, including reach, time spent with the BBC, audience demographics and audience feedback, to drive informed decision-making. — Performance and trends discussed at Executive Committee and Board meetings.</p>	<p>How has this risk changed during 2019/20? Audiences have been increasingly migrating from linear TV to SVOD platforms and radio to music streaming and podcast services. There has also been rising competition in the market fuelled by significant new entrants drawing audiences at a faster rate. There has been a significant acceleration in demand for VOD content across all platforms during the coronavirus lockdown and, as outlined in our 2020/21 Annual Plan, our response to these changes must also be accelerated.</p>
<p>Residual risk The residual risk relates to the BBC maintaining its audiences on both linear and radio due to the long-term trend of audiences moving to SVOD and digital streaming services.</p>	

2. Creativity and content

2 3 4 5 ^

What is the risk?

Competition from other broadcasters and large scale consolidated players for content and talent, which represents the diversity of the UK, continues to increase. In an external environment of cost inflation and digital disruption, there is a risk that we do not secure the best quality content supply from investments, acquisitions and associate relationships. Providing impartial, unbiased content in the current environment of disinformation is key to maintaining audience trust in the BBC. There is also a risk that BBC Studios does not develop its creative pipeline, win external commissions or respond to intense competition for creative talent.

Disruption of production due to coronavirus and significant uncertainty of when productions will be resumed in full.

What is the impact?

Reduction in high quality content that represents the UK impacts our ability to retain audiences in a highly competitive environment. Failure on impartiality erodes trust in the BBC and leads to lost audiences.

How is this risk managed (current and planned mitigations)?

- Investing in new formats, series, products and services for TV, radio and online for all audiences.
- Entering into creative partnerships in order to secure rights to new content.
- Doubling our investment in the Small Indie Fund in response to coronavirus.
- Expanding BBC Three creative partnerships in other nations and regions.
- Bespoke content for the four nations (England, Scotland, Northern Ireland and Wales) and continued investment in our production bases outside of London i.e. in Glasgow, Cardiff, Belfast, Salford, Bristol and Birmingham.
- Focus on attracting and retaining the best creative talent.
- On-air talent and programme diversity targets in place, including the 50:50 Project to promote gender equality on screen.
- Well-established editorial function and policy with extensive monitoring of bias, trust, accuracy, complaints and Executive Committee and Board review of exceptions.
- Creative and business development leads within BBC Studios focus on key genres and opportunities.
- A streamlined and focused pitch process.
- Investment in development activity across all genres, with creative and business development leads to identify opportunities.

How has this risk changed during 2019/20?

Continued competition from large players for content and talent compounded by an increased risk due to reduced productions as a result of coronavirus.

Further new entrants into the market with significant investment and funding.

There have continued to be significant challenges in audience perception when we covered topics which were sensitive or polarise public opinion, such as during the UK General Election and Brexit.

Residual risk

The residual risk reflects competition for content, creative talent and the continuing trends for costs and rights inflation.

Risks and opportunities

3. Global reach 1 3 5 ▾	
<p>What is the risk?</p> <p>There is a risk that the global reach ambition to reach 500 million people is impacted by the market environment with more choice for audiences and consumption turning to social media. The reliance of the World Service on syndication creates a risk that audiences do not attribute content to the BBC. The current Government investment in the World Service expires at the end of September 2021.</p>	<p>What is the impact?</p> <p>Inability to meet the global audience targets and the audience not correctly attributing content to the BBC.</p>
<p>How is this risk managed (current and planned mitigations)?</p> <ul style="list-style-type: none"> — Output continues to be monitored and supported by research, to develop our proposition and to understand how we can continue to reach global audiences, including younger and female demographics. — Syndication contracts are carefully managed to ensure that we can continue to reach the broadest audience through trusted and reliable partners. — Syndicated social media platforms indicate significantly higher growth as compared to direct digital platforms although this increases the challenge of ensuring attribution of content to the BBC. — Project to understand female audience behaviours and needs across news consumption commissioned in year. 	<p>How has this risk changed during 2019/20?</p> <p>Strong increase in audience numbers, reaching up to 468 million. Negotiations with Government on their investment in the World Service have led to an extension of FCO funding to the end of September 2021.</p> <p>Significant increase in visitors to bbc.com sites during the pandemic, a strong indicator of impartial journalism.</p>
<p>Residual risk</p> <p>The residual risk reflects the performance in global audience numbers and the use of trusted and reliable partners.</p>	
4. Our finances 1 2 3 4 5 ▲	
<p>What is the risk?</p> <p>The risk that we do not effectively manage and/or offset the rising cost of producing and broadcasting the high quality and creative output that our audiences expect. On the licence fee, the risks include real time licence fee decline, a rise in licence fee evasion, or increased cost of collection. There is also a risk that the BBC does not continue to drive efficiencies in its operations and thereby does not deliver even greater value for money.</p> <p>There is a risk that the BBC's commercial entities fail to respond to market challenges, therefore reducing financial returns. The risk of a decline in advertising sales revenue for the BBC's commercial entities would be exacerbated by an economic downturn.</p> <p>Future adverse changes to the actuarial valuation of the pension scheme represent a risk to financial stability, as would any further increase in the future service costs for the defined benefit pension scheme – further details are provided on page 46. A reduction in the BBC's credit rating would increase the cost of funding.</p>	<p>What is the impact?</p> <p>Reduction in licence fee income or returns from commercial entities or failing to deliver on savings initiatives will have a negative impact on services and the scope of what the BBC will be able to offer its audiences, staff and contributors – particularly in the light of pressures arising from coronavirus, which will continue to impact during the coming financial year.</p>
<p>How is this risk managed (current and planned mitigations)?</p> <ul style="list-style-type: none"> — Close monitoring of licence fee collection and evasion rates. — Multi-year savings targets are defined. — 94.5% of controllable spend covered by benchmarking. — New savings plan with coronavirus impact and revised savings measures in place. — A clear plan to manage the implications of the Board decision to defer the commencement of the over-75s licence fee to August 2020. — Plans in place to eliminate the deficit and make the pension scheme self-sufficient by 2028. — Annual going concern and viability reviews to assess ongoing financial stability. — Stable credit rating with no significant change. 	<p>How has this risk changed during 2019/20?</p> <p>The financial challenges remain an elevated risk for the BBC. Licence fee revenues showed a decline, largely as a result of changes to the over-75s licence fee concession. There has been continued focus throughout the year to deliver efficiencies and a number of savings initiatives remain under pressure.</p> <p>Coronavirus has increased the financial risk due to closure of Capita contact centres impacting licence fee collection, delay in implementation of over-75s licence fee changes and savings initiatives. Significant reduction in production and advertisement sales have impacted the returns from commercial subsidiaries to BBC Group.</p>
<p>Residual risk</p> <p>The residual risk relates to ongoing challenges to licence fee revenues, commercial subsidiaries income along with savings pressures.</p>	

5. Our people

1 2 3 4 5 >

What is the risk?

The extent of operational, organisational and culture change in progress creates a risk that the organisation is placed under significant strain. The re-commencement of divisional savings plans increases the threat of industrial action. Additional measures such as the voluntary redundancy scheme may also lead to uncertainty for staff. There is a risk that we are not able to retain employees in key areas due to pay challenges or disengagement from failure to meet our diversity and inclusion (D&I) targets.

What is the impact?

Inability to retain and hire talent and disengaged staff impacting on productivity and increasing the potential of industrial action. Health and safety issues including mental health from extended lockdown measures.

How is this risk managed (current and planned mitigations)?

- Placing utmost importance on the wellbeing of BBC staff during coronavirus by offering extra HR and other support measures.
- Extensive staff communications, with engagement monitored through focus groups and staff survey.
- Change and Operations group ensures that business change is implemented in a consistent, co-ordinated way.
- Creation of a Head of Workforce Diversity and Inclusion post to help strengthen the BBC's drive to be the best place to work in the media industry.
- Clear diversity targets in place.
- Centre of Excellence for diverse talent established and Diversity Commissioning Code of Practice implemented to ensure shared values and commitments.
- Significant Board attention to equal pay and gender pay gap challenges.
- Launched our LGBTQ+ Allies Programme and providing resources to support employees who are transitioning and guidance for team leaders and colleagues.
- Increasing online training available to all staff via BBC Academy during coronavirus period.
- Clear career structures provided through the BBC Career Path Frameworks (CPF).
- Terms and conditions reviewed and modernised together with the Joint Unions.
- Working with both staff and Unions, together with a clear communications strategy and plan, to minimise the impact of change on our people.

How has this risk changed during 2019/20?

The pan-BBC Career Path Framework (CPF) has continued to be embedded during the current year.

From a diversity and inclusion perspective, LGBT+ and disability measures for all staff and leadership roles have improved compared with prior years and are above targets. Further work is required to meet targets in gender and black, Asian and minority ethnic leadership diversity.

Staff have been significantly impacted during the pandemic with remote working for more than 85%. The related risks will become clearer during the course of the year. Staff survey results indicate a positive response to the measures taken by leadership during coronavirus.

Residual risk

The residual risk relates to the potential long-term impact of remote working as well as the impact of change anticipated from delivery of 2020/21 savings plans.

Risks and opportunities

Operational risks and opportunities

1. Health, safety, security and environment

What is the risk?

The risk that we fail to protect the health, safety, security and wellbeing of our employees and members of the public with whom we interact. This includes ensuring that those with whom we have a duty of care over are not put at harm from a significant single event or over a period of time. Coronavirus has increased the inherent health and safety risk to staff, contributors and visitors.

The risk that we do not acknowledge and manage our impact on the environment through consumption of energy, contribution of CO₂ emissions and sustainable approach to productions and operations.

How is this risk managed (current and planned mitigations)?

- Health and safety risk assessment process in place, supported by training and safety monitoring audits.
- Implementing Government-led measures to secure BBC buildings in response to coronavirus.
- All reported incidents investigated to identify any corrective action.
- Child protection controls include mandatory background checks for anyone working with children, supported by mandatory training and policies and compliance monitoring.
- Specialised training in place for staff on high-risk deployments (and their managers) and each deployment subject to thorough risk assessment.
- Scenario planning and simulation exercises conducted with key management teams.
- Ongoing security reviews for BBC premises and outside broadcasts, and close links in place with UK security authorities and cross-sector security forums.
- ‘Greener Broadcasting’ strategy in place.
- Participation in the Albert+ cross-media programme.

What is the impact?

Inability to look after the physical and/or mental health of our people, contributors and visitors. Failure in this regard may also have a reputational consequence to the BBC.

Negative public perception and/or regulatory fines for not meeting commitments to manage our impact on the environment.

How has this risk changed during 2019/20?

Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR) incidents remained low and within levels expected given the size of the organisation and the range and amount of activities undertaken. Mandatory training remains a focus area. Improved levels of training of staff deployed to high risk environments. Review of safeguarding procedures has resulted in increased awareness and training sessions.

Coronavirus has significantly increased the inherent health and safety risk to staff, contributors and visitors. However, significant mitigations have been put in place.

Residual risk

The residual risk relates to the impact of a potential second wave of the coronavirus as well as the expectations of meeting environment sustainability targets.

2. Business management and change

What is the risk?

The risk that we do not effectively manage our business operations and material change programmes impacting the delivery of strategic or operational goals. This includes the Critical Project Portfolio (CPP), business continuity plans, third-party suppliers and anti-fraud processes.

The risk that we have not planned effectively and put mitigations in place to limit the impact on operations and services in the event of a no-deal exit from the European Union by the United Kingdom.

How is this risk managed (current and planned mitigations)?

- Senior-level sponsors of all critical projects.
- Dedicated, skilled project teams applying project management disciplines (the BBC Way).
- Implemented ‘Set up for Success’ reviews.
- The Corporate Project Management Office (PMO) assures the business benefits and outcomes of critical projects.
- Procurement monitor spend to ensure that supplier contracts are in place, and to assess the adequacy of supplier management to deliver value for money.
- Development of a counter-fraud strategy and metrics with supporting processes.
- The BBC has put in place, as far as possible, mitigations in the event of a no-deal Brexit.

What is the impact?

The BBC is subjected to unexpected financial cost, a detrimental impact upon our reputation and/or regulatory intervention. Delays to critical change initiatives impacts the BBC’s ability to deliver against key strategic and operational objectives as well as impacting financial sustainability and staff morale.

How has this risk changed during 2019/20?

Our responses to the coronavirus pandemic have demonstrated strong incident business continuity management arrangements.

Delivery of major programmes remains challenging, especially given the impact of coronavirus, including the diversion of internal resources to core operations; and third-party suppliers and contractors being unable to deliver their services. This year one of our major projects moved successfully into its completion stage. Broadcast centre in Central Square Cardiff now provides world-class digital facilities and new ways of working.

Heightened fraud risks during coronavirus are being assessed and assured.

Residual risk

The residual risk relates to the re-planning and delivery of the CPP.

3. Compliance

<p>What is the risk? The risk that we fail to comply with legal, regulatory and other standards/obligations (including internal requirements e.g. editorial compliance) pertaining to the BBC.</p>	<p>What is the impact? Inadequately managed compliance risk may result in reputational damage, loss of trust, legal action, fines or other penalties.</p>
<p>How is this risk managed (current and planned mitigations)?</p> <ul style="list-style-type: none"> — Policies in place, aligned with legal and regulatory requirements, supported by training advice from subject matter experts, and detailed monitoring and reporting. — Established editorial policy in place, with review in progress to ensure it remains fit for purpose. — Process in place to ensure compliance with Ofcom regulatory requirements, also supported by reporting and monitoring. — Ofcom complaints monitored with regular reporting to the Director-General and Executive Committee, and monthly Board reporting. — Specialist teams in place to support compliance with tax, legal e.g. employment, litigation, and other regulatory compliance requirements. 	<p>How has this risk changed during 2019/20? There continues to be a high level of scrutiny in the regulatory environment and external interest in editorial judgements. We have continued to engage with regulators to meet their requirements, who have expressed they understand challenges being faced during coronavirus. During 2019/20, equal pay matters and discussions with HMRC also remain ongoing.</p> <p>The impact of coronavirus on both production and broadcasting schedules has inevitably had an effect on the BBC's ability to meet all Ofcom quotas. The timing of the pandemic means the impact on 2019/20 is to some extent limited, although this challenge will undoubtedly continue through the coming year.</p>

Residual risk
The residual risk relates to meeting various regulatory requirements during the pandemic.

4. Technology

<p>What is the risk? The risk that we fail to provide a resilient broadcasting service across all distribution channels and/or protect the confidentiality, integrity or availability of the BBC's data through a cyber-attack.</p> <p>The risk that the increasing numbers of our people who are working remotely, as a result of coronavirus lockdown arrangements, are not able to do so.</p>	<p>What is the impact? Failure to deliver the content our audiences expect, when they expect it. Significant commercial and reputational risk from any uncontrolled release of content.</p> <p>Failure of our people to work efficiently and effectively and to deliver our core services and operations.</p>
<p>How is this risk managed (current and planned mitigations)?</p> <ul style="list-style-type: none"> — Single points of failure identified and actions taken as appropriate. — Recovery plans in place and tested. — Outages and adherence to recovery time objectives are closely monitored to ensure minimal disruption to broadcast services. — Extensive policies and procedures in place to prevent/detect cyber threats and liaison with the National Cyber Security Centre to provide cyber risk intelligence. — Appropriate monitoring mechanisms are in place to provide threat monitoring services with incident management capabilities. — Mandatory Data Protection & Cyber Security training rolled out to the organisation. — New technologies and processes to facilitate and enhance remote working, technical support and employee onboarding. 	<p>How has this risk changed during 2019/20? The risk that the BBC will be targeted by malicious and sophisticated cyber-attacks has remained high. Mitigations to protect the BBC's infrastructure and data are in place.</p> <p>The broadcast chain has remained robust throughout 2019/20. Audience-impacting outages and other IT infrastructure outages have been kept within the low tolerances set.</p> <p>The BBC's IT infrastructure has held up well in light of increased home working.</p>

Residual risk
The residual risk relates to the BBC being a target for malicious, sophisticated and novel cyber-attacks.

Risks and opportunities

5. Data protection



What is the risk?

The risk that we fail to comply with the GDPR and data protection legislation and fail to protect the personal data we process and handle.

What is the impact?

Inadequately managed data protection risk may result in reputational damage, loss of trust, legal action, fines or other penalties from the regulator (ICO). It may also result in a lack of innovation, and inability to support the BBC's long-term goals and evolving data strategies.

How is this risk managed (current and planned mitigations)?

- GDPR-compliant policies and processes on data protection and privacy, including data subject rights and public-facing privacy policies.
- Data protection training and awareness for staff.
- Resilience of IT systems.
- Access to in-house and external data protection legal advice.
- Oversight by the Data Protection Officer.

How has this risk changed during 2019/20?

The risk profile is increasing due to the continued awareness of individuals' rights under the GDPR, with an ongoing upward trend in the number of Data Subject Access Requests (DSARs) and complaints to the regulator.

Coronavirus has had an impact, given the need for the BBC to process more sensitive category data (health data) especially in response to the early stages of the pandemic.

Residual risk

The residual risk relates to the significant shift to greater offsite working during coronavirus and the growing role and use of data in BBC product development and personalisation.

Note: The risks and mitigations listed do not comprise of all those associated with the BBC and the numerical referencing does not denote an order of priority. Additional risks and uncertainties not presently known to management, or currently deemed to be less material, may also have an adverse effect on the BBC. These less material risks are kept in view in case their likelihood or impact should show signs of increasing.

Risk management and internal control framework

The BBC's process for identifying, evaluating and managing significant risks remains aligned with the Financial Reporting Council's Guidance on Risk Management, Internal Control and Related Financial and Business Reporting. Risk management mechanisms are embedded within each division, with central coordination to identify, escalate and manage pan-BBC risks.

Assessing the effectiveness of risk management and internal control

The Board continues to use a number of mechanisms to help it assess the effectiveness of the system of risk management and internal control across the BBC in order to make its assessment that the overall level is sound.

Risk oversight: The Board delegates responsibility for the detailed review of risk and control processes and oversight to the ARC. The ARC met four times during 2019/20 to provide scrutiny and oversight over the effectiveness of controls and the management of risks (further information is provided on page 91). A regular risk report is also presented to the BBC Board.

Internal Audit: The Internal Audit function maintained its independent reporting line into the Chair of the ARC and conducted a programme of audits aligned to the principal risks facing the BBC. Findings from these audits have been reported to senior management and the ARC, with remediating actions tracked to completion.

External audits: The findings of external audit work performed by the National Audit Office have been reviewed by the ARC, and any recommended actions are tracked to completion. In addition, the National Audit Office continued its programme of Value for Money audits. There is also external assurance provided on our Fair Trading arrangements to ensure that our processes and practices, when we undertake commercial and trading activities, do not risk distorting the market. These arrangements are overseen by the BBC's Fair Trading Committee.

Whistleblowing: A protected disclosure policy is in place, supported by a 'whistleblowing' hotline, administered by an independent external company to ensure anonymity. This has been extended and is now available in 13 languages. A non-executive director has been named on the policy as the contact for the raising of the most serious concerns.

Viability Statement

In accordance with the UK Corporate Governance Code, the BBC Board has assessed the prospects of the Corporation over a longer period than the minimum 12 months required by the 'Going Concern' provision. The BBC Board has considered the assessment over a three-year period.

The three-year plan covering the period to 31 March 2023 has been considered by the BBC Board and the forecast is regularly reviewed at monthly Board meetings. A three-year horizon is considered appropriate as this is in line with the BBC's budgeting and planning process. The three-year plan considers cash flows as well as the financial covenants and credit facilities.

Key assumptions underpinning the three-year plan, and the associated cash flow forecast, are the licence fee settlement that set the financial parameters for the BBC from 2017/18 to 2021/22, the Charter and Agreement that protects a licence fee until 2027 and the impact of the coronavirus pandemic on licence fee income, costs and saving programmes.

A robust assessment of the principal risks facing the Corporation, as described in the Annual Report and Accounts from page 95, has been undertaken, including those that would threaten its business model, future performance, solvency or liquidity. For 2020, due to the increased pressures on the BBC as a result of the coronavirus pandemic, we conducted additional financial stress testing and sensitivity analysis, considering income at risk as well as the impact of our response plan to the crisis.

Sensitivity analysis is applied to the cash flow to model the potential effects should principal risks actually occur, individually or in combination. The peak borrowing requirement was calculated by modelling a combination of severe but plausible risks, however with the inclusion of mitigations, the cash flows remained within the borrowing limit throughout the three-year period.

Taking account of the BBC Group's current cash position, the implementation of the new income policy for over-75 licences, principal risks and the aforementioned sensitivity analysis, the Board has a reasonable expectation that the Corporation will be able to continue in operation and meet its liabilities as they fall due over the three-year period of the assessment.

Commercial Holdings Board Report

This was my first year as Chair of the Commercial Holdings Board. The Board is tasked with setting strategy in line with overall BBC Group goals, agreeing business plans and ensuring compliance in regulatory and legal matters. The income that the BBC receives from commercial sources is important to supplement its public funding, as well as helping to build the BBC's brand and reputation and promote British creativity globally. I am therefore pleased that the BBC's commercial subsidiaries have had another strong year of growth despite the coronavirus pandemic impacting all areas of activity towards the end of the financial year.

BBC Studios, now in its second year as a combined production and distribution business, has had a successful year, resulting in EBITDA increasing to £181 million (2018/19: £159 million). I was pleased that the NAO's review of BBC Studios, in their first Value for Money review of the BBC's commercial subsidiaries, recognised that the merger of BBC Worldwide and BBC Studios had a clear rationale and had been well implemented. The Commercial Holdings Board and the BBC Board agreed with the NAO that more needed to be done to measure and demonstrate the non-financial benefits of the merger. Non-financial performance indicators have therefore been agreed to help the Commercial Holdings Board to assess the degree to which Studios is winning new work and creating new IP, delivering cultural change and managing risk.

BBC Studios completed its acquisition of UKTV, which means that the BBC now has full control of all of its channels in the UK. UKTV, under its CEO Marcus Arthur, has refreshed its strategy and this is already showing signs of success, with revenue and EBITDA up year-on-year, thanks to a creative refresh as well as an effective cost synergy plan.

The business secured or extended a number of significant international content partnerships with the likes of Discovery, Warner Media, Germany's ZDF and Russia's Yandex. Under these multi-year arrangements, BBC Studios works closely to develop and supply content, giving the business a greater level of long term security for the planning of investment and income.

The BBC and ITV together launched BritBox UK, building on its success in North America where there are now over one million subscribers. BritBox UK combines the best of the UK's public service broadcasting, with content from Channel 4 and Channel 5 joining many of the highlights from the BBC and ITV's archives. BritBox is due to expand into Australia later in 2020.

The successful turnaround of BBC Studioworks' business continued, with record income (£40 million in 2019/20, compared to £37 million in 2018/19) and EBITDA (£8 million in 2019/20, £6 million in 2018/19). BBC Studioworks appointed a new CEO this year, Andrew Moultrie, who is currently undertaking a strategic review to see how the BBC can capitalise on the growing demand for studio space in the UK.

Global News continues to provide millions around the world with impartial and trusted news whilst operating in a challenging market. Despite coronavirus starting to impact on Global News' business sooner than the rest of the BBC, it still managed to bring in £115 million in sales, compared to last year's £114 million and generated £2 million of EBITDA.

Mai Fyfield joined the Commercial Holdings Board this year and brings a wealth of commercial experience to our discussions.

As we came to the end of the financial year, all work on productions ceased immediately, and advertising income for UKTV and Global News came under pressure. I and my Board members are grateful to all the teams that report into the Commercial Holdings Board for the energy and commitment shown in dealing with the lockdown and re-positioning their businesses.

The Commercial Holdings Board intends to play a key role in helping the BBC strengthen its long-term financial sustainability. Much of the focus for 2020/21 will be on the BBC's evolving global strategy, the commercial benefits of this and implications for BBC Studios; securing a more stable financial footing for Global News; and overseeing the implementation of Studioworks' strategic review.

Elan Closs Stephens DBE

Chair, Commercial Holdings Board
2 September 2020

Editorial Guidelines and Standards Committee Report

In 2019/20 our Committee oversaw a detailed revision of the BBC Editorial Guidelines on behalf of the BBC Board. The updated guidelines were launched on 8 July and came into effect on 15 July 2019 – the first iteration of the guidelines under the current governance structure of the BBC.

Since launch, the guidelines have been shared and discussed with BBC staff in the UK and across the world. A series of online training modules is in place and are being updated to ensure that all those who work for the BBC are familiar with the guidelines and aware of their responsibilities in applying them.

The Committee oversees the BBC complaints process on behalf of the Board. A public consultation on amendments to the BBC’s Complaints Framework and Procedures (as approved by EGSC and the BBC Board) was held from 24 February until 3 April 2020. This consultation proposed a number of changes aimed at improving the transparency of the complaints process following complaints about *BBC Breakfast*’s coverage of an incident in which President Donald Trump had been accused of using racist language (July 2019). The complaints centred on a discussion between presenters Dan Walker and Naga Munchetty on the alleged racist nature of President Trump’s remarks. The consultation also proposed changes to bring the Framework in line with Ofcom regulations for On Demand Programme Services and their guidelines for Fairness and Privacy complaints. The outcomes of the consultation were discussed and approved by EGSC and the BBC Board and the new Complaints Framework was published and came into effect on 8 June 2020.

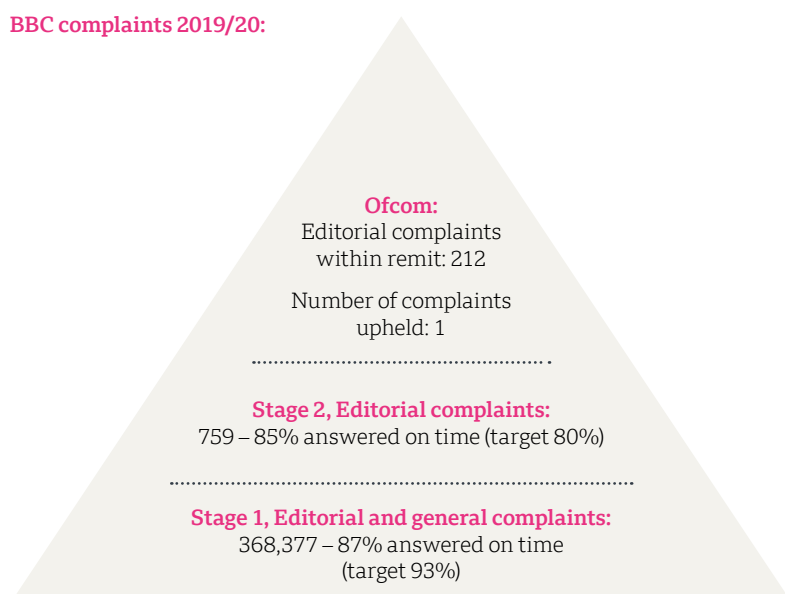
A fundamental priority for the BBC Board is to ensure the BBC continues to provide impartial, high quality output, as required by the Charter. The Committee has monitored work to research, understand and improve public perceptions of BBC impartiality. Impartiality lies at the heart of UK public service broadcasting and in an era characterised by misinformation and political polarisation, the role of the BBC is vital in sustaining trust with audiences and helping people understand issues from a range of viewpoints. The rollout of the revised Editorial Guidelines has also re-emphasised impartiality as a core BBC value. This has involved enhanced training for those working in news and current affairs, and further guidance to staff on the due impartiality required of all BBC content.

The Editorial Guidelines state that all BBC pre-recorded content is watched or listened to by two people prior to broadcast. To support this high standard, compliance forms must be completed. Spot checks are undertaken on regular occasions by Internal Audit. The findings of these spot checks are reported to EGSC and, where there have been issues, BBC divisions have been required to investigate and, where necessary, take remedial action.

Core functions of the Committee are to ensure that the BBC’s complaints process runs effectively and meets published targets for timeliness, and so provides assurance that all areas of the BBC abide by content standards set out in the Editorial Guidelines and Ofcom’s Broadcasting Code. In 2019/20, 87% of complaints at Stage 1 and 85% of complaints at Stage 2 of the complaints process were handled within the target timeframe: ten working days for Stage 1 complaints; 20 working days for standard Stage 2 complaints and 35 working days for complex Stage 2 complaints. Where response times have fallen below the targets, these have been reported to the Board. For the first time, the Stage 1 target (93%) was not met. This was largely due to an unprecedented number of complaints during the 2019 UK General Election campaign, when complaints ran at three times their normal level (63,348 for the period 6 November – 16 December 2019). A number of measures were put into place to manage the backlog of complaints, including extra staff and streamlining of complaint responses. The Committee has noted a developing relationship between social media and the workings of the BBC’s formal complaints machinery.

Ian Hargreaves
Chair
2 September 2020

BBC complaints 2019/20:



Editorial Guidelines and Standards Committee report

Membership of the Editorial Guidelines and Standards Committee

The Editorial Guidelines and Standards Committee (EGSC) is responsible for content standards at the BBC. The EGSC comprises three non-executive directors and two executive directors: Ian Hargreaves (Chair), Tanni Grey-Thompson, Nicholas Serota, the BBC Director-General and Francesca Unsworth, the Director of News and Current Affairs. EGSC meetings are also attended by the Director, Editorial Policy and Standards as the Principal Adviser to the Committee.

Ofcom

In its second annual report on the BBC, Ofcom stated that the 'BBC First' process (designed to ensure that most complaints are dealt with directly and promptly by the BBC) was generally working well, but that greater transparency would enhance the effectiveness of the BBC's complaints process.

During this accounting period, Ofcom found the BBC to be in breach of its Broadcasting Code on one occasion. An edition of *Sunday Politics* broadcast on BBC One on 30 April 2017 was found to be materially misleading, on account of a statement by the presenter about the proportion of Scottish children who left primary school "functionally illiterate".

In October, Ofcom published its assessment of the 17 July edition of *BBC Breakfast* on BBC One, referred to above. Ofcom concluded that it did not breach the Broadcasting Code and there were no grounds for investigation, but expressed concern about the transparency of the BBC's complaints handling process and made recommendations for improvement. At the same time, the BBC Board commissioned its own lessons learnt report into the handling of the *BBC Breakfast* complaint. Some of the recommendations resulted in changes to the Complaints Framework which, following a public consultation, are being adopted.

As required by Ofcom, the BBC continues to publish on a fortnightly basis details of programme complaints which number over 100 and fall under the remit of the Broadcasting Code. These bulletins are published at: bbc.co.uk/contact/complaint-service-reports. Since June 2020, this resource has been supplemented by fully reasoned versions of upheld, partly upheld, resolved and also some not upheld findings of particular significance. The BBC also publishes responses to significant complaints at: bbc.co.uk/complaints.

Editorial complaints and lessons learned

As in previous years, the majority of BBC content complied with the standards set by the BBC's Editorial Guidelines. However, the following serious breaches were noted by the Committee:

BBC Studios production, *Inside the Foreign Office*, November 2018. This documentary charted the work of a major Government department across a year that saw Boris Johnson resign as Foreign Secretary. During the Conservative Party leadership race in 2019 it was reported that the BBC, following pressure from the Foreign Office, had removed footage of Mr Johnson accusing the French of being "turds over Brexit." Although there was no express request from the Foreign Office, the decision by the programme to tone down the sequence should have been referred to Editorial Policy and within BBC Studios. BBC Studios agreed to look at its own internal escalation procedures as a result.

Edge of Science, BBC Earth YouTube, first published in December 2019. It was found that the publication of the extended version did not go through a BBC compliance process and was therefore in breach of the BBC Editorial Guidelines. The fact that publication was made by a third party and without reference to the BBC Studios Content Compliance team was also contrary to the agreed process in the BBC Studios Editorial Framework Guide. The programme was also found to be in breach of BBC Advertising and Sponsorship Guidelines. A set of actions was put in place to ensure these issues do not recur.

In addition to these breaches, the Executive Complaints Unit found a total of 55 breaches of editorial standards in the year covered by this report (including ten cases in which the issue giving rise to the complaint had been resolved by action taken by the relevant division before the complaint was escalated to the ECU). All serious editorial breaches and upheld/partly upheld/resolved complaints are reported promptly to EGSC, together with action taken.

Nations Committee Reports

The four Nations Committees support the Board in reviewing and monitoring the output and performance of the BBC across the UK. This section provides a report from the Chair on the work of each Committee during the year.

Wales

It has been a milestone year for BBC Cymru Wales with the final stages of the organisation's move to its new headquarters in Central Square, Cardiff. The Committee received regular updates on progress and, once the first teams had moved in, was able to hold its January 2020 meeting in the new building. This coincided with the Director-General using the building for his new year pan-BBC address which reflected on the importance of out-of-London production and representation.

Committee members were impressed by the management of this project. However, an unscheduled UK General Election delayed the final move from Llandaff and coronavirus has impaired the timetable further and inevitably. In addition, new ways of working impacted on 80 posts.

Wales Committee members were Ian Hargreaves, Ken MacQuarrie, Rhodri Talfan Davies and Rhys Evans with other staff joining as required. We met twice in Cardiff and once in Wrexham, where we held an audience engagement session focusing on News and Radio content. During the year we focused on the challenge of providing quality services within budgetary constraints; addressing changing listening and viewing habits; and securing important sports rights at a reasonable tariff. We were pleased to see dramas such as *The Left Behind* and the second series of *Keeping Faith* and *Hidden* going out on network TV. And when *Gavin and Stacey* returned as a Christmas special, half of all adults in Wales watched within a seven-day period.

BBC Wales produced podcasts in both languages which were available to download on BBC Sounds. *Shreds* – the story of the Lynette White murder case – become a must-listen series and the award-winning Elis James podcast, *Dwy Iaith Un Ymennydd* captured the imagination as the comedian considered the implications of bilingualism. The two national radio stations, BBC Radio Wales and BBC Radio Cymru, once again partnered with a number of festivals to bring live music, stand-up and momentous Welsh events to life via the radio. It's also been a busy year for the BBC National Orchestra of Wales. In January they worked with the Welsh National Opera to recreate the legendary four hour-long concert that Beethoven mounted in Vienna in December 1808 to celebrate the composer's 250th birthday attracting a sell-out crowd. BBC Wales continued to provide programmes for S4C including *Pobol y Cwm* and *Newyddion*. Other creative partnerships included the delivery of the Horizons project with the Arts Council of Wales, It's My Shout and Film Cymru.

At the end of this financial year, Wales went into lockdown due to coronavirus. BBC Cymru Wales pulled together all its resources to provide trusted news, information, entertainment and educational materials related to the Welsh curriculum. I and my fellow members wish to record our thanks to the Director, Wales and all his teams for adapting ways of working to reach out to the nation at this difficult time. Our focus, for the next few months, will be to understand the challenges BBC Cymru Wales faces as it deals with the consequences of the coronavirus pandemic.

More detailed information on BBC performance in Wales can be found on pages 32 and 140 of this Annual Report.

Elan Closs Stephens DBE
Chair, Wales Committee
2 September 2020

Scotland

I am delighted that BBC Scotland was the recipient of two special awards this year. The inaugural RTS Scotland Judges' award went to the BBC Scotland channel in recognition of "extraordinary achievements" in its first year. The RTS Scotland Award was awarded to BBC Scotland Director Donalda MacKinnon for her "outstanding" contribution to Scotland's television industry; the judges recognised that Donalda's work "has made a significant and lasting impact on audiences and viewers in Scotland".

The coronavirus pandemic has placed a renewed emphasis on the importance of the BBC's public services to audiences in Scotland. News teams brought viewers and listeners live daily briefings from the First Minister and the UK Prime Minister and audiences to *Reporting Scotland* increased by 52% for the lunchtime edition and 43% for the early evening edition. Daily educational programmes were provided on the BBC Scotland channel and iPlayer. New programmes such as *Reflections at the Quay* and *The Service* responded to the needs of Scotland's diverse religious communities, whilst innovative production techniques were deployed to keep audiences informed and entertained with *Debate Night*, *Susan Calman's Socially Distant*, and *Shelf Isolation*.

The BBC Scotland channel has the highest reach in Scotland after the five main channels and it attracts a younger, more diverse audience than the BBC's more established channels and therefore adds unique reach to the BBC's portfolio. *The Nine* also attracts a younger audience than other BBC news programmes in Scotland. And it's not just the linear channel that's performing well; the performance of BBC Scotland content on iPlayer was quite outstanding, with requests to view BBC Scotland-commissioned and co-commissioned content having more than doubled since launch.

BBC ALBA continues to connect with both Gaelic and English-language audiences, particularly through its sport and music programming, and Radio Scotland has benefited from a refreshed schedule.

Audiences have much to look forward to this autumn, including: season two of the history strand *Clash of the Clans* and a fly-on-the-wall documentary about Hearts FC. The BBC Scotland channel will have new episodes of *Murder Case* and *Scot Squad*, as well as a landmark social history series looking at 1970 to 2020, *Becoming Scotland*.

My fellow Scotland Committee members were: the Chairman of the BBC, David Clementi; Ken MacQuarrie, Director of Nations and Regions; Donalda MacKinnon, Director of Scotland; Ian Small, Head of Public Policy and Corporate Affairs, Scotland; and Steve Carson, Head of Multi-Platform Commissioning, Scotland. The committee continues to engage with stakeholders throughout Scotland – including meeting with representatives from the business community, the creative industries and academia – and we continued our engagement with audiences.

I would like to add my personal thanks to Donalda MacKinnon, who is retiring at the end of this calendar year. Donalda has provided outstanding leadership in Scotland and has also done so much to help women progress and develop at the BBC.

More detailed information on BBC performance in Scotland can be found on pages 33 and 144 of this Annual Report.

Steve Morrison
Chair, Scotland Committee
2 September 2020

Nations Committee reports

Northern Ireland

There have been important political and other developments in Northern Ireland throughout the year – all of which have been reflected on the BBC's airwaves. It has been my privilege to chair the Board's Northern Ireland Committee during this period.

This year, the Committee received updates from BBC teams about the importance of locally relevant content and its resonance and appeal for audiences in Northern Ireland. We made use of research to inform our understanding of audience needs, interests and behaviours in Northern Ireland. And we have taken a close interest in major editorial initiatives, including the series of programmes about the events and legacies of The Troubles period. This output was ambitious, editorially sensitive and of enormous public value.

As part of its work, the Committee also received updates on BBC investment and infrastructure needs and output at local level. We heard about a new BBC NI commissioning strategy for younger audiences, working with the independent sector and BBC Three. The Committee noted how this work and a range of other programming, including drama and landmark documentaries for BBC network television, benefits from the partnership with NI Screen.

The Committee met three times during the year, including a visit to Lisburn to hear about the BBC's innovative partnership with Libraries NI and the launch of a new BBC archive-based resource that will be available in libraries across the region. This meeting also provided us with an opportunity to meet key stakeholders. We got a further insight into what local people think about BBC services through an audience engagement session that took place in Belfast in October.

I was joined on the Committee during the year by David Clementi, Elan Closs Stephens, Peter Johnston and Mark Adair. Fran Unsworth joined the Committee to replace Anne Bulford. I'm grateful to the Committee members for their engagement and support, particularly Elan who has fulfilled a non-executive role on the Committee with great commitment in addition to her other Board responsibilities.

We know that there have been concerns about the absence of a BBC Board Member for Northern Ireland. This appointment is the responsibility of DCMS, but requires the involvement of the Northern Ireland Executive. We hope that the resumption of devolution will allow an appointment process to get quickly underway, bringing an important additional voice and perspective to the Board's work on behalf of all BBC audiences.

We also know that the BBC plays an important role in cultural and community life in Northern Ireland. Its work and services are always evolving. We had briefings this year about schedule changes on BBC Radio Ulster, the implementation of a new sports strategy and coverage of political developments at Stormont and elsewhere. These and other important issues, including the impact of coronavirus, will be kept under review in the coming year, as we continue to ensure that local stories, voices and talent are reflected across the BBC's networks.

More detailed information on BBC performance in Northern Ireland can be found at pages 34 and 149 of this Annual Report.

Ken MacQuarrie

Chair, Northern Ireland Committee
2 September 2020

England

Over the last 12 months the BBC England Committee has monitored and reviewed the work of BBC England. I am grateful for the support of my BBC non-executive director colleague Tom Ilube, Helen Thomas, Director of England and other members of the Committee. The Committee has been reviewing future plans for England. These are aimed at enabling our operations to be more efficient and effective, ensuring we are adopting the latest technology and most importantly further ensuring we are meeting all local audience needs.

Our connection with audiences is paramount. A major part of the Committee's work is meeting different audience groups across the country to hear directly their views about our services. We have continued to hold regular audience insight sessions this year, particularly with members of the public who may not traditionally consume large amounts of BBC content. Last year's meetings took place in Cumbria, Devon and London engaging with various age ranges and socio-economic and ethnically diverse groups. This work has provided a rich source of audience feedback and enabled greater face-to-face engagement with local communities. In turn, this has informed Board discussions and our overall strategy to reach underserved audiences.

I have been encouraged by the value that existing and new audiences assign to our output on local radio, regional television and online and to the connection they bring to communities. Local journalism generates original stories which impact on communities, and is particularly valuable when responding at times of national crisis, such as during the January floods. More recently, this has been never more evident than during the coronavirus crisis, where local services across England have been playing a key role in bringing safe, trusted news to audiences of all ages and have connected communities even more deeply than before. That value has been reflected in audience figures. These figures demonstrate the importance audiences place on our local services on television, radio and online.

BBC England's ambition will remain to serve all audiences across England. In January a number of initiatives were launched to achieve this including a raft of shows presented by new diverse presenters who have brought different audiences to local evening radio. Some of those presenters have gone on to present programmes in other parts of local and national radio. We also launched BBC Introducing Upload, which does for the spoken word what the successful BBC Introducing does for music. Finally, *Make A Difference* facilitates local communities to come together with the aim of helping those in need. This has been especially important during the coronavirus outbreak.

As a Committee we are encouraged by the early signs of audience impact and I look forward to continued growth in the coming year.

Dr Ashley Steel

Chair, England Committee
2 September 2020

Fair Trading Report

During this year, I've been pleased to chair the Fair Trading Committee as we have continued to deepen our oversight and assurance of the BBC's trading and separation arrangements. As the commercial aspects of what the BBC does become ever more critical and substantial, the role of the Committee remains particularly important, acting as a check point to ensure that the relevant rules and processes are being followed. We have also continued, during the year, to broaden our relationship with Ofcom, who rightly take a close interest in what the BBC is doing in this area.

The Committee's remit is clear – to assist the Board in complying with Ofcom's trading and separation regulatory requirements, as set out in its Operating Framework. We have a number of mechanisms and processes in place to help us to do this. The Committee's business during the year has included:

- consideration of the BBC's processes for ensuring compliance with Ofcom's rules and reviewing compliance with these;
- taking a quarterly management report from the Executive, detailing specific engagement with upcoming and ongoing Fair Trading issues across the BBC;
- providing advice to the Board on issues within our remit;
- reviewing and monitoring targets for Fair Trading training across the BBC; and
- approval of all relevant publications and reports that the BBC must provide specifically to meet Ofcom's trading and separation rules.

Through the year, the Committee has also focused on developing further our assurance and risk monitoring function. We have worked with the BBC's internal audit function to put in place a detailed plan for assurance of the BBC's various service level agreements and oversight of other areas of the regime. We have begun to review this regularly and are working with the BBC's Internal Audit function to ensure we monitor and assure ourselves of compliance across the main areas of Fair Trading risk.

As part of this, training on Fair Trading continues to be of real importance. We introduced new advanced online Fair Trading training to ensure that training can be delivered across the UK equally. We also saw that completion rates for the training were improving through the year, based on the previous cohort. The BBC has now moved to a new system of identifying training needs based on different job roles, which has resulted in doubling the number of colleagues required to take the training, ensuring it is as effective as possible. We keep the numbers undergoing the different levels of training under regular review and seek to work with the business on solutions for those areas where delivery of training is more difficult to achieve. The focus for the coming year will be to ensure that even with this significant increase, completion rates remain as high as they have been in the past.

Overall, we feel the BBC's systems and processes for managing trading and separation continue to work well. We are regularly updated on any new or ongoing Fair Trading complaints and note there have been no new complaints of this type to report in the year. And our view is borne out by the work undertaken by Deloitte for their annual, independent Fair Trading Assurance. This year we were pleased to see they have found that the BBC has established and applied a system of internal controls regarding compliance with the Fair Trading requirements. Their report is included over the page.

I am grateful as ever to the other members of the Committee who this year included Ian Hargreaves, Steve Morrison and Shirley Garrod, who joined the Committee as a member in July, replacing Elan Closs Stephens who left the Committee upon taking up her role as Chair of the Commercial Holdings Board. We also continue to be well supported by the Board Secretariat and by the expertise of teams in Policy, Legal and the commercial parts of the BBC.

As you might expect, we continue to take advice and look for ways to strengthen the role of the Committee. We have been given valuable contributions in this regard this year both through our regular discussions with Ofcom and also through the work of Christopher Saul, who conducted this year's external Board and Committee effectiveness evaluation.

We are looking forward to the coming year when we will develop further our work with different areas of the BBC, continue to support the Board in delivering against Ofcom's framework, engage more widely with interested stakeholders across the industry, and continue to ensure that the BBC's record on trading and separation remains as robust as it has always been.

Tom Ilube CBE
Chair, Fair Trading Committee
2 September 2020

Fair Trading report

What do we mean by Fair Trading?

Fair Trading is the way that we describe our processes and practices, both within the BBC and in dealing with third parties, to ensure that our commercial and our public services remain appropriately separate and trade with each other on a market basis. This means that the parts of the BBC which are funded by the licence fee are not able to give a competitive advantage to the BBC's commercial operations or to any other third party with which we deal. These rules are overseen by Ofcom – who set the rules for trading and separation as part of their overall BBC framework – and by other parties such as the NAO, who seek to ensure that any use of licence fee funds is regular and in line with our requirement.

What does the Fair Trading Committee do?

The Fair Trading Committee (FTC) was established by the Board as a means to monitor and assure the appropriate separation between the BBC's public service and commercial activities, in line with the framework for commercial activities set by Ofcom. The Committee was put in place voluntarily by the Board, in recognition of the importance the BBC places on transparency and commercial efficiency in the operation of its commercial subsidiaries.

The key function of the FTC is to oversee the BBC's compliance with our regulatory obligations for trading and separation between the public service and the commercial subsidiaries*. The core responsibilities of the FTC include:

- considering reports on the extent to which the activities of the BBC are consistent with Ofcom's trading and separation requirements;
- keeping under review the BBC's compliance with Ofcom's trading and separation regulatory requirements;
- commissioning and receiving the annual independent assurance of compliance controls;
- considering and approving for publication the BBC's transfer pricing methodologies;
- maintaining oversight of the BBC's Fair Trading training; and
- ensuring that the BBC's transfer pricing methodologies are reviewed regularly.

The trading and separation rules were published by Ofcom in February 2019 and are part of Ofcom's framework for the BBC's commercial activities, which regulates the BBC's interaction with the market both through its public service activities and those of its commercial subsidiaries.

The framework requires the BBC to ensure that:

- all commercial activities are undertaken by commercial subsidiaries;
- any subsidiaries must have operational separation from the public service BBC;
- that it provides goods and services to commercial subsidiaries on arm's length commercial terms;
- that subsidiaries achieve a commercial rate of return; and
- that the BBC ensures appropriate transparency, monitoring and reporting on the activities of the subsidiaries.

To ensure that these rules are complied with, the FTC oversees and assures the BBC's processes and procedures to ensure that awareness and understanding of the framework is high. To do this, the BBC's Group Policy and Regulation team manages a targeted training programme for staff likely to encounter Fair Trading issues. The training has continued to be updated, revised and made more accessible to all eligible staff this year, including by targeting higher level training at those employees working in areas of highest Fair Trading risk. The Fair Trading Committee has overseen these processes and monitored compliance with them.

The Committee is briefed on relevant regulatory and Fair Trading complaints received and handled by the BBC. Details of these are reported elsewhere in the Annual Report on page 105, though the Committee noted that no specific Fair Trading complaints were received in the year.

How the Committee works

In 2019/20, the FTC comprised four non-executive directors: Tom Ilube (Chair), Shirley Garrod, Ian Hargreaves and Steve Morrison. Shirley Garrod joined the Committee at the start of her term as a non-executive director, in July 2019, and replaced Elan Closs Stephens who stepped down on assuming the role of Chair of the Commercial Holdings Board. The FTC's meetings were attended during the year by the Director of Policy and the Head of Regulation, as well as the Chief Financial Officer, Group General Counsel and other advisers as necessary. Three Committee meetings were held during the year, with papers also approved offline where necessary. The attendance meeting table can be found on page 90.

To support the framework, and to assure the BBC's approach to regularity and the use of public funds, the FTC continues to voluntarily commission an annual assurance by an independent firm. The Assurance Report is set out below.

Having received reports from relevant senior management, and having considered the findings of the Fair Trading Assurance, the Fair Trading Committee is satisfied that all commercial services have met the above criteria for the period 1 April 2019 to 31 March 2020.

* In 2019/20 – BBC Studios, BBC Studioworks and Global News

Independent Fair Trading Assurance Report to the BBC for the year ended 31 March 2020

Opinion on Fair Trading arrangements

We have assessed, in our role as the BBC's Fair Trading reasonable assurance provider, the system of internal controls established within the BBC to comply with the Fair Trading aspects of Ofcom's Trading and Separation requirements for the year ended 31 March 2020 ('the Fair Trading Arrangements').

In our opinion the BBC has established and applied a system of internal controls that provide reasonable assurance that it has complied with the requirements of the Fair Trading Arrangements for the year ended 31 March 2020.

Responsibilities of BBC Board

The Board is charged by Ofcom with establishing and operating a system of internal controls designed to ensure compliance with the BBC's Fair Trading Arrangements for the year ended 31 March 2020, including identifying and assessing risks that could threaten Fair Trading and designing and implementing responses to such risks.

Our independence and quality control

We have complied with the independence and other ethical requirements of the ICAEW Code of Ethics, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our responsibilities

Our responsibility is to express an opinion on the internal controls established by the BBC to ensure compliance with the Fair Trading Arrangements, based on our assurance work. We performed a reasonable assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised), Assurance Engagements other than Audits or Reviews of Historical Financial Information.

We are required to plan and perform our procedures in order to obtain reasonable assurance as to whether the BBC has established and applied a system of internal controls that provide reasonable assurance that it has complied with the requirements of the Fair Trading Arrangements for the year ended 31 March 2020. We conducted a risk assessment to identify those aspects of the BBC's Trading and Separation control regime that were most likely to result in non-compliance with the Fair Trading Arrangements, and focused our detailed testing on those areas. Individual cases were selected from the BBC's fair trading log for review and for each we examined written records and interviewed relevant parties. Our work included examination of transfer pricing and separation arrangements, use of and payment for the BBC brand, and the application of the Royal Charter requirement that the BBC's commercial activities do not, as a result of their relationship with the UK Public Services, non-service activities or trading activities, distort the market or gain an unfair competitive advantage. We observed, through the course of our work, a culture of consultation and referral in respect of Fair Trading matters.

Inherent limitations

Every internal control system is subject to limitations, and accordingly the internal controls established by the BBC may not prevent or detect all instances of non-compliance with the Fair Trading Arrangements. Further, because fair trading issues require judgements which ultimately might be tested in a court of law, competition authority or elsewhere, there is always a risk of challenge even where the system of internal controls has been followed and decisions have been taken with the greatest care.

Use of our report

This report has been made solely to the BBC in accordance with our instructions which were agreed with the Fair Trading Committee on behalf of the BBC. Our work has been undertaken so that we might state to the Fair Trading Committee those matters we are required to state to them in an independent assurance report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the BBC for our work, for this report, or for the opinions we have formed.

Deloitte LLP

London, UK
2 September 2020

Statement of Board responsibilities in respect of the Annual Report and Accounts

The Charter requires the BBC to prepare an audited annual report and statement of accounts.

The Board has accepted its responsibility for the preparation of a strategic report, statements of compliance with applicable codes and regulations (including the Board remuneration report) and the statement of accounts which are intended to give a true and fair view of the state of affairs of the BBC and its subsidiaries (the 'Group') and of the income and expenditure for that period. The Board has prepared the accounts in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU. The Board must not approve the statement of accounts (or 'financial statements') unless it is satisfied that they give a true and fair view of the assets, liabilities and financial position of the Group and of the surplus or deficit for that period.

In preparing the financial statements, the Board has:

- selected suitable accounting policies and applied them consistently;
- made judgements and estimates that are reasonable and prudent;
- stated whether they have been prepared in accordance with IFRS as adopted by the EU; and
- prepared the financial statements on the going concern basis as they believe that the BBC will continue in business.

The Board is responsible for keeping proper accounting records that are sufficient to show and explain the BBC's transactions and disclose with reasonable accuracy at any time the financial position of the Group and enable them to ensure that the financial statements and the Board remuneration report comply with the Charter. It also has a general responsibility for taking such steps as are reasonably open to it to safeguard the assets of the BBC and to prevent and detect fraud and other irregularities.

The responsibilities of the Board for ensuring that the BBC exercises rigorous stewardship of public money, including responsibility for the propriety and regularity of management of the BBC's resources, are set out in article 16 of the Charter.

The Board is responsible for the maintenance and integrity of the BBC's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Board members who held office at the date of approval of the Annual Report and Accounts, whose names and functions are listed in the Governance section of the Annual Report and Accounts, confirm that, to the best of each of their knowledge and belief:

- the financial statements, prepared in accordance with IFRS as adopted by the EU, give a true and fair view of the assets, liabilities, financial position and deficit of the Group;
- the Annual Report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal risks and uncertainties that it faces; and
- the Annual Report, taken as a whole, is fair, balanced and understandable and provides the information necessary for licence fee payers to assess the Group's performance, business model and strategy.

Statement of disclosure of information to auditors

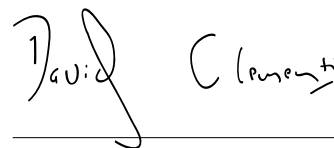
The Board members who held office at the date of approval of the Annual Report and Accounts confirm that, so far as they are each aware, there is no relevant audit information of which the BBC's auditors are unaware; and each Board member has taken all the steps that they ought to have taken as a Board member to make themselves aware of any relevant audit information and to establish that the BBC's auditors are aware of that information.

Going concern

The directors have prepared cash flow forecasts for a period in excess of a year from the date of approval of these financial statements, and have reviewed these forecasts, together with the sensitivities and mitigating factors in the context of available funds.

The directors are satisfied that the BBC is well placed to manage the risks and has adequate resources to continue in operation for at least the next 12 months. As a result, the going concern basis has been adopted in the preparation of the financial statements.

This statement was approved by the Board.



Sir David Clementi

Chairman

2 September 2020

Performance against public commitments

This section sets out our progress towards various public commitments. These commitments come from the Charter, the Agreement, our licence obligations and commitments we have made to deliver services for our audiences.

Brittany Howard at the BBC 6 Music festival 2020



Will Young on CBeebies Bedtime Stories

p. 121

Annual Plan commitments
Detailed review of the commitments made in the 2019/2020 Annual Plan.

Regulatory compliance

The table below sets out the BBC's compliance with the regulatory conditions in Ofcom's Operating Licence. Compliance is measured across the 2019/20 financial year unless otherwise stated. The requirements below are arranged by public purpose.

The BBC met all its Operating Licence obligations, with three exceptions:

- 57 minutes of news were broadcast on 1Xtra on two days in late March 2020;
- 22 hours and 50 minutes of news were broadcast on BBC Asian Network for two weeks in March 2020; and
- 172 hours of non-news content were broadcast on BBC Two Wales during 2019/20.

In all cases, these were due to the impact of coronavirus. We have engaged with Ofcom on our Operating Licence compliance throughout the pandemic.

Purpose One: To provide impartial news and information to help people understand and engage with the world around them

	Note	Quota	Achieved
BBC One			
News throughout the day		✓	✓
Hours of news	1	1,520 (280 in peak)	1,697 (293 in peak)
Hours of current affairs in peak	1	45	63
BBC One and BBC Two			
Hours of current affairs	1,2	450 (106 in peak)	569 (127 in peak)
CBBC			
News throughout the day		✓	✓
Hours of news		85	92
BBC News			
More international news than other main continuous news channels in the UK		✓	✓
More local/regional news than other main continuous news channels in the UK		✓	✓
Radio 1			
Hours of news in daytime each weekday		1	1
Two extended news bulletins (one in peak) each weekday		✓	✓
Regular bulletins in daytime at weekends		✓	✓
1Xtra			
Hours of news in daytime each weekday	3	1	1 (57minutes for two days)
Two extended news bulletins each weekday		✓	✓
Regular bulletins in daytime at weekends		✓	✓
Radio 2			
Weekly hours of news and current affairs		17 (3 in peak)	17 (3 in peak)
Regular bulletins		✓	✓
Radio 3			
News throughout the day		✓	✓
Radio 4			
Hours of news and current affairs		2,750	3,557
Daily reports of Parliamentary proceedings when Parliament is sitting		✓	✓
BBC Radio 5 live			
% of output that is news and current affairs		75	76
Extensive coverage of local and general elections, elections to the devolved chambers, and regular coverage of European and international politics		✓	✓
BBC 6 Music			
Weekly hours of news		6	6
BBC Asian Network			
Weekly hours of news and current affairs	4	24	24 (22h50m for two weeks)
BBC Online			
Adequate links to material provided by third parties		✓	✓

Notes
 1 Measured across the 2019 calendar year
 2 Measured across the two services
 3 1Xtra fulfilled the condition for all but two days of the year. However, due to schedule changes to manage the impact of the coronavirus pandemic, 1Xtra provided 57 minutes of news a day on two days in March 2020
 4 BBC Asian Network fulfilled the condition for all but two weeks of the year. However, due to schedule changes to manage the impact of the coronavirus pandemic, BBC Asian Network provided 22 hours and 50 minutes of news and current affairs for two weeks in March 2020

Purpose Two: To support learning for people of all ages

	Note	Quota	Achieved
BBC One Hours of arts and music, including some in peak		45	55 (19 in peak)
BBC One and BBC Two Hours of religious programmes	1	115	146 (13 in peak)
BBC Two Hours of arts and music, including some in peak		175	227 (68 in peak)
BBC Four New hours of arts and music programmes		175	224
CBeebies A range of content which supports pre-school children in their learning		✓	✓
CBBC Hours of drama		1,000	1,961
Hours of factual programmes		675	1,483
BBC ALBA Original weekly hours for Gaelic language learners		5	12
Radio 1 Number of new documentaries		40	46
1Xtra Number of documentaries		40	47
Radio 2 Hours of arts programming		100	121
Hours of new documentaries	2	130	130
Hours of religious output covering a broad range of faiths		170	191
Radio 3 % of output that is live or specially recorded music		45	50
Number of live or specially recorded performances	3	440	942
Number of new musical works commissioned		25	40
Number of new documentaries on arts and cultural topics		35	42
Radio 4 Hours of original documentaries	2	375	484
Hours of original religious programming covering a broad range of faiths	2	200	203
BBC 6 Music Hours of speech-based features, documentaries and essays		520	542
BBC Online Content which supports children and teenagers in their formal learning in all parts of the UK		✓	✓

Notes

- 1 Measured across the two services
- 2 Repeats are excluded
- 3 This year we have counted performances on *Afternoon Concert* and *New Generation Artists* toward this total

Performance against public commitments

Purpose Three: To show the most creative, highest quality and distinctive output and services

	Note	Quota	Achieved
Television			
% of hours that are originations	1,2		
BBC One		75	85
BBC One in peak		90	99
BBC Two		75	90
BBC Two in peak		90	95
BBC Four		75	88
BBC Four in peak		60	86
BBC News		90	98
BBC Parliament		90	97
CBBC		72	81
CBeebies		70	74
BBC ALBA		75	94
BBC Scotland		75	98
Hours of first-run originations across daytime and peak			
BBC One	2,3	4,000	4,258
BBC Two		2,200	2,749
CBBC		400	406
CBeebies		100	120
BBC One and BBC Two			
Hours of comedy programmes, some in peak	4	300	354 (218 in peak)
Radio			
Radio 1			
% of music in daytime from UK acts		45	52
% of new music in daytime, with significant proportion from new and emerging UK artists	5	50	52
Weekly hours of specialist music		60	66
Number of new sessions live or recorded within previous three months (excluding repeats)		175	182
Broader range of music than comparable providers	6	✓	✓
Number of major social action campaigns	7	2	2
Radio 2			
% of music in daytime from UK acts		40	51
% of new music in daytime, with significant proportion from new and emerging UK artists	8	20	26
Hours of live music		260	260
Hours of specialist music		1,100	1,249
Broader range of music than comparable providers	6	✓	✓
BBC Radio 5 live			
Number of sports with live commentary	9	20	21

Notes
 1 Originations include all BBC-commissioned programmes including repeats
 2 Measured across the 2019 calendar year
 3 First-run originations do not include repeats
 4 Measured across the two services
 5 41% of additions to the Radio 1 playlist during 2019 came from 'new and emerging UK artists'
 6 Taking into account both number of plays and size of playlist, in daytime and peak
 7 The social action campaigns were Radio 1's 24-Hour LOL-a-thon with Scott & Chris and Radio 1's Teen Heroes
 8 20% of additions to the Radio 2 playlist during 2019 came from 'new and emerging UK artists'
 9 The sports were: athletics, para-athletics, boxing (men's and women's), cricket (men's and women's), road cycling, football (men's and women's), Formula One, golf (men's and women's), horse racing, MMA, netball, rugby union (men's and women's), rugby league, snooker, swimming and tennis

Purpose Four: To reflect, represent and serve the diverse communities of the United Kingdom's nations and regions and, in doing so, support the creative economy across the United Kingdom

	Note	Quota	Achieved
Network Television			
Suitable range of programmes made outside the M25 area	1	✓	✓
% of hours made in... at a suitable range of production centres			
UK (outside the M25 area)	1	50	62
England (outside the M25 area)		30	38
Scotland		8	15
Wales		4	5
Northern Ireland		2	3
% of expenditure made in... at a suitable range of production centres			
UK (outside the M25 area)	1	50	51
England (outside the M25 area)		28	29
Scotland		8	9
Wales		5	8
Northern Ireland		3	4
BBC One			
Hours of news of national or regional interest throughout the day	1	4,300 (2,100 in peak)	4,790 (2,309 in peak)
BBC One and BBC Two			
Hours of programmes of national or regional interest	1,2	5,969	6,334
Suitable range of programmes of national or regional interest	1,2	✓	✓
% of programmes made in the relevant location	1,2	95	99
Hours of non-news programming of national or regional interest in peak	1,2	579	616
Hours of non-news programming of national or regional interest adjacent to peak	1,2	195	297
BBC One Scotland			
Hours of news and current affairs		290	367
Hours of non-news programmes		155	237
Range of genres that reflects Scotland's culture		✓	✓
BBC One Wales			
Hours of news and current affairs		275	341
Hours of non-news programmes		65	223
BBC Two Wales			
Hours of non-news programmes	3	175	172
BBC One Wales and BBC Two Wales			
Range of genres that reflects Wales's culture	2	✓	✓
BBC One Northern Ireland			
Hours of news and current affairs		310	410
Hours of non-news programmes		90	108
BBC Two Northern Ireland			
Hours of non-news programmes		60	177
Irish language programming and Ulster-Scots programming		✓	✓
BBC One Northern Ireland and BBC Two Northern Ireland			
A range of genres that reflects Northern Ireland's culture	2	✓	✓
BBC Parliament			
Hours of proceedings of the Scottish Parliament, Northern Ireland Assembly and Welsh Parliament		300	518
Network Radio			
% of network radio station expenditure outside the M25 area	4, 5	33.3	38
% of Radio 3 expenditure outside the M25 area	4	40	44
BBC Online			
News and information for the English regions		✓	✓
Coverage of sport for the English regions		✓	✓
News and information for Scotland		✓	✓
Content in Gaelic		✓	✓
Coverage of sport in Scotland		✓	✓
News and information for Wales		✓	✓
Content in Welsh		✓	✓
Coverage of sport for Wales		✓	✓



Performance against public commitments

	Note	Quota	Achieved
News and information for Northern Ireland		✓	✓
Content in Irish and Ulster-Scots		✓	✓
Coverage of sport for Northern Ireland		✓	✓
Nations and Regions Services			
BBC Scotland			
Range of genres that reflects Scotland's culture		✓	✓
Suitable range of programmes including Scottish news	1	✓	✓
% of its first-run originations made in Scotland	1	90	99
Hours of news in peak	1, 6	212	273
BBC ALBA			
Live news each weekday evening, including in peak, and a longer news review at weekends		✓	✓
BBC Local Radio			
% of daytime weekday output that is speech content	7, 8	60	65
% of peak breakfast output that is speech content	7	100	100
News and information of particular relevance to the area and communities it serves throughout the day	7	✓	✓
Non-news content of particular relevance to the area and communities it serves	7	✓	✓
Weekly hours of original, locally made programming	8, 9	95	124
BBC Radio Guernsey – weekly hours of original, locally made programming		80	112
BBC Radio Jersey – weekly hours of original, locally made programming		80	91
BBC Radio Somerset – weekly hours of original, locally made programming		70	107
BBC Radio Scotland			
% of daytime weekday output that is speech content		60	90
% of peak breakfast output that is speech content		100	100
Weekly hours of news and current affairs		50	63
Several regional opt-outs each weekday, offering news, sport and information, including evening community programming		✓	✓
Content and music of particular relevance to Scotland		✓	✓
BBC Radio nan Gàidheal			
% of daytime weekday output that is speech content		40	49
% of peak breakfast output that is speech content		100	100
News frequently across the day, particularly in breakfast peak and afternoon peak on weekdays, and peak on weekends		✓	✓
Content and music of particular relevance to Scotland		✓	✓
BBC Radio Wales			
% of daytime weekday output that is speech content		60	71
% of peak breakfast output that is speech content		100	100
Weekly hours of news and current affairs	10	32	42
Content and music of particular relevance to Wales		✓	✓
BBC Radio Cymru			
% of daytime weekday output that is speech content		60	68
% of peak breakfast output that is speech content		100	100
Weekly hours of news and current affairs		23	25
Content and music of particular relevance to Wales		✓	✓
BBC Radio Ulster			
Weekly hours of news and current affairs		35	40
BBC Radio Foyle			
Weekly hours of news and current affairs		20	23
BBC Radio Ulster and BBC Radio Foyle			
% of daytime weekday output that is speech content	2	60	71
% of peak breakfast output that is speech content	2	100	100
Content and music of particular relevance to Northern Ireland	2	✓	✓
Hours of indigenous minority language programming, including Irish and Ulster-Scots output	2	240	264

Notes

- 1 Measured across the 2019 calendar year
- 2 Measured across the two services
- 3 The cancellation of sporting events at short notice due to the coronavirus pandemic led to this shortfall
- 4 Radio 3 figures here include expenditure on the Performing Groups
- 5 This includes contributions from Radio 1, Radio 2, Radio 3, Radio 4 and BBC Radio 5 live
- 6 Measured between 19.00-22.30 given the channel primarily operates from 19.00 in the evening
- 7 Applies to each BBC Local Radio station. Each station was compliant with the licence condition
- 8 The figure reported is the average figure across relevant stations
- 9 Applies to each BBC Local Radio station, except BBC Radio Guernsey, BBC Radio Jersey and BBC Radio Somerset
- 10 This year we have included Jason Mohammad's phone-in show as news and current affairs content

	Note	Achieved	Reported
Diversity			
The BBC must report on how it has:			
Had regard to the range of diverse communities of the UK	1	✓	See pages 30-39 and the Diversity Commissioning Code of Practice (DCCOP) report
Served and delivered content for the range of diverse communities of the UK		✓	See pages 30-39/DCCOP report
Accurately represented the diverse communities of the UK		✓	See pages 30-39/DCCOP report
Authentically portrayed the diverse communities of the UK		✓	See pages 30-39/DCCOP report
Raised awareness of the different cultures and alternative viewpoints of the diverse communities of the UK		✓	See pages 30-39/DCCOP report
The BBC must report on audience satisfaction:			
How the BBC represents, portrays and serves diverse audiences	2	✓	See pages 30-39 and 119
How the BBC reflects the whole of the UK population on screen and on air	2	✓	See pages 30-39 and 119
How the BBC raises awareness of different cultures and viewpoints	2	✓	See pages 30-39 and 119
Steps it will take to improve audience satisfaction where specific audience groups are dissatisfied with the BBC's performance in these areas		N/A	See page 119
Steps it has taken and the effect of those steps to improve audience satisfaction where specific audience groups were dissatisfied with the BBC's performance in these areas in the previous year		N/A	N/A
The BBC must report workforce diversity:			
The diversity of all staff employed in connection with the UK Public Services including the number of staff by different diversity characteristics	1	✓	See Equality Information Report (EIR)
The job level of such staff	3,4	✓	See EIR
The job type of such staff	3,5	✓	See EIR
The extent to which the BBC has made progress towards meeting its diversity workforce targets		✓	See pages 59-60 and EIR
The BBC must report:			
Its progress towards its on-screen and on-air representation and portrayal targets		✓	See pages 37-38/DCCOP report
Its compliance with the Diversity Commissioning code of practice		✓	See DCCOP report

Notes

- 1 Including age, disability, gender reassignment, race, religion and belief, sex, sexual orientation and socioeconomic background
- 2 With particular regard to first-run content across all genres
- 3 We have submitted further reporting to Ofcom specifically on the UK Public Services to satisfy these conditions
- 4 The BBC is required to report on such staff by the following categories: Board members and non-executives, senior managers, middle/junior managers, and non-management. There are too few Board members and non-executives for us to report on their diversity in line with paragraph 2.51 of the Operating Licence. We report the job level of our staff in the EIR and through further submission to Ofcom by pay band, and map onto Ofcom's categories as follows: A-C – non-management; D-E – middle/junior managers; F-SL – senior managers.
- 5 The BBC is required to report on such staff by the following categories: programming, commissioning, technical/engineering, sales/marketing, and support functions/administrative

Audience satisfaction with the reflection, representation and serving of the diverse communities in the UK

The BBC needs to measure audience satisfaction during the financial year with the reflection, representation and serving of the diverse communities of the whole of the United Kingdom. The survey findings from 2019/20 show that by age band, gender, social grade, area of the UK, and amongst white audiences and black, Asian and minority ethnic audiences, the proportion rating the BBC as effective on these measures most frequently outnumbers those saying ineffective. In some audience groups, whilst the majority or plurality of people surveyed rated the BBC as effective, this proportion of people saying the BBC was effective was lower than in their comparator group. This indicates that some audience groups have less satisfaction with the BBC in this regard than others. This was the case for C2DE compared with ABC1 audiences; BAME audiences compared with white audiences; under 55s compared with 55+; in the North of England compared with England overall; and for some measures in Scotland and Northern Ireland compared with the England average, and people who are disabled compared with people who are not disabled. In addition, people in Wales were split on how effectively the BBC reflects their part of the UK.

Other regulatory matters

Changes to the BBC's UK Public Services

Under the Charter and Agreement, the BBC has to assess whether changes to UK Public Services are material. If the changes are material, we are required to carry out a Public Interest Test, which must then be approved by Ofcom before the change can be made.

In April 2019, the BBC Board approved the Public Interest Test for the plans to extent the availability of content on BBC iPlayer. Following its competition assessment, Ofcom determined in August 2019 that the BBC could proceed with its plans.

During 2019/20, we have conducted three detailed materiality assessments of changes to UK Public Services. Of these, the BBC decided none was material:

- The launch of the Own It app to support young people online;
- The BBC's new digital voice assistant 'OK Beeb'; and
- Further development of BBC Sounds, including aggregating third-party podcasts and a limited music streaming service.

Changes to the BBC's commercial activities

Under the Charter and Agreement, the BBC has to assess whether changes to its commercial activities are material. During 2019/20, we assessed whether the BBC's involvement in BritBox was a material change to the BBC's commercial activities. The BBC Board decided in May 2019 that this was not a material change. In September 2019, following a consultation, Ofcom agreed that a Commercial Test was not required.

Regulatory complaints

Under the Charter and Agreement, the BBC is responsible for handling complaints, in a BBC First approach. This year we received one complaint regarding competition issues. We received no complaints regarding other non-editorial relevant requirements.

Issue	Service	Date of complaint	Outcome and remedy	Date of outcome
Acquisition of sports rights	Radio 5 live and 5 live sports extra	8 August 2019	No breach of competition requirements	2 October 2019

Annual Plan Commitments

Under the Charter, the BBC is required to publish an Annual Plan. As part of the Annual Plan, we made 106 public commitments to make the BBC distinctive. These commitments mainly relate to specific events or outcomes on our services that occurred over 2019/20. The BBC met all relevant Annual Plan commitments in 2019/20.

Purpose	BBC commitment	Achieved
BBC One		
A mix of different genres and output	Broadcast a demonstrably broader range of genres in peak time than any comparable channel	YES
Creative ambition	Broadcast at least two ambitious new factual landmarks series (subject to delivery timing)	YES – 3
BBC Two		
Creative ambition	Broadcast at least three new popular factual series	YES – 3
BBC One and BBC Two		
Creative ambition	Broadcast at least 25 new drama series	YES – 26
	Broadcast at least ten new comedy series	YES – 15
	Broadcast at least 220 hours of arts and music programmes (including repeats and acquisitions), some in peak viewing time	YES – 282
	Broadcast at least 90 hours of new documentaries	YES – 121
BBC Three		
UK original output	More than 90% of long-form commissions will be UK originations	YES – 98%
Creative ambition	Broadcast at least two new unscripted series	YES – 6
BBC Four		
UK original output	Broadcast at least 60 hours of originated factual programmes	YES – 106
CBBC		
A mix of different genres and output	Broadcast a broader range of genres than other children's television channels	YES
	Deliver new programming to serve the youngest and oldest cohorts of the audience: the 6-9s and the over-10s	YES
Creative ambition	Support the mental health and wellbeing of UK children via a range of content available on CBBC, and through the Own It app	YES
Range of audiences	Reflect the diversity of UK children to ensure everyone sees themselves and their lives represented on screen	YES
CBeebies		
A mix of different genres and output	Broadcast a broader range of genres than other children's television channels	YES
Creative ambition	Deliver new programming to spark an interest in the natural world amongst young viewers	YES
Range of audiences	Reflect the diversity of UK children to ensure everyone sees themselves and their lives represented on screen	YES
BBC News		
A mix of different genres and output	We will continue our commitment to daily in-depth sports news	YES
Range of audiences	BBC News will be the UK news channel with the biggest reach	YES
BBC Scotland		
A mix of different genres and output	Fresh and innovative content and formats, along with new presenting talent, defining the channel	YES
UK original output	Documentaries will include a series examining today's Scotland (<i>Modern Lives</i>), a celebration of 50 years of Scottish Ballet, Emeli Sandé's Street Symphony and a uniquely personal look at Scotland through the eyes of rapper and social commentator, Darren McGarvey (<i>Loki</i>).	YES
	<i>Children of the Devolution</i> will mark 20 years of the Scottish Parliament and day-to-day life at the Royal Aberdeen Children's Hospital will be put under the microscope	YES
	New comedy: <i>Limmy's Vines</i> and <i>Newsjack T</i>	YES
	The first linear transmission of the second series of the student drama series <i>Clique</i>	YES

Performance against public commitments

Purpose	BBC commitment	Achieved
Creative ambition	In addition to the new nine o'clock news programme, <i>The Nine</i> , we will launch a number of other news and current affairs programmes, including <i>Debate Night</i> , providing a platform for audiences to question Scotland's decision-makers, and <i>Seven Days</i> , a weekly look back over the stories making the news. And we'll turn the airwaves over to the people of Scotland to get their take on recent events in <i>The People's News</i>	YES
Range of audiences	We will showcase new stand-up talent with <i>The Comedy Underground</i> and introduce new formats with programmes such as <i>May Contain Nuts</i> , while the channel will welcome old favourites <i>Scot Squad</i> , <i>Landward</i> , <i>The Beechgrove Garden</i> and <i>River City</i>	YES
BBC ALBA		
A mix of different genres and output	New, regular coverage of Scottish domestic and international football and rugby, and the Women's Football World Cup in the summer of 2019 promises to be a highlight in a year of women's sport	YES
Range of audiences	Engage with younger audiences through digital media initiatives and comedy	YES
Radio 1		
A mix of different genres and output	Measure the overlap of the 100 most played songs on Radio 1 and key commercial stations each month to ensure we continue offering a distinct music mix	YES – see Note 1
UK original output	Report on the range and depth of support for new music on Radio 1 and Radio 2 through analysis of their respective published playlists; and compare performance against the playlists of key commercial stations	YES – see Note 2
Creative ambition	We will launch a new high-profile weekday evening specialist music programme featuring Ricky, Melvin and Charlie in April, aiming to offer young audiences a compelling alternative to television and visual streaming services	YES
Range of audiences	Radio 1's playlist will showcase the UK's most exciting new music, with support for acts still to enjoy significant chart success. Brit List in particular will offer a continuing commitment to emerging artists across the year	YES – see Note 3
1Xtra		
A mix of different genres and output	Launch a new late-night music and entertainment show presented by Snoochie Shy. Aiming to celebrate all aspects of black music culture, the show will showcase a wide range of new music, as well as provide opportunities for guest DJs and tastemakers to explore their specific genres in depth	YES
UK original output	Act as a champion for new UK artists who get little mainstream media support. In daytime, at least 35% of the music will come from UK artists, with an intention that at least 50% of this will be new	YES – 50% by UK artists, of which 80% was new
Creative ambition	Look to develop new partnerships and bring new voices to network via the 1Xtra Chat strand – our home for late-night irreverent discussion	YES
Range of audiences	1Xtra's programmes are designed with young adults in mind, aiming in particular to appeal to underserved black, Asian and minority ethnic audiences	YES
Radio 2		
A mix of different genres and output	Measure the overlap of the 100 most played songs on Radio 2 and key commercial stations each month to ensure we continue offering a distinct music mix	YES – see Note 4
	Play a more distinctive mix of music than comparable providers, with a daytime playlist which features a greater range of songs	YES
	Broadcast a broad mix of genres and programming, including 500 Words, as well as specialist music output from jazz, folk, country, blues, soul and R&B	YES
UK original output	Act as a showcase for new and heritage UK artists as well as BBC Introducing artists	YES
Creative ambition	Continue to be a champion of new and heritage artists, with a variety of live events around the UK, such as Radio 2 Live in Hyde Park, Radio 2 Folk Awards, and the Cheltenham Jazz Festival	YES
	Work in partnership with CBBC, broadcasting from its Summer Social in Liverpool for a family audience, as well as our All Star Party, reaching new audiences around the UK	YES
	Broadcast a range of landmark documentaries, including a series on songwriters with Gary Barlow, and series on Hip Hop and Dance	YES
	Broadcast a Social Action season on male and female fertility in November	YES
Range of audiences	Maintain its editorial focus on listeners aged over 35	YES

Purpose	BBC commitment	Achieved
Radio 3		
A mix of different genres and output	Continue to innovate with new programming within the schedule including: a new late-night classical show for weeknights	YES
	An extended <i>Late Junction</i> on Friday	YES
	Further changes to world music and jazz programming	YES
	Maintain its role in unique and challenging drama	YES
UK original output	Continue to promote new talent – whether through New Generation Artists, New Generation Thinkers or BBC Introducing. Plans will be developed for a returning on-air season highlighting young talent	YES
Creative ambition	Continue to broadcast dedicated performances and recordings from festivals and concert halls around the UK, from the EFG London Jazz Festival to Huddersfield Contemporary Music Festival and the Edinburgh International Festival to Aldeburgh	YES
	In 2020 join in the worldwide Beethoven 250th anniversary celebrations with year-round coverage in Composer of the Week and a range of national and international broadcast programming. Themes and seasons inspiring programming in 2019 will include nature's inspiration on composers and artists following the station's successful three-part <i>Into the Forest</i> season in 2018	YES
Radio 4 and BBC 4 Extra		
A mix of different genres and output	Commission ambitious classic and contemporary drama from new and established writers both on air and digitally for an on-demand audience	YES
	In a fresh take on Thackeray's comic masterpiece <i>Vanity Fair</i> , comedian Al Murray, a direct descendant of Thackeray, will be the sharp but unreliable narrator. Five-part drama <i>Moon</i> will be a real-time account of the most historic journey in the history of humanity. In one day, over the summer bank holiday, on Radio 4 there will be a powerful retelling of Proust's <i>In Search of Lost Time</i>	YES
	Feature a Comedy Playhouse with 12 exceptional scripts from a mix of both established and new writers; and the Radio 4 BBC New Comedy Award will again seek out the comedy stars of tomorrow	Comedy Playhouse featured 11 scripts
	Radio 4 and BBC Sounds will together make over 530 hours of drama and 240 hours of comedy	YES – 534 hours of drama and 277 hours of comedy
	We will broadcast 55 hours of comedy and 55 hours of drama each week on Radio 4 Extra	YES – 66 hours of drama and 67 hours of comedy
Creative ambition	Continue to broadcast distinctive factual analysis and insight into what is happening in the UK and Britain's place in the world	YES
	This autumn, broadcast a landmark series which explores the symbiotic relationship between art and science, and how the two have co-existed, collaborated and clashed over centuries	YES
UK original output	Commission more innovative podcasts which reveal the world in a new light. Following the success of last year's <i>The Ratline</i> , Radio 4 will feature the next programme and podcast in the <i>Intrigue</i> series	YES
BBC Radio 5 live and 5 live sports extra		
A mix of different genres and output	A broader range of sports on 5 live and Sports Extra than on any comparable service in 2019/20, including the Women's Football World Cup, Cricket World Cup, Rugby World Cup, Netball World Cup, Wimbledon, British Open Golf, The Ashes and Six Nations	23 sports with live commentary – see Note 5
	5live will continue to tell the story of the UK's journey to and beyond Brexit through accessible and entertaining politics programmes such as <i>Question Time Extra Time</i> , <i>The Emma Barnett Show</i> , <i>Pienaar's Politics</i> and <i>Brexitcast</i> , in outside broadcasts around the UK, plus giving voice to our listeners' calls and questions	YES
UK original output	5 live will showcase voices from around the UK through our daily phone-in <i>Your Call</i> , and through shows such as <i>5 live Breakfast</i> and <i>Afternoon Edition</i> going on the road	YES

Performance against public commitments

Purpose	BBC commitment	Achieved
Creative ambition	5 live will be the storyteller of the UK and will continue to tell more stories from more places than any other broadcaster through a distinctive agenda, a greater diversity of voices, and with listeners helping to shape content every day	YES
	5 live will continue to deliver big news and sports events with enthusiasm and verve, coming together across programmes to create memorable live radio	YES
	In 2019/20, 5 live will continue to drive the podcast sector forward with its innovative and creative output	YES
Range of audiences	A new series from the winner of the Rachael Bland New Podcast Award, the return of the award-winning <i>You, Me and the Big C</i> and the BBC's podcast for black British women, <i>The Sista Collective</i> , plus a new true crime investigative series	YES
	5 live will continue to review its schedules, talent and on-air contributors to reflect the diversity of the UK	YES
BBC 6 Music		
A mix of different genres and output	At least 30% of music in daytime will be new	YES – 43%
	Remain committed to championing new and alternative music from the UK and beyond	YES
UK original output	Champion grassroots UK venues via its output including live events such as the 6 Music Festival and Indie Venues Week	YES
Creative ambition	Showcase a range of landmarks and events including celebrations of the 50th anniversary of the Moon Landings, a day-long celebration of UK Club Culture, a tour of UK independent venues and coverage of the Manchester International Festival, The Great Escape Festival, the Cheltenham Jazz Festival, Bluedot and SXSW	YES
	Explore the arts with a number of series focusing on film, literature and the visual arts as well as the Art is Everywhere season, during which audiences will be inspired to make and share art of their own	YES
BBC Asian Network		
A mix of different genres and output	Commission a series of entertaining and thought-provoking podcasts, including a 'bite-sized' version of our late-night topical discussion show with Mobeen Azhar	We expanded our planned range of new podcasts
UK original output	Continue to act as a showcase for the British Asian Sound, with a minimum 30% of the music in daytime coming from UK artists and producers	YES – 37%
Creative ambition	Following successful trips to Mumbai and Karachi in 2018, we are working on a similar week of immersive programming celebrating the Indian sub-continent in the autumn	YES
Range of audiences	Offer a broad mix of music and speech programming designed primarily to entertain and engage young British Asian audiences	YES
BBC Radio Scotland		
Creative ambition	Extend the multiplatform offering of BBC Radio Scotland's Young Traditional Musician of the Year brand onto the new BBC Scotland channel and continue to refresh the schedule based on recent audience research	YES
Range of audiences	Launch a range of 'digital first' podcasts in line with the editorial theme of the station but aimed at a younger audience	YES
BBC Radio nan Gàidheal		
Creative ambition	Review its schedule with a view to refreshing the weekday daytime schedule, continuing talent development and increasing audience access by creating synergies between existing and new broadcast platforms and formats	YES
BBC Radio Wales		
A mix of different genres and output	Far-reaching political coverage of the Brexit debate on key programmes, including <i>Good Morning Wales</i> , <i>Good Evening Wales</i> and <i>Sunday Supplement</i>	YES
	Extensive coverage, including live commentary of every Wales game, of the 2019 Rugby Union World Cup in Japan	YES
Creative ambition	Continue to support Welsh culture, including partnerships with the Machynlleth Comedy Festival and the Wales Folk Awards	YES
Range of audiences	Attract younger audiences by creating bespoke podcasts and content for BBC Sounds	YES

Purpose	BBC commitment	Achieved
BBC Radio Cymru		
A mix of different genres and output	Extend the promotion and editorial impact of our new, second Welsh language radio service – BBC Radio Cymru 2 – to increase awareness of the choice of programming now on offer for audiences	YES
UK original output	At this time of significant political and constitutional debate, provide space in our weekly schedule for more lengthy, in-depth interviews with the most prominent political and public voices in Wales	YES
Range of audiences	Create bespoke, original Welsh language content for BBC Sounds, in a variety of genres, with an emphasis on appealing to 18-34 year olds	YES
BBC Radio Ulster and BBC Radio Foyle		
A mix of different genres and output	Focus on live sport across all platforms	YES
	General schedule refreshment and new talent development	YES
	Creation of targeted podcast content in line with Sounds priorities	YES
	Release of archive material and marking of historical anniversaries (Radio Foyle at 40 and 50th anniversary of The Troubles)	YES
UK original output	Additional output to showcase the Open Golf Championship from Royal Portrush	YES
Range of audiences	Focus on talent and contributor refreshment with particular emphasis on ensuring diversity of voices across the station	YES
BBC Local Radio		
A mix of different genres and output	Broadcast a BBC Introducing programme in each station's schedule to offer more opportunities to new talent	YES
UK original output	Increased focus on creating podcasts for BBC Sounds	YES
Range of audiences	Provide output rooted in faith and ethics on Sundays	YES
	Capitalise on the success of The Social in Scotland and The Sesh in Wales in helping us identify and develop new talent and ideas by rolling the model out across England in 2019/20	YES – introduced New Voices talent initiative
	New evening shows will target younger and more diverse audiences	YES
BBC Online		
A mix of different genres and output	Continue to offer audiences a wide range of content across all our online services. This year we will work to make more of the relevant content from across BBC Online available on the biggest services to give audiences a wider range of content to choose from	YES
UK original output	Continue to provide links to external stories provided by local and regional news providers, building this into our new News topic pages due to be rolled out over this year	YES – we provide local and regional links on all our local pages
	Look at the most effective ways to support wider industry by hosting or signposting to their content across BBC Online. Continue to implement editorial guidelines to ensure we are linking out from our stories where editorially appropriate	YES – we are assessing our provision of adequate links following Ofcom's review of BBC News' output. Alongside our Editorial Guidelines, we have further guidance on feeds and links
Creative ambition	Continue to evolve and improve iPlayer (in line with our existing plans) and our new audio product BBC Sounds	YES
	Begin to refresh the big services on BBC Online, bringing more of the content into fewer services and giving more personalised, lively, interactive and relevant experiences to audiences. Continue to evolve our online learning offer through the intelligent learning capability introduced last year	YES
	Continue to improve our content, focusing on the content with the greatest impact and innovating with podcasts and other digital content	YES

Performance against public commitments

Purpose	BBC commitment	Achieved
Range of audiences	Expand our ability to use sign-in data to personalise our offer across our digital services, surfacing the best content that is most relevant to audiences	YES
	Continue to lead the way in developing what public service broadcasting looks and feels like online, in particular exploring the characteristics of public service recommendations	YES

- Notes
- 1 Across 2019/20, the average monthly overlap between the top 100 most played songs on Radio 1 and top 100 most played songs on Capital London, Kiss and Radio X was 26 songs
 - 2 380 tracks were added to the Radio 1 playlist during 2019, of which 154 were by new and emerging UK artists. 145 tracks were added to the Capital Network's playlists, of which 31 were by new and emerging UK artists
 - 3 62% of the tracks added to the Radio 1 playlist during 2019 were by new and emerging artists. Six UK artists were added to Radio 1's Brit List in 2019/20
 - 4 Across 2019/20, the average overlap between the top 100 most played songs on Radio 2 and top 100 most played songs on Heart London, Magic and Smooth was seven songs
 - 5 This specifically included commentary for the Women's Football World Cup, Cricket World Cup, Rugby World Cup, Netball World Cup, Wimbledon, British Open Golf, The Ashes and Six Nations as well as live commentary of athletics, para-athletics, boxing (men's and women's), cricket (men's and women's), road cycling, football (men's and women's), Formula One, Formula E, golf (men's and women's), horse racing, ice hockey, MMA, netball, rugby union (men's and women's), rugby league, snooker, swimming, and tennis.

General Duties

The Charter sets out a number of General Duties that apply to the BBC. The BBC complied with all its General Duties in 2019/20. The measures for reporting were set out in the BBC Annual Plan for 2019/20.

1. Acting in the public interest

The BBC must act in the public interest, aiming to serve its audiences not just as consumers, but as members of a wider society, with programmes and services which, whilst seeking to inform, educate and entertain audiences, also serve wider public purposes. As a result, the BBC must ensure that the benefits (whether direct or indirect) of decisions relating to the mission or purposes outweigh the costs (whether direct or indirect); and have regard to economic, social and cultural benefits and costs.

Measure	Achieved
We will publish an Annual Plan and an Annual Report	YES
We will publish the number of complaints upheld where we have failed to comply with the BBC's obligations under the Charter and Agreement or with the Ofcom Operating Framework or World Service Licence	YES – see Other Regulatory Matters
We will publish the number of complaints upheld on BBC editorial matters and overall volumes of complaints made	YES – see Editorial Guidelines and Standards report
We will publish performance measurement data, including data on the fulfilment of the public purposes	YES

2. Engagement with the public

The BBC must assess the views and interests of the public and audiences, including licence fee payers, across the whole of the United Kingdom. The BBC must make arrangements to ensure that the diverse perspectives and interests of the public and audiences, including licence fee payers, across the whole of the United Kingdom are taken into account in its decision-making.

Measure	Achieved
We will publish annually data on audiences' views about the BBC as part of the Annual Report	YES
We will hold around six face-to-face events with audiences and report on the findings in the BBC's Annual Report, four of which will be delivered by the Board's Nations Committees	YES – see Audience Engagement Report

3. Market impact

The BBC plays a crucial role in the UK media and broadcasting market. In addition to serving audiences directly by providing content and services, it can contribute to the market more broadly, for example by promoting competition, supporting supply chains and encouraging sector-wide innovation. The BBC must have particular regard to the effects of its activities on competition in the UK. In complying with this duty the BBC must (a) seek to avoid unnecessary adverse effects on competition and (b) promote positive market impact.

Measure	Achieved
We will publish and consult on any planned material changes	YES – see Other Regulatory Matters
We will publish annually the number of regulatory complaints upheld and actions taken in response	YES – see Other Regulatory Matters
We will publish the number of Ofcom enforcement actions in relation to compliance with the Ofcom Operating Framework in this area	YES – none
We will publish the outcomes of any Public Interest Tests	YES – see https://www.bbc.com/aboutthebbc/reports/consultation/iplayerpit

4. Openness, transparency and accountability

The BBC must observe high standards of openness and seek to maximise transparency and accountability. It must publish Board minutes, important decisions concerning changes to remit/services, and minutes of Committee meetings. The Board also needs to have regard to the benefits of consultation with interested persons.

Measure	Achieved
We will publish an Annual Plan that sets out the BBC's strategic priorities, creative plans, budget and any planned material changes to services	YES – see http://downloads.bbc.co.uk/aboutthebbc/reports/annualplan/annual-plan-2020-21.pdf
We will publish the following after the relevant event: <ul style="list-style-type: none"> — Minutes of the meetings of the Board — Important decisions concerning changes to the creative remit, work plan and material changes to the UK Public Services, non-service activities and commercial activities — Summary minutes of the meetings of committees of the Board 	YES – see bbc.com/aboutthebbc
We will publish an Annual Report and Accounts, containing a detailed summary of performance against our regulatory quotas; full financial details and accounts; and information required as part of our Equality Information Report	YES



Performance against public commitments

Measure	Achieved
We will continue to publish the salary disclosures required under the Charter relating to pay over £150k, along with our voluntary regime of quarterly salary and expenses disclosure for senior managers	YES – see Remuneration Report
5. Partnership	
The BBC will work collaboratively and in partnership, especially in the creative economy, in the public interest. It should partner with a wide range of organisations of all sizes, including commercial and non-commercial, throughout the UK. Partnerships should be fair and beneficial to all with due attribution and recognition for partners.	
Measure	Achieved
We will collect and publish performance data on key partnership output and activities, including on the BBC's range of partnerships, range of partners, geographical breadth, and impact	YES – see Partnerships
6. Diversity	
The BBC must ensure it reflects the diverse communities of the whole of the United Kingdom through its output, the means by which its output and services are delivered, and in the organisation and management of the BBC. This includes support for the regional and minority languages of the UK.	
Measure	Achieved
We will publish detailed diversity data for all our staff, including on socio-economic background, as part of our annual Equality Information Report	YES – see Equality Information Report
We will continue to publish gender pay gap information, and analysis of our pay gaps for other groups	YES – see Gender Pay Gap report
We will also publish performance measurement data collected on the fulfilment of our fourth public purpose	YES – see pages 30-39
7. Technology	
The BBC must promote technological innovation, and maintain a leading role in research and development. To do this, it needs to seek to work in partnership with other organisations and share, as far as is reasonable, its research and development knowledge and technologies.	
Measure	Achieved
We will continue to invest in the BBC's Research and Development (R&D) department in line with the BBC's long-term objectives	YES
We will continue to share our insights from R&D, for example using industry white papers and relevant professional gatherings, including standards bodies. We will use our web and social presence to highlight key messages to a wider audience	YES
8. Stewardship of public money	
The BBC exercises rigorous stewardship of public money in accordance with the following principles:	
— Regularity – Management of all of the BBC's resources must accord with the provisions of the Charter, Framework Agreement and other agreements the BBC enters into with Government Ministers	
— Propriety – Management of all of the BBC's resources must meet high standards of public conduct, robust governance and duly consider the expectations of Parliament (including those of the Public Accounts Committee), which have been formally communicated to the BBC	
— Value for money – Procurement, projects and processes must be systematically evaluated and assessed to provide confidence about the economy, effectiveness and efficiency of the project, taking into account the wider public interest, not just that of the BBC itself	
— Feasibility – Proposals using public funds should be implemented accurately, sustainably and to the intended timetable	
Measure	Achieved
True and Fair audit opinion from the BBC's external auditors	YES
We will report on our mechanisms for provision of information to the Board and the Audit and Risk Committee on compliance with the Charter, to ensure that the transactions reflected in the BBC's financial statements have been applied to the purposes as intended and conform to the relevant frameworks governing them	YES
We will comply with funding conditions as part of a separate funding agreement, e.g. grant funding for the BBC World Service	YES
We will publish our response to Value for Money reviews conducted by the NAO or other commissioned parties	YES

9. Guidance and best practice

The BBC has to have regard to general guidance concerning the management of the affairs of public bodies and generally accepted principles of good corporate governance, where applicable and appropriate.

Measure	Achieved
We will audit our voluntary compliance with the UK Corporate Governance Code and principles of good corporate governance based on a general aim of compliance with the Code wherever possible	YES – see Governance
Our Annual Report will set out the BBC's performance against the Code; areas where the Code does not apply to the BBC; areas where the Charter overrides the Code; and areas where the BBC does not comply	YES – see Governance
We will also publish an annual Equality Information Report, in compliance with the Public Sector Equality Duty	YES – see Equality Information Report
An annual statement on licence fee collection will be audited by the NAO and laid before Parliament	YES
We will continue to comply with best practice in offering training on a range of issues such as anti-bribery, data protection and child protection	YES

10. General duties in relation to commercial activities

The BBC's commercial activities need to act in the public interest, engage with the public, and ensure openness and transparency. They must not distort the market nor gain an unfair competitive advantage.

Measure	Achieved
The Fair Trading Committee will continue to: keep under review the BBC's compliance with Ofcom's trading and separation requirements; commission an annual independent audit; review, consider and approve the BBC's transfer pricing methodologies; report progress in the BBC's Annual Report; and review the ongoing compliance of the commercial activities with the Four Commercial Criteria	YES
We will abide by our published policy on material changes to commercial activities	YES
Our complaints framework includes a procedure for complaints about a failure to meet any commercial activities requirements	YES
We will publish forthcoming potential material changes to commercial services in the BBC's Annual Plan, subject to issues of commercial confidentiality	YES
We will carry out the commercial test for any proposed material change to our commercial activities, and publish the proposed change once we have done so	YES
We will continue to train key staff on compliance with the Fair Trading rules	YES
We will continue to meet our publication and information provision obligations to Ofcom, detailing the financial performance of our commercial subsidiaries and setting out detailed methodologies for transfer pricing within our group	YES – see Commercial Holdings Annual Report and Group Trading Manual
We will publish the number of upheld complaints about compliance with the commercial activities requirements under the Charter and Agreement or in the Ofcom Operating Framework, and our response to such complaints	YES – none
We will publish the number of Ofcom enforcement actions in relation to compliance with the Ofcom Operating Framework in this area	YES – none
The Fair Trading Committee will report annually on its work in the Annual Report and Accounts	YES – see Fair Trading Report

Access services

Audio described

	Audio described hours		Total hours	Actual for year (%)		Target for year (%)	
	2019/20	2018/19	2019/20	2019/20	2018/19	2019/20	2018/19
BBC One	1,985	1,925	8,904	22.3	22.0	20.0	20.0
BBC Two	2,433	2,644	8,904	27.3	30.3	20.0	20.0
BBC Four	1,467	1,419	3,256	45.1	44.6	20.0	20.0
CBBC	1,926	1,995	5,177	37.2	39.2	20.0	20.0
CBeebies	1,484	1,447	4,785	31.0	30.8	20.0	20.0
BBC Scotland	501	50	2,025	24.8	28.3	20.0	20.0
Linear total	9,797	9,479	33,050				

	Audio described programmes		Total programmes	Actual for year (%)		Target for year (%)	
	2019/20	2018/19	2019/20	2019/20	2018/19	2019/20	2018/19
BBC iPlayer ¹	9,108	8,826	59,522 ²	15.3	15.8	N/A	N/A

Sign interpreted

	Sign interpreted hours		Total hours	Actual for year (%)		Target for year (%)	
	2019/20	2018/19	2019/20	2019/20	2018/19	2019/20	2018/19
BBC One	493	458	8,904	5.5	5.2	5.0	5.0
BBC Two	458	459	8,904	5.1	5.3	5.0	5.0
BBC Four	210	202	3,256	6.4	6.4	5.0	5.0
CBBC	266	270	5,177	5.1	5.3	5.0	5.0
CBeebies	270	252	4,785	5.6	5.4	5.0	5.0
BBC Scotland ³	102	0	2,025	5.0	0.0	5.0	5.0
BBC News	520	507	8,904	5.8	5.8	5.0	5.0
Linear total	2,318	2,147	41,954				

	Sign interpreted programmes		Total programmes	Actual for year (%)		Target for year (%)	
	2019/20	2018/19	2019/20	2019/20	2018/19	2019/20	2018/19
BBC iPlayer ¹	2,940	2,612	59,522 ²	4.9	4.7	N/A	N/A

Subtitled

	Subtitled hours		Total hours	Actual for year (%)		Target for year (%)	
	2019/20	2018/19	2019/20	2019/20	2018/19	2019/20	2018/19
BBC One	14,577	14,354	14,589	99.9	99.9	100	100
BBC Two	9,335	9,492	9,342	99.9	99.9	100	100
BBC Four	3,255	3,178	3,256	100	100	100	100
CBBC	5,175	5,089	5,177	100	100	100	100
CBeebies	4,785	4,699	4,785	100	100	100	100
BBC Scotland	2,024	175	2,025	100	100	100	100
BBC News	8,902	8,736	8,904	100	100	100	100
BBC Parliament	1,504	1,629	8,904	16.9	18.6	N/A	N/A
Linear total	49,557	47,352	56,982				

	Subtitled programmes		Total programmes	Actual for year (%)		Target for year (%)	
	2019/20	2018/19	2019/20	2019/20	2018/19	2019/20	2018/19
BBC iPlayer ¹	54,915	51,533	71,570	76.7	76.5	N/A	N/A

Notes

1 Figures are for the total number of programmes available on BBC iPlayer excluding S4C and World Service content. For the five main broadcast channels, including nations and regional variants, 100% of content is subtitled, 20% audio-described and 5% signed. This content including subtitles, audio description and signed versions is all made available on BBC iPlayer, and we achieve the same levels for BBC Three programming. BBC iPlayer aggregates those main broadcast channels and other channels for which lower levels of access services are provided, so the overall figures for BBC iPlayer are at a lower level than the main broadcast channels.

2 The total number of programmes here excludes audio described and signed versions of programmes. These versions are included in the subtitled figures.

3 Following discussions with Ofcom over scheduling, BBC Scotland began to broadcast signed programming on 29 April 2019.

Contestability

Under the Charter and Agreement, the BBC must secure competition between BBC producers and external producers, whether independent producers or not, for production of television, radio and online content. More information on contestability in television can be found in the TV Supply Report, published alongside this report: <http://downloads.bbc.co.uk/commissioning/site/bbc-commissioning-supply-report-2019.pdf>.

As required under the Charter and Agreement by 31 December 2019, we have removed the in-house guarantee for children's, sport and non-news related current affairs television programmes.

Platform	Target to contest	Contested to date	Completion date	Achieved
TV ¹	100% of relevant hours	62%	31 December 2027	In progress
Radio ²	60% of relevant hours	48%	31 December 2022	In progress
Online ³	100% of relevant spend	62%	31 December 2027	In progress

Notes

- The Agreement requires the BBC to ensure that it secures competition for 100% of relevant television programmes by 31 December 2027. Our outturn is based on the number of hours broadcast or provided on BBC iPlayer in 2019, taking into account commissioning decisions made up to 31 December 2019.
- The Agreement requires the BBC to ensure that for relevant radio programmes it secures competition for at least 60% of relevant broadcasting time by 31 December 2022. Our outturn is based on the number of hours broadcast in 2019/20, taking into account commissioning decisions made up to 31 March 2020.
- The Agreement requires the BBC to secure competition for 100% of relevant online material by 31 December 2027. The BBC has defined relevant online material in a way that adheres to the provisions of the Agreement and has discussed this definition with Ofcom. We measure online contestability by expenditure on content production of relevant online material. Our outturn is based on expenditure in 2019/20. In previous years, we have reported the proportion of external spend as a proxy for contested spend, and so the figures are not directly comparable.

Network radio supply

The following table shows the levels of all BBC Network Radio hours from different suppliers.

	Proportion of all eligible hours produced by independent producers for BBC Network Radio (%)		Proportion of all eligible hours produced by in-house PSB producers for BBC Network Radio (%)	
	2019/20	2018/19	2019/20	2018/19
Radio 1	26.8	19.4	73.2	80.6
1Xtra	16.0	9.6	84.0	90.4
Radio 2	47.5	46.2	52.5	53.8
Radio 3	12.9	12.7	87.1	87.3
Radio 4	19.4	20.1	80.6	79.9
BBC 4 Extra	70.9	57.8	29.1	42.2
BBC Radio 5 live and 5 live sports extra	21.6	24.7	78.4	75.3
BBC 6 Music	18.7	22.6	81.3	77.4
BBC Asian Network	12.9	13.1	87.1	86.9
Total	23.2	21.7	76.8	78.3

Notes
 Eligible hours excludes repeats, simulcasts, core news, education/social action, presentation, EBU output and World Service content.
 Information on our network television supply in 2019/20 is available in the TV Supply Report, published alongside this report: <http://downloads.bbc.co.uk/commissioning/site/bbc-commissioning-supply-report-2019.pdf>.

Distribution

Distribution of BBC content is key to delivering our mission and public purposes. The Charter requires the BBC to report on how it has made its output and services available to the public. This section sets out our progress this year.

98.5%

Digital Terrestrial Television (DTT) coverage of UK households

99%

AM/FM coverage of UK households

97.5%

DAB coverage of UK households

98%

satellite availability to UK households

BBC iPlayer is available on

>2,500*

types of TV device

BBC iPlayer is available on

>15,000

types of device overall

BBC Sounds is available on

>11,000

types of device overall

Note: The figures quoted for DTT and DAB related to coverage for services carried on the BBC's multiplexes. In addition, a small number of HD channels and nations and regions radio stations are made available via commercial multiplexes.

* BBC iPlayer is available on over 300 platforms (groups of devices) and over 2200 different types of TVs and Streamers

The BBC distributes its content with the goal of providing all audiences with full and convenient access to all of the services that are relevant to them. In 2019/20 we have continued to ensure that:

- we provide effectively universal broadcast coverage of our TV and radio services;
- the BBC's video-on-demand (VOD) service is available on more consumer devices (from Smart TVs to games consoles and tablets) than any other VOD service in the UK;
- live and on-demand audio is widely available for audiences to access across an increasing number of devices; and
- we create innovative content that promotes our services, brands and talent with audiences on popular social media platforms, such as Facebook, Twitter, YouTube and Instagram.

The BBC has continued to play a leading role throughout 2019/20 in the clearance of the 700MHz spectrum band for use by future 5G mobile internet services. Clearance is now more than 90% complete with more than 30 million receiver retunes having taken place across households in the UK.

As well as widespread availability and maximising value for the licence fee payer, it is critical that the ways in which BBC services and content are distributed support and protect our public service mission. The BBC's Distribution Policy, published in June 2018 following a public consultation, sets out seven conditions that form the basis under which the BBC will distribute its UK public services. This has now been successfully implemented and is working effectively to guide our distribution agreements with third parties.

In 2019, the BBC launched BBC Sounds, a dynamic new audio product on web and mobile. In 2020, the BBC launched the BBC Sounds TV app, and started to make BBC Sounds available on connected TVs. In line with the third public purpose that states the BBC should take creative risks, and develop fresh approaches and innovative content, the BBC also offers access to news and radio services through voice assistants and has created pioneering interactive experiences with news content and for children.

BBC Public Service promotions

Under the Charter and Agreement, the BBC must ensure that the promotion of any output of a UK Public Service or any such service in the UK Public Services focuses on output contributing substantially to the fulfilment of the mission and promotion of the public purposes. The BBC must publish information on such promotion, including:

- The number of minutes of promotions in each UK Public Service;
- The time of day of such promotions;
- Such other information it considers would be in the public interest to publish

We consider that promotion of the UK Public Services and their output is important so that our audiences are informed about the wide variety of content the BBC offers that informs, educates and entertains. Promotional material on the UK Public Services is produced and scheduled in line with our Editorial Guidelines.

This table sets out the total minutes of promotional material broadcast on each UK Public Service by time period in 2019/20.

	Morning	Daytime	Evening	Overnight	Total
BBC One	891	3,713	2,927	1,209	8,739
BBC Two	1,763	2,246	2,398	1,108	7,515
BBC Four	N/A	N/A	2,023	980	3,002
CBBC	1,525	3,237	1,227	N/A	5,989
Cbeebies	1,470	2,949	15	N/A	4,434
BBC News	708	2,460	2,662	3,111	8,941
BBC Scotland	N/A	2,862	3,870	0	6,732
Radio 1	1,086	1,914	591	390	3,981
1Xtra	1,452	2,574	1,503	360	5,889
Radio 2	1,699	3,397	2,366	2,518	9,980
Radio 3	707	1,837	1,131	0	3,675
Radio 4	1,626	2,827	2,508	318	7,279
BBC 4 Extra	2,286	2,522	1,831	2,402	9,041
BBC Radio 5 live	2,695	3,137	2,106	2,712	10,650
BBC 6 Music	2,184	4,368	3,276	2,574	12,402
BBC Asian Network	1,452	2,521	2,184	306	6,463
BBC Radio Scotland	2,634	2,149	1,456	0	6,240
BBC Radio Wales	2,536	2,766	1,685	751	7,738
BBC Radio Cymru	3,155	3,640	2,742	243	9,780
BBC Radio Ulster and BBC Radio Foyle	806	1,664	1,092	2,712	3,562
BBC Local Radio	N/A	N/A	N/A	N/A	6,492

Notes
Time periods are defined as: morning, 6am – 11:59am; daytime, 12pm – 5:59pm; evening, 6pm – 10:59pm; overnight, 11pm – 5:59am. Minutes of promotions on radio here do not include the service trails for the programmes themselves: these figures are included in the following table. The figure for BBC Local Radio is an average figure across all local radio stations in England. BBC Radio Ulster and BBC Radio Foyle join BBC Radio 5 live overnight. We do not have comparable data by daypart for these stations. Promotions on BBC Parliament, BBC ALBA, BBC Radio 5 live sports extra and BBC Radio nan Gàidheal are not measured due to very low volume and frequency. Quantitative data is not available for promotions on BBC Red Button or BBC Online.

This table sets out the total minutes of promotional material for each platform (i.e. TV, radio or online) promoted on each UK Public Service. 'On Service' refers to minutes of self-promotional material, e.g. BBC One promoting BBC One, 'TV & BBC iPlayer' refers to minutes of promotions of TV and BBC iPlayer content on each service, and 'Radio & BBC Sounds' refers to the minutes of promotions for any radio and BBC Sounds content on each service.

	On Service	TV & BBC iPlayer	Radio & BBC Sounds
BBC One	4,079	3,910	750
BBC Two	3,669	3,334	512
BBC Four	1,829	1,029	145
CBBC	5,504	484	0
CBeebies	4,413	21	0
BBC News	7,999	1,196	416
BBC Scotland	4,981	1,653	98
Radio 1	2,896	576	509
1Xtra	4,933	471	485
Radio 2	8,493	880	606
Radio 3	3,214	105	356
Radio 4	6,209	286	785
BBC 4 Extra	8,159	221	661
BBC Radio 5 live	9,321	735	717
BBC 6 Music	11,310	390	702
BBC Asian Network	5,507	471	485
BBC Radio Scotland	5,428	644	168
BBC Radio Wales	5,416	774	1,548
BBC Radio Cymru	8,020	0	1,760
BBC Radio Ulster and BBC Radio Foyle	2,315	890	357

Notes

Promotions on BBC Parliament, BBC ALBA, BBC Radio 5 live sports extra and BBC Radio nan Gàidheal are not measured due to low volume or frequency. Quantitative data is not available for promotions on BBC Local Radio or BBC Red Button.

BBC iPlayer also carries promotional material. Pre-rolls, short video advertisements that automatically play directly before a featured programme, launched on BBC iPlayer on web in December 2015, and on BBC iPlayer on connected TVs in January 2019. The promotion consists of one pre-roll trailer before a selected programme, which solely plays on the first play in a session. Each pre-roll has a maximum duration of 30 seconds, but each trailer varies between 10 and 30 seconds. A user will not see the same pre-roll more than four times.

Pre-rolls are placed in front of all priority titles on BBC iPlayer. The vast majority of pre-rolls on BBC iPlayer promote BBC iPlayer content, either on demand or live. In 2019/20, there were six pre-rolls promoting podcasts on BBC Sounds, solely placed in front of the related programme on BBC iPlayer. In March 2020, we used a pre-roll that promoted a fundraising message for Sport Relief, placed in front of several high-profile programmes including *Match of the Day* and *EastEnders*. CBBC pre-rolls are placed solely in front of CBBC programmes, and CBeebies pre-rolls solely in front of CBeebies programmes. A non-children's pre-roll is never placed in front of a children's title and vice versa. The BBC's priority titles are promoted with the pre-roll inventory and all placements are manually scheduled based on genre, tone and audience. All users will get the same pre-roll on the same episode.

Some BBC podcasts available through BBC Sounds and third-party platforms carry promotional material for other BBC podcast content. Around three podcasts per week are agreed to be priority content, representing a range of genres to reflect the wide variety of BBC audio output. Promotional trails, each with a duration of 15-45 seconds, for these podcasts are produced and inserted into other podcasts, at the start, middle and/or end of the audio file. The choice and placement of these trails is at the discretion of the podcast producers. Some stations also trail their own content (e.g. Radio 4 promotes its content on Radio 4 podcasts).

Performance data packs

This section sets out audience performance this year, including detailed performance data by service in Wales, Scotland, Northern Ireland and England.

p.144
Scotland

p.140
Wales

BBC Two's A Fresh Guide to Florence with Fab 5 Freddy



BBC Two's Only Connect










p.153
England



p.149
Northern Ireland

Performance by service

Television performance by service

Network television		Content (£m) We spent a total of £1,557 million on these services in 2019/20	Reach (%) UK population who use the service each week	Time spent watching a channel each week (hh:mm) Length of time the average viewer spent each week with the service	Costs per user hour How much it costs to deliver each service for each hour used
	BBC One is our flagship service and the UK's most popular television channel. It unites and inspires the nation with high-quality programmes across a range of genres that includes news and current affairs, drama, comedy, entertainment and factual.	£1,037m 2018/19: £1,106m	65.4% 2018/19: 68.0%	07:00 2018/19: 07:03	7p 2018/19: 7p
	BBC Two is a mixed-genre channel with programmes of depth and substance. It includes the greatest amount and range of knowledge-building programming on the BBC, complemented by distinctive comedy, drama and arts programming.	£337m 2018/19: £381m	41.9% 2018/19: 42.5%	03:01 2018/19: 03:00	8p 2018/19: 9p
	BBC Four aims to be British television's most intellectually and culturally enriching channel, offering an ambitious range of UK and international arts, music, culture and factual programmes.	£38m 2018/19: £44m	12.1% 2018/19: 12.5%	01:55 2018/19: 01:45	5p 2018/19: 6p
	The CBBC channel offers a distinctive mixed schedule for 6-12 year olds, with mainly UK programmes served in a stimulating, creative and enjoyable environment.	£58m 2018/19: £62m	3.5% 2018/19: 3.8%	02:24 2018/19: 02:23	20p 2018/19: 19p
	CBeebies provides a mix of high-quality, mostly UK-produced, programmes designed to encourage learning through play in a consistently safe environment for children under six.	£28m 2018/19: £30m	6.3% 2018/19: 6.5%	04:21 2018/19: 04:13	3p 2018/19: 3p
	The BBC News Channel is a 24-hour impartial and independent news service offering breaking news, analysis and insight. It provides fast and comprehensive coverage of local, UK and international events as they unfold.	£57m 2018/19: £53m	9.3% 2018/19: 8.2%	03:11 2018/19: 02:56	6p 2018/19: 7p
	BBC Parliament is the UK's only channel dedicated to politics. It shows debates and committees from Westminster, Holyrood, Stormont, Cardiff Bay and Strasbourg as well as political programmes from across the UK.	£2m 2018/19: £2m	0.8% 2018/19: 0.7%	02:02 2018/19: 02:07	4p 2018/19: 4p

Reach definition: 15+ minutes consecutive for all services and audiences in TV-owning households aged 4+.

Sources: BARB (TV reach and time per viewer – all channels include their simulcast HD channel where applicable).

N.B. This BARB data measures TV set viewing only within 28 days of the linear broadcast, meaning that iPlayer viewing on other devices or pre-broadcast or post-28 days is not included in any of the reach and time figures. iPlayer viewing is growing. BARB figures for 2018/19 are restated to include viewing within 28 days of the linear broadcast.

Cost per user hour data includes viewing on the TV set and other devices.











CBBC: amongst its target audience of 6-12 year olds reach was 16.6% and time spent per viewer was 02:47 (based on 15+ min reach). Based on 3+ minute reach, reach was 21.1% of 6-12 year olds and time spent per viewer was 02:11.

CBeebies: amongst its target audience of 0-6 year olds (measured as children aged 4-6 and housepersons with children aged 0-3) reach was 32.8% and time spent per viewer was 05:00 (based on 15+ min reach). Based on 3+ minute reach, reach was 43.4% of 0-6 year olds and time spent per viewer was 03:47.

Three-minute reach for BBC News Channel and BBC Parliament – in line with industry standards – would be 13.0% and 1.7% respectively (14.4% and 1.9% amongst 16+ population).

Performance data packs

Radio performance by service

Network radio		Content (£m) We spent a total of £293 million on these services in 2019/20	Reach (%) UK population who use the service each week	Time spent listening to a service each week (hh:mm) Length of time the average listener spent each week with the service	Costs per user hour How much it costs to deliver each service for each hour used
	BBC Radio 1 broadcasts a distinctive mix of new music and entertainment for 15-29 year olds, as well as providing tailored news, documentaries and advice campaigns for young adults.	£38m 2018/19: £40m	16.6% 2018/19: 17.0%	06:14 2018/19: 06:21	1p 2018/19: 1p
	BBC 1Xtra plays the best in contemporary black music, with a strong emphasis on delivering high-quality live music and supporting new artists.	£8m 2018/19: £7m	1.9% 2018/19: 1.9%	03:55 2018/19: 04:17	4p 2018/19: 3p
	BBC Radio 2 broadcasts a unique mix of music and speech programmes covering a diverse mix of live pop and rock, comedy, documentaries and religious output, as well as running social action campaigns to over 14 million listeners.	£49m 2018/19: £50m	26.0% 2018/19: 27.2%	11:20 2018/19: 11:55	1p 2018/19: 1p
	BBC Radio 3 centres on classical music, around which it provides a broad spectrum of jazz, world music, arts programmes, religion and drama. There is a strong emphasis on musical performance across the UK.	£36m 2018/19: £39m	3.6% 2018/19: 3.5%	06:40 2018/19: 06:08	5p 2018/19: 6p
	BBC Radio 4 is a mixed-speech radio station, offering in-depth news and current affairs and a wide range of other speech programmes including drama, readings, comedy, factual and magazine programmes.	£88m 2018/19: £96m	19.3% 2018/19: 19.3%	10:38 2018/19: 10:59	1p 2018/19: 2p
	Originally launched in 2002 as BBC 7, the station was relaunched in April 2011 as BBC Radio 4 Extra. The digital-only network is the principal outlet for the BBC's archive of speech entertainment, including comedy, drama and readings.	£3m 2018/19: £3m	3.8% 2018/19: 3.8%	06:03 2018/19: 06:17	>1p 2018/19: >1p
	BBC Radio 5 live broadcasts continuous news and live sports coverage, bringing major news stories and sports events to its listeners as they happen, and providing context through wide-ranging analysis and discussion.	£48m 2018/19: £46m	9.5% 2018/19: 9.2%	06:21 2018/19: 06:38	3p 2018/19: 3p
	BBC Radio 5 live sports extra brings a greater choice of live action to sports fans by extending live coverage of various sporting events.	£3m 2018/19: £3m	2.4% 2018/19: 1.9%	04:19 2018/19: 03:08	1p 2018/19: 1p
	BBC 6 Music is a digital radio station that entertains lovers of popular music with a service that celebrates the alternative spirit of popular music from the 60s to the present day, complemented by music news and documentaries.	£12m 2018/19: £12m	4.4% 2018/19: 4.4%	09:08 2018/19: 09:20	1p 2018/19: 1p
	BBC Asian Network offers speech and music appealing to British Asians, with a focus on news and current affairs. It broadcasts mainly in English, but does offer some programmes in other languages.	£8m 2018/19: £8m	1.1% 2018/19: 1.1%	04:07 2018/19: 05:12	6p 2018/19: 5p

Reach definition: 15+ minutes for all services and audiences aged 15+.

Sources: RAJAR (Radio reach and time per listener).

Radio 1: amongst its target group of 15-29 year-olds reach was 30.6% and time spent per listener was 05:52.

1Xtra: amongst 15-24 year-olds reach was 5.2% and time spent per listener was 3:00.

Radio 2: amongst its target group of 35+ year-olds reach was 32.1% and time spent per listener was 12:13.

Asian Network: amongst its target group of Asians under 35 reach was 11.3% and time spent per listener was 3:31. Ethnicity definitions in RAJAR: Asian = White & Asian, Indian, Pakistani, Bangladeshi, Any Other Asian Background.

Online performance by service

	Content (£m) We spent a total of £238 million on these services in 2019/20	Reach (%) UK population who use the service each week
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	BBC Online comprises the BBC's portfolio of online products on desktop, connected TV, mobile and tablet, including news, sport and weather; our children's services CBBC and CBeebies; and Knowledge & Learning – as well as IP-delivered TV and radio services, with both live and on-demand programmes available on BBC iPlayer.	£238m 54%* 2018/19: £214m
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	Consumption Average weekly minutes viewed by 16-34s
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	BBC Three is constantly innovating to provoke thought and to entertain audiences from 16 year olds to 30-somethings with original comedy, drama and factual programming that celebrates new British talent.	120,367,453** 2018/19: 88,321,393
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* Source: Ipsos MORI. BBC Online not including Red Button. UK adults 16+.
 **Source: On-platform consumption. Deduplicated viewer minutes based on BARB and Adobe Digital Analytics (to February 2019) / AT Internet (from February 2019)

The BBC in Wales

Wales' performance by dedicated services

	Content We spent a total of £28 million on these services in 2019/20	Reach % of population who use the service each week	Time spent watching/ listening to a service each week Length of time the average listener spent each week with the service	Costs per user hour How much it costs to deliver each service for each hour used
 BBC Radio Wales is a speech-led service for adults, which offers a wide range of genres and reflects the issues, events, culture and interests of the people of Wales.	£14m 2018/19: £15m	13.3% 2018/19: 12.6%	08:10 2018/19: 07:43	9p 2018/19: 11p
 BBC Radio Cymru is a speech and music radio service for Welsh speakers, which offers a wide range of genres and reflects the issues, events, culture and interests of the people of Wales.	£14m 2018/19: £14m	18.1% 2018/19: 17.5%	11:37 2018/19: 12:05	23p 2018/19: 23p

Reach definition; 15+ minutes for all services and audiences age 15+.

Sources: RAJAR (Radio reach and time per listener; data based on Total Survey Area – TSA).

BBC Radio Cymru: RAJAR data (reach and time per listener) based on 'Understand Welsh'. BBC Radio Cymru reaches 4.4% of the overall 15+ population in Wales who listen for 10:17 a week on average.

Estimated income from each nation

These numbers are estimated as figures for each nation have been calculated by applying the proportion of licenced premises to the total number of licences in force. The exact number of licences in force varies on a daily basis. The number of licenced premises are different to the number of licences in force as, in some cases, a premise may need more than one licence. Figures exclude concessionary licences for those living in residential care.

The licence fee income received contributes towards programmes made across the whole of the UK and the world. These programmes are consumed in each nation in addition to the nation's local services outlined below.

	2020 £m	2019 £m
Estimated income		
UK	3,520	3,690
Wales	175	184

The fee for a standard household TV licence was £154.50 in 2019/20.

Expenditure by service

Direct and indirect spend relating to programmes produced in the nation.

	2020 £m	2019 £m
Network spend		
TV (inc. Sport and Children's)	75	49
Radio	3	3
Online	5	1
Total network spend	83	53
Local spend		
TV – BBC One	29	25
TV – BBC Two	6	8
Radio Wales	14	15
Radio Cymru	14	14
Online	11	11
Total local spend	74	73
National Orchestra of Wales	5	5
S4C*	22	22
Development	1	1
Distribution	22	25
Total	207	179

Local opt-out hours^ (including repeats) on BBC One and BBC Two

	2020 Hours	2019 Hours
Drama, Comedy, Entertainment, Music & Arts	70	49
Daily, Weekly News and Current Affairs	380	395
Sport & Leisure	125	152
Education, Factual & Religion	199	129
Total	774	725

^ Television content commissioned specifically for audiences in the nation.

* S4C is the Welsh language television channel.

S4C*

	2020 Hours	2019 Hours
Drama, Comedy, Entertainment, Music & Arts	257	255
Daily, Weekly News and Current Affairs	277	257
Sport & Leisure	130	164
Education, Factual & Religion	24	5
Children's	-	1
Total	688	682

* This represents the television programmes commissioned, produced and funded by BBC Wales and supplied to S4C (excluding programmes commissioned directly by S4C from other producers). The total of hours for 2020 includes 152 hours of repeats (2019: 126 hours). This includes repeats where BBC Wales has incurred a charge associated with the transmission of the programmes.

BBC Radio Wales

	2020 Hours	2019* Hours
News and Current Affairs	2,248	2,302
General	5,175	5,150
Total	7,423	7,452

* 2018/19 figures restated due to a programme genre reclassification.

BBC Radio Cymru

	2020 Hours	2019 Hours
News and Current Affairs	1,354	1,186
General	6,259	6,445
Total	7,613	7,631

Headcount








Average headcount reflects those individuals employed to directly support the service produced in Wales.







	2020 Number	2019 Number
Average number of persons employed in the year	1,032	990

Average headcount of individuals based in Wales across all services including support functions.


	2020 Number	2019 Number
Average number of persons employed in the year	1,281	1,231

Performance data packs

Wales' performance by service – Television		Content (£m)	Reach (%)	Time spent watching a channel each week (hh:mm)
		We spent a total of £110 million on these services last year in Wales	Wales population who use the service each week	Length of time the average Wales viewer spent each week with the channel
	BBC One is our flagship service and the UK's most popular television channel. It unites and inspires the nation with high-quality programmes across a range of genres which includes news and current affairs, drama, comedy, entertainment and factual.	£92m 2018/19: £66m	67% 2018/19: 71%	07:39 2018/19: 07:50
	BBC Two is a mixed-genre channel with programmes of depth and substance. It includes the greatest amount and range of knowledge-building programming on the BBC, complemented by distinctive comedy, drama and arts programming.	£12m 2018/19: £13m	43% 2018/19: 44%	03:14 2018/19: 03:08
	BBC Four aims to be British television's most intellectually and culturally enriching channel, offering an ambitious range of UK and international arts, music, culture and factual programmes.	£2m 2018/19: £3m	12% 2018/19: 12%	01:46 2018/19: 01:40
	The CBBC channel offers a distinctive mixed schedule for 6-12 year olds, with mainly UK programmes served in a stimulating, creative and enjoyable environment.	£4m 2018/19: –	4% 2018/19: 3%	* 2018/19: *
	CBeebies provides a mix of high-quality, mostly UK-produced, programmes designed to encourage learning through play in a consistently safe environment for children under six.	– 2018/19: –	5% 2018/19: 5%	* 2018/19: *
<p>Reach definition: 15+ minutes consecutive for all services and audiences in TV-owning households aged 4+. Source: BARB (TV reach and time per viewer – all channels include their simulcast HD channel where applicable). N.B. This BARB data measures TV set viewing only within 28 days of the linear broadcast, meaning that iPlayer viewing on other devices or pre-broadcast or post-28 days is not included in any of the reach and time figures. iPlayer viewing is growing. BARB figures for 2018/19 are restated to include viewing within 28 days of the linear broadcast. * Sample size for time per user too low to report.</p>				
Wales' performance by service – News		Content (£m)	Reach (%)	Time spent watching a channel each week (hh:mm)
		We spent a total of £0 million on these services last year in Wales	Wales population who use the service each week	Length of time the average Wales viewer spent each week with the service
	The BBC News Channel is a 24-hour impartial and independent news service offering breaking news, analysis and insight. It provides fast and comprehensive coverage of local, UK and international events as they unfold.	– 2018/19: –	11% 2018/19: 10%	03:46 [^] 2018/19: 03:42
	BBC Parliament is the UK's only channel dedicated to politics. It shows debates and committees from Westminster, Holyrood, Stormont, Cardiff Bay and Strasbourg as well as political programmes from across the UK.	– 2018/19: –	1% 2018/19: 1%	* 2018/19: *
<p>Reach definition: 15+ minutes for all services and audiences in TV-owning households aged 4+. Source: BARB (TV reach and time per viewer). BARB figures for 2018/19 are restated to include viewing within 28 days of the linear broadcast. Three-minute reach for BBC News Channel and BBC Parliament – in line with industry standards – would be 15% and 2% respectively (17% and 2% amongst 16+ population). ^ Lower sample size may be responsible for greater variability in the data. * Sample size for time per user too low to report.</p>				

Wales' performance by service – Radio		Content (£m)	Reach (%)	Time spent listening to a service each week (hh:mm)
		We spent a total of £3 million on these services last year in Wales	Wales population who use the service each week	Length of time the average Wales listener spent each week with the service
	BBC Radio 1 broadcasts a distinctive mix of new music and entertainment for 15-29 year olds as well as providing tailored news, documentaries and advice campaigns for young adults.	– 2018/19: –	23% ^{**} 2018/19: 21%	06:49 2018/19: 08:06
	BBC 1Xtra plays the best in contemporary black music, with a strong emphasis on delivering high-quality live music and supporting new artists.	– 2018/19: –	2% ⁺ 2018/19: 1%	04:31~ 2018/19: 03:45~
	BBC Radio 2 broadcasts a unique mix of music and speech programmes covering a diverse mix of live pop and rock, comedy, documentaries and religious output, as well as running social action campaigns to over 14 million listeners.	– 2018/19: –	34% [^] 2018/19: 36%	12:17 2018/19: 14:05
	BBC Radio 3 centres on classical music, around which it provides a broad spectrum of jazz, world music, arts programmes, religion and drama. There is a strong emphasis on musical performance across the UK.	£2m 2018/19: £2m	3% 2018/19: 3%	04:54 2018/19: 05:32
	BBC Radio 4 is a mixed-speech radio station, offering in-depth news and current affairs and a wide range of other speech programmes including drama, readings, comedy, factual and magazine programmes.	£1m 2018/19: £1m	17% 2018/19: 17%	10:45 2018/19: 10:48
	Originally launched in 2002 as BBC 7, the station was relaunched in April 2011 as BBC Radio 4 extra. The digital-only network is the principal outlet for the BBC's archive of speech entertainment, including comedy, drama and readings.	– 2018/19: –	4% 2018/19: 3%	07:54 2018/19: 08:14
	BBC Radio 5 live broadcasts continuous news and live sports coverage, bringing major news stories and sports events to its listeners as they happen, and providing context through wide-ranging analysis and discussion.	– 2018/19: –	8% 2018/19: 8%	05:40 2018/19: 06:24
	BBC Radio 5 live sports extra brings a greater choice of live action to sports fans by extending live coverage of various sporting events.	– 2018/19: –	2% 2018/19: 2%	05:01 2018/19: 02:51
	BBC 6 Music is a digital radio station that entertains lovers of popular music with a service that celebrates the alternative spirit of popular music from the 60s to the present day, complemented by music news and documentaries.	– 2018/19: –	4% 2018/19: 4%	11:54 2018/19: 08:45
	BBC Asian Network offers speech and music appealing to British Asians, with a focus on news and current affairs. It broadcasts mainly in English, but does offer some programmes in other languages.	– 2018/19: –	1% 2018/19: <1%	* 2018/19: *





Reach definition: 15+ minutes for all services and audiences aged 15+.
 Source: RAJAR (Radio reach and time per listener; data based on Total Survey Area – TSA).
[^] Sample size for time per user too low to report.
 ~ Lower sample size may be responsible for greater variability in the data.
^{**} Radio 1: amongst its target group of 15-29 year olds reach was 44% and time spent was 06:38.
⁺ 1Xtra: amongst 15-24 year olds reach was 4%. Sample size of 15-24s for time per user too low to report.
[^] Radio 2: amongst its target group of 35+ year olds reach was 40% and time spent was 13:21.

Wales' performance by service – Online		Content (£m)	Reach (%)
		We spent a total of £16 million on these services in Wales	Wales population who use the service each week
	BBC Online comprises the BBC's portfolio of online products on desktop, connected TV, mobile and tablet, including news, sport and weather; our children's services CBBC and CBeebies; and Knowledge & Learning - as well as IP-delivered TV and radio services, with both live and on-demand programmes available on BBC iPlayer.	£16m 2018/19: £12m	60%

Source: Ipsos MORI. BBC Online not including Red Button. Wales adults 16+.

The BBC in Scotland

Scotland's performance by dedicated services

	Content We spent a total of £80 million on these services in 2019/20	Reach % of population who use the service each week	Time spent watching/ listening to a service each week Length of time the average viewer or listener spent each week with the service	Costs per user hour How much it costs to deliver each service for each hour used	
	The BBC Scotland channel features a mix of documentary, popular factual and entertainment, comedy, drama, news and current affairs and sport programming reflecting Scottish life and culture.	£44m* 2018/19: £12m [§]	17.7% 2018/19: n/a	01:30 2018/19: n/a	41p** 2018/19: n/a
	BBC ALBA offers, to Gaelic speakers and learners, a distinctive range of originated programming that reflects and supports Gaelic culture, identity and heritage.	£8m*** 2018/19: £9m	57.4%^{^†} 2018/19: 59.3%	03:20 2018/19: 03:33	18p~ 2018/19: 19p
	BBC Radio Scotland is a speech-led service for adults. Mixed-genre programming reflects the diversity of Scottish culture and covers national and international issues and events relevant to listeners across the country.	£24m 2018/19: £25m	16.9% 2018/19: 17.5%	05:52 2018/19: 06:49	10p 2018/19: 8p
	BBC Radio nan Gàidheal offers a comprehensive speech and music radio service for Gaelic speakers. Mixed-genre programming reflects the diversity of Scottish culture and, from a Gaelic perspective and through the medium of the Gaelic language, covers national and international issues and events relevant to listeners across the country.	£4m 2018/19: £4m	57.9%[†] 2018/19: 56.0%	06:31 2018/19: 06:39	26p 2018/19: 27p

BBC Scotland: Reach definition: 15+ minutes consecutive and audiences in TV-owning households aged 4+. Source: BARB (TV reach and time per viewer). N.B. This BARB data measures TV set viewing only within 28 days of the linear broadcast, meaning that iPlayer viewing on other devices or pre-broadcast or post-28 days is not included in any of the reach and time figures. iPlayer viewing is growing.

Cost per user hour data includes viewing on the TV set and other devices.

* £44 million represents the total costs associated with the Scotland channel in 2019/20. £35 million of this was spent on programming, including a 'programme inventory' from 2018/19 of £4 million. The rest of the cost relates to support costs (£8 million) and presentation and commissioning costs (£1 million)

§ BBC Scotland launched on 24 February 2019. The channel was only in operation for five weeks in 2018/19.

** These CPUH figures are not comparable with figures elsewhere in this report, due to very different population sizes.

*** This represents BBC spend only. It does not take account of the contribution of our partner MG ALBA as published within their Annual Report.

~ This CPUH figure refers only to the BBC contribution.

^ BBC ALBA: TRP Panel based on Gaelic-speaking 16+ population in Scotland. BBC ALBA reaches 10% of the overall 16+ population in Scotland who use the service for 01:53 a week on average. (source: TNS Scottish Opinion Survey based on all adults aged 16+ in Scotland).

† Reach is measured as the % reach amongst the Gaelic speaking community in Scotland.

BBC Radio Scotland: Reach definition: 15+ minutes and audiences aged 15+. Sources: RAJAR (Radio reach and time per listener; data based on Total Survey Area – TSA).

BBC Radio nan Gàidheal: TRP Panel based on Gaelic-speaking 16+ population in Scotland.

Estimated income from each nation

These numbers are estimated as figures for each nation have been calculated by applying the proportion of licenced premises to the total number of licences in force. The exact number of licences in force varies on a daily basis. The number of licenced premises are different to the number of licences in force as, in some cases, a premise may need more than one licence. Figures exclude concessionary licences for those living in residential care.

The licence fee income received contributes towards programmes made across the whole of the UK and the world. These programmes are consumed in each nation in addition to the nation's local services outlined below.

	2020 £m	2019 £m
Estimated income		
UK	3,520	3,690
Scotland	294	311

The fee for a standard household TV licence was £154.50 in 2019/20.

Expenditure by service

Direct and indirect spend relating to programmes produced in the nation.

	2020 £m	2019 £m
Network spend		
TV (inc. Sport and Childrens)	71	80
Radio	3	3
Online	3	2
Total network spend	77	85
Local spend		
TV – BBC One	35	40
TV – BBC Two	–	11
TV – BBC ALBA	8	9
BBC Scotland*	44	12
Radio Scotland	24	25
Radio nan Gàidhail	4	4
Online	10	11
Total local spend	125	112
National Orchestra	5	5
Development	7	6
Distribution	37	41
Total	251	249

Local opt-out hours[^] (including repeats) on BBC One and BBC Two

	2020 Hours	2019** Hours
Drama, Comedy, Entertainment, Music & Arts	65	129
Daily, Weekly News and Current Affairs	367	417
Sport & Leisure	86	201
Education, Factual & Religion	86	113
Total	604	860

[^] Television content commissioned specifically for audiences in the nation.

* Please see footnote on the previous page for a breakdown of BBC Scotland channel costs.

** With the launch of the BBC Scotland channel, Scotland opt-outs on BBC Two ceased in February 2019.

BBC Scotland (total hours broadcast on the BBC Scotland channel)

	2020 Hours	2019* Hours
Drama, Comedy, Entertainment, Music & Arts	496	55
Daily, Weekly News and Current Affairs	438	48
Sport & Leisure	180	20
Education, Factual & Religion	877	65
Total	1,991	188
Total hours of BBC Scotland television content (local opt-outs and BBC Scotland channel)	2,595	1,048

* BBC Scotland launched on 24 February 2019. The channel was only in operation for five weeks in 2018/19.

Performance data packs

BBC ALBA[±]

	2020 Hours	2019 Hours
Drama, Comedy, Entertainment, Music & Arts	684	605
Daily, Weekly News and Current Affairs	211	201
Sport & Leisure	241	250
Education, Factual & Religion	901	934
Children's	558	621
Total	2,595	2,611

± In addition to the hours above, 183 hours were classed as continuity hours (2019 – 149 hours). These 183 hours include 70 hours of Children's content, produced by BBC Scotland, (2019 – 26 hours).

Radio Scotland

	2020 Hours	2019 Hours
News and Current Affairs	3,262	3,227
General	5,377	5,455
Total	8,639	8,682

Radio nan Gàidheal

	2020 Hours	2019 Hours
News and Current Affairs	664	643
General	4,263	4,240
Total	4,927	4,883






Headcount

Average headcount reflects those individuals employed to directly support the service produced in Scotland.



	2020 Number	2019 Number
Average number of persons employed in the year	1,039	988

Average headcount of individuals based in Scotland across all services including support functions.

	2020 Number	2019 Number
Average number of persons employed in the year	1,310	1,203

Scotland's performance by service – Television		Content (£m)	Reach (%)	Time spent watching a channel each week (hh:mm)
		We spent a total of £106 million on these services last year in Scotland	Scottish population who use the service each week	Length of time the average Scotland viewer spent each week with the channel
	BBC One is our flagship service and the UK's most popular television channel. It unites and inspires the nation with high-quality programmes across a range of genres which includes news and current affairs, drama, comedy, entertainment and factual.	£75m 2018/19: £87m	68% 2018/19: 71%	07:24 2018/19: 07:44
	BBC Two is a mixed-genre channel with programmes of depth and substance. It includes the greatest amount and range of knowledge-building programming on the BBC, complemented by distinctive comedy, drama and arts programming.	£17m 2018/19: £30m	44% 2018/19: 47%	02:59 2018/19: 03:02
	BBC Four aims to be British television's most intellectually and culturally enriching channel, offering an ambitious range of UK and international arts, music, culture and factual programmes.	£4m 2018/19: £4m	10% 2018/19: 12%	01:56 2018/19: 01:48
	The CBBC channel offers a distinctive mixed schedule for 6-12 year olds, with mainly UK programmes served in a stimulating, creative and enjoyable environment.	£6m 2018/19: £6m	2% 2018/19: 2%	* 2018/19: *
	CBeebies provides a mix of high-quality, mostly UK-produced, programmes designed to encourage learning through play in a consistently safe environment for children under six.	£4m 2018/19: £4m	5% 2018/19: 6%	04:34 [^] 2018/19: 04:18 [^]











Reach definition: 15+ minutes consecutive for all services and audiences in TV-owning households aged 4+. Source: BARB (TV reach and time per viewer – all channels include their simulcast HD channel where applicable). N.B. This BARB data measures TV set viewing only within 28 days of the linear broadcast, meaning that iPlayer viewing on other devices or pre-broadcast or post-28 days is not included in any of the reach and time figures. iPlayer viewing is growing. BARB figures for 2018/19 are restated to include viewing within 28 days of the linear broadcast.
 * Sample size for time per user too low to report.
[^] Lower sample size may be responsible for greater variability in the data.

Scotland's performance by service – News		Content (£m)	Reach (%)	Time spent watching a channel each week (hh:mm)
		We spent a total of £0 million on these services last year in Scotland	Scotland population who use the service each week	Length of time the average Scotland viewer spent each week with the service
	The BBC News Channel is a 24-hour impartial and independent news service offering breaking news, analysis and insight. It provides fast and comprehensive coverage of local, UK and international events as they unfold.	– 2018/19: –	10% 2018/19: 9%	03:26 2018/19: 03:33
	BBC Parliament is the UK's only channel dedicated to politics. It shows debates and committees from Westminster, Holyrood, Stormont, Cardiff Bay and Strasbourg as well as political programmes from across the UK.	– 2018/19: –	1% 2018/19: 1%	* 2018/19: *


Reach definition: 15+ minutes for all services and audiences in TV-owning households aged 4+. Source: BARB (TV reach and time per viewer). BARB figures for 2018/19 are restated to include viewing within 28 days of the linear broadcast. Three-minute reach for BBC News Channel and BBC Parliament – in line with industry standards – would be 13% and 2% respectively (14% and 2% amongst 16+ population)
 * Sample size for time per user too low to report.



Performance data packs



Scotland's performance by service – Radio		Content (£m)	Reach (%)	Time spent watching a channel each week (hh:mm)
		We spent a total of £3 million on these services last year in Scotland	Scotland population who use the service each week	Length of time the average Scotland listener spent each week with the service
	BBC Radio 1 broadcasts a distinctive mix of new music and entertainment for 15-29 year olds as well as providing tailored news, documentaries and advice campaigns for young adults.	– 2018/19: –	14%** 2018/19: 15%	05:39 2018/19: 06:10
	BBC 1Xtra plays the best in contemporary black music, with a strong emphasis on delivering high-quality live music and supporting new artists.	– 2018/19: –	1%+ 2018/19: 1%	* 2018/19: *
	BBC Radio 2 broadcasts a unique mix of music and speech programmes covering a diverse mix of live pop and rock, comedy, documentaries and religious output, as well as running social action campaigns to over 14 million listeners.	– 2018/19: –	25%^ 2018/19: 24%	11:14 2018/19: 10:53
	BBC Radio 3 centres on classical music, around which it provides a broad spectrum of jazz, world music, arts programmes, religion and drama. There is a strong emphasis on musical performance across the UK.	£2m 2018/19: 2m	2% 2018/19: 3%	06:28 2018/19: 05:32
	BBC Radio 4 is a mixed-speech radio station, offering in-depth news and current affairs and a wide range of other speech programmes including drama, readings, comedy, factual and magazine programmes.	£1m 2018/19: £1m	12% 2018/19: 12%	09:41 2018/19: 10:19
	Originally launched in 2002 as BBC 7, the station was relaunched in April 2011 as BBC Radio 4 extra. The digital-only network is the principal outlet for the BBC's archive of speech entertainment, including comedy, drama and readings.	– 2018/19: –	2% 2018/19: 3%	05:11 2018/19: 07:32
	BBC Radio 5 live broadcasts continuous news and live sports coverage, bringing major news stories and sports events to its listeners as they happen, and providing context through wide-ranging analysis and discussion.	– 2018/19: –	6% 2018/19: 6%	06:02 2018/19: 05:55
	BBC Radio 5 live sports extra brings a greater choice of live action to sports fans by extending live coverage of various sporting events.	– 2018/19: –	1% 2018/19: 1%	02:38 2018/19: 02:13~
	BBC 6 Music is a digital radio station that entertains lovers of popular music with a service that celebrates the alternative spirit of popular music from the 60s to the present day, complemented by music news and documentaries.	– 2018/19: –	4% 2018/19: 4%	07:16 2018/19: 09:01
	BBC Asian Network offers speech and music appealing to British Asians, with a focus on news and current affairs. It broadcasts mainly in English, but does offer some programmes in other languages.	– 2018/19: –	1% 2018/19: 1%	* 2018/19: *

Reach definition: 15+ minutes for all services and audiences aged 15+.
 Source: RAJAR (Radio reach and time per listener; data based on Total Survey Area – TSA).
 * Sample size for time per user too low to report.
 ~ Lower sample size may be responsible for greater variability in the data.
 ** Radio 1: amongst its target group of 15-29 year-olds reach was 26% and time spent was 05:41.
 + 1Xtra: amongst 15-24 year-olds reach was 1%. Sample size of 15-24s for time per user too low to report.
 ^ Radio 2: amongst its target group of 35+ year-olds reach was 30% and time spent was 11:35.

Scotland's performance by service – Online		Content (£m)	Reach (%)
		We spent a total of £13 million on these services last year in Scotland	Scotland population who use the service each week
	BBC Online comprises the BBC's portfolio of online products on desktop, connected TV, mobile and tablet, including news, sport and weather; our children's services CBBC and CBeebies; and Knowledge & Learning - as well as IP-delivered TV and radio services, with both live and on-demand programmes available on BBC iPlayer.	£13m 2018/19: £13m	58%

Source: Ipsos MORI. BBC Online not including Red Button. Scotland adults 16+.

The BBC in Northern Ireland

Northern Ireland's performance by dedicated services		Content	Reach	Time spent listening to a service each week	Costs per user hour
		We spent a total of £18 million on these services in 2019/20	% of population who use the service each week	Length of time the average listener spent each week with the service	How much it costs to deliver each service for each hour used
	BBC Radio Ulster is a speech-led service, providing a mix of programmes that reflect news, events and community life in all its different aspects and diversity.	£18m	34.1%	09:51	7p
	BBC Radio Foyle is a speech-led service for audiences in the north-west of Northern Ireland. It provides a mix of news and other programming which complements, and contributes to, BBC Radio Ulster's region-wide service.	2018/19: £18m	2018/19: 34.0%	2018/19: 10:38	2018/19: 6p

Reach definition: 15+ minutes and audiences aged 15+.
Sources: RAJAR (Radio reach and time per listener; data based on Total Survey Area – TSA).

Estimated income from each nation

These numbers are estimated as figures for each nation have been calculated by applying the proportion of licenced premises to the total number of licences in force. The exact number of licences in force varies on a daily basis. The number of licenced premises are different to the number of licences in force as, in some cases, a premise may need more than one licence. Figures exclude concessionary licences for those living in residential care.

The licence fee income received contributes towards programmes made across the whole of the UK and the world. These programmes are consumed in each nation in addition to the nation's local services outlined below.

	2020 £m	2019 £m
Estimated income		
UK	3,520	3,690
Northern Ireland	93	97

The fee for a standard household TV licence was £154.50 in 2019/20.

Expenditure by service

Direct and indirect spend relating to programmes produced in the nation.

	2020 £m	2019 £m
Network spend		
TV (inc. Sport and Children's)	29	24
Radio	2	2
Online	3	1
Total network spend	34	27
Local spend		
TV – BBC One	29	24
TV – BBC Two	4	5
Radio Ulster/Foyle	18	18
Online	8	8
Total local spend	59	55
Distribution	12	12
Total	105	94

Performance data packs

Local opt-out hours[^] (including repeats) on BBC One and BBC Two

	2020 Hours	2019 Hours
Drama, Comedy, Entertainment, Music & Arts	44	39
Daily, Weekly News and Current Affairs	458	412
Sport & Leisure	74	70
Education, Factual & Religion	169	161
Total	745	682

[^] Television content commissioned specifically for audiences in the nation.

BBC Radio Foyle/Ulster

	2020 Hours	2019 Hours
News and Current Affairs	3,259	3,210
General	4,977	4,985
Total	8,236	8,195






Headcount

Average headcount reflects those individuals employed to directly support the service produced in Northern Ireland



	2020 Number	2019 Number
Average number of persons employed in the year	643	648

Average headcount of individuals based in Northern Ireland across all services including support functions

	2020 Number	2019 Number
Average number of persons employed in the year	680	685





Northern Ireland's performance by service – Television		Content (£m)	Reach (%)	Time spent watching a channel each week (hh:mm)
		We spent a total of £62 million on these services last year in Northern Ireland	Northern Ireland population who use the service each week	Length of time the average Northern Ireland viewer spent each week with the channel
	BBC One is our flagship service and the UK's most popular television channel. It unites and inspires the nation with high-quality programmes across a range of genres which includes news and current affairs, drama, comedy, entertainment and factual.	£48m 2018/19: £38m	66% 2018/19: 70%	06:11 2018/19: 06:06
	BBC Two is a mixed-genre channel with programmes of depth and substance. It includes the greatest amount and range of knowledge-building programming on the BBC, complemented by distinctive comedy, drama and arts programming.	£8m 2018/19: £10m	39% 2018/19: 39%	02:36 2018/19: 02:34
	BBC Four aims to be British television's most intellectually and culturally enriching channel, offering an ambitious range of UK and international arts, music, culture and factual programmes.	£3m 2018/19: £1m	11% 2018/19: 11%	01:46 [^] 2018/19: 01:35 [^]
	The CBBC channel offers a distinctive mixed schedule for 6-12 year olds, with mainly UK programmes served in a stimulating, creative and enjoyable environment.	£3m 2018/19: £3m	4% 2018/19: 5%	* 2018/19: *
	CBeebies provides a mix of high-quality, mostly UK-produced, programmes designed to encourage learning through play in a consistently safe environment for children under six.	— 2018/19: £1m	7% 2018/19: 8%	04:07 [^] 2018/19: 04:08 [^]

Reach definition: 15+ minutes consecutive for all services and audiences in TV-owning households aged 4+. Source: BARB (TV reach and time per viewer – all channels include their simulcast HD channel where applicable). N.B. This BARB data measures TV set viewing only within 28 days of the linear broadcast, meaning that iPlayer viewing on other devices or pre-broadcast or post-28 days is not included in any of the reach and time figures. iPlayer viewing is growing. BARB figures for 2018/19 are restated to include viewing within 28 days of the linear broadcast.
[^] Lower sample size may be responsible for greater variability in the data.
 * Sample size for time per user too low to report.


Northern Ireland's performance by service – News		Content (£m)	Reach (%)	Time spent watching a channel each week (hh:mm)
		We spent a total of £0 million on these services in Northern Ireland	Northern Ireland population who use the service each week	Length of time the average Northern Ireland viewer spent each week with the channel
	The BBC News Channel is a 24-hour impartial and independent news service offering breaking news, analysis and insight. It provides fast and comprehensive coverage of local, UK and international events as they unfold.	— 2018/19: —	7% 2018/19: 6%	02:46 [^] 2018/19: 02:35 [^]
	BBC Parliament is the UK's only channel dedicated to politics. It shows debates and committees from Westminster, Holyrood, Stormont, Cardiff Bay and Strasbourg as well as political programmes from across the UK.	— 2018/19: —	1% 2018/19: 1%	* 2018/19: *

Reach definition: 15+ minutes for all services and audiences in TV-owning households aged 4+. Source: BARB (TV reach and time per viewer). BARB figures for 2018/19 are restated to include viewing within 28 days of the linear broadcast. Three-minute reach for BBC News Channel and BBC Parliament – in line with industry standards – would be 11% and 2% respectively (13% and 2% amongst 16+ population).
[^] Lower sample size may be responsible for greater variability in the data.
 * Sample size for time per user too low to report.

Performance data packs

Northern Ireland's performance by service – Radio		Content (£m)	Reach (%)	Time spent listening to a service each week (hh:mm)
		We spent a total of £2 million on these services last year in Northern Ireland	Northern Ireland population who use the service each week	Length of time the average Northern Ireland listener spent each week with the service
	BBC Radio 1 broadcasts a distinctive mix of new music and entertainment for 15-29 year olds as well as providing tailored news, documentaries and advice campaigns for young adults.	– 2018/19: –	16%** 2018/19: 17%	04:39 2018/19: 05:13
	BBC 1Xtra plays the best in contemporary black music, with a strong emphasis on delivering high-quality live music and supporting new artists.	– 2018/19: –	<1%+ 2018/19: <1%	* 2018/19: *
	BBC Radio 2 broadcasts a unique mix of music and speech programmes covering a diverse mix of live pop and rock, comedy, documentaries and religious output, as well as running social action campaigns to over 14 million listeners.	– 2018/19: –	13%^ 2018/19: 14%	06:57 2018/19: 07:46
	BBC Radio 3 centres on classical music, around which it provides a broad spectrum of jazz, world music, arts programmes, religion and drama. There is a strong emphasis on musical performance across the UK.	£1m 2018/19: £1m	2% 2018/19: 2%	06:18~ 2018/19: 04:16~
	BBC Radio 4 is a mixed-speech radio station, offering in-depth news and current affairs and a wide range of other speech programmes including drama, readings, comedy, factual and magazine programmes.	£1m 2018/19: £1m	10% 2018/19: 11%	07:27 2018/19: 07:18
	Originally launched in 2002 as BBC 7, the station was relaunched in April 2011 as BBC Radio 4 extra. The digital-only network is the principal outlet for the BBC's archive of speech entertainment, including comedy, drama and readings.	– 2018/19: –	2% 2018/19: 2%	04:05~ 2018/19: 04:16~
	BBC Radio 5 live broadcasts continuous news and live sports coverage, bringing major news stories and sports events to its listeners as they happen, and providing context through wide-ranging analysis and discussion.	– 2018/19: –	9% 2018/19: 9%	06:03 2018/19: 05:55
	BBC Radio 5 live sports extra brings a greater choice of live action to sports fans by extending live coverage of various sporting events.	– 2018/19: –	2% 2018/19: 2%	01:43~ 2018/19: *
	BBC 6 Music is a digital radio station that entertains lovers of popular music with a service that celebrates the alternative spirit of popular music from the 60s to the present day, complemented by music news and documentaries.	– 2018/19: –	2% 2018/19: 2%	08:34~ 2018/19: 07:26~
	BBC Asian Network offers speech and music appealing to British Asians, with a focus on news and current affairs. It broadcasts mainly in English, but does offer some programmes in other languages.	– 2018/19: –	<1% 2018/19: <1%	* 2018/19: *

Reach definition: 15+ minutes for all services and audiences aged 15+.
 Source: RAJAR (Radio reach and time per listener; data based on Total Survey Area – TSA).
 * Sample size for time per user too low to report.
 ~ Lower sample size may be responsible for greater variability in the data.
 ** Radio 1: amongst its target group of 15-29 year olds reach was 31% and time spent was 04:54.
 + 1Xtra: amongst 15-24 year olds was 2%. Sample size of 15-24s for time per user too low to report.
 ^ Radio 2: amongst its target group of 35+ year olds reach was 15% and time spent was 07:34.

Northern Ireland's performance by service – Online		Content (£m)	Reach (%)
		We spent a total of £11 million on these services last year in Northern Ireland	Northern Ireland population who use the service each week
	BBC Online comprises the BBC's portfolio of online products on desktop, connected TV, mobile and tablet, including news, sport and weather; our children's services CBBC and CBeebies; and Knowledge & Learning – as well as IP-delivered TV and radio services, with both live and on-demand programmes available on BBC iPlayer.	£11m 2018/19: £9m	45%

Source: Ipsos MORI. BBC Online not including Red Button. Northern Ireland adults 16+.

The BBC in England

England's performance by dedicated services	Content	Reach	Time spent listening to a service each week	Costs per user hour
	We spent a total of £127 million on these services in 2019/20	% of population who use the service each week	Length of time the average listener spent each week with the service	How much it costs to deliver each service for each hour used
BBC LOCAL RADIO BBC Local Radio is a primarily speech-based service of news, information and debate, with a strong emphasis on interactivity.	£127m	12.7%	08:13	5p
	2018/19: £124m	2018/19: 13.0%	2018/19: 08:36	2018/19: 5p

Reach definition: 15+ minutes for audiences aged 15+.

Sources: RAJAR (Radio reach and time per listener; data based on Total Survey Area – TSA).

Estimated income from each nation

These numbers are estimated as figures for each nation have been calculated by applying the proportion of licenced premises to the total number of licences in force. The exact number of licences in force varies on a daily basis. The number of licenced premises are different to the number of licences in force as, in some cases, a premise may need more than one licence. Figures exclude concessionary licences for those living in residential care.

The licence fee income received contributes towards programmes made across the whole of the UK and the world. These programmes are consumed in each nation in addition to the nation's local services outlined below.

	2020 £m	2019 £m
Estimated income		
UK	3,520	3,690
England	2,946	3,085

The fee for a standard household TV licence was £154.50 in 2019/20.

Expenditure by service

Direct and indirect spend relating to programmes produced in the nation.

	2020 £m	2019 £m
Network spend		
TV (inc. Sport and Children's)	1,124	1,246
Radio	280	290
Online	177	160
Total network spend	1,581	1,696
Local spend		
TV – BBC One	101	105
Radio – English Regions	127	124
Online	17	16
Total local spend	245	245
Orchestras and performing groups	19	19
Development	62	60
Distribution	121	116
Total	2,028	2,136

Performance data packs

Local opt-out hours[^] (including repeats) on BBC One and BBC Two

	2020 Hours	2019 Hours
Daily, Weekly News and Current Affairs	4,154	4,115
Sport & Leisure	23	23
Education, Factual & Religion	38	26
Total	4,215	4,164

[^] Television content commissioned specifically for audiences in the nation.

BBC English Regions

	2020 Hours	2019 Hours
General	243,570	230,223
Total	243,570	230,223






Headcount

Average headcount reflects those individuals employed to directly support the service produced in England



	2020 Number	2019 Number
Average number of persons employed in the year	2,694	2,656

Average headcount of individuals based in England across all services including support functions

	2020 Number	2019 Number
Average number of persons employed in the year	14,436	14,320











England's performance by service – Television		Content (£m)	Reach (%)	Time spent watching a channel each week (hh:mm)
		We spent a total of £1,174 million on these services last year in England	England population who use the service each week	Length of time the average England viewer spent each week with the channel
	BBC One is our flagship service and the UK's most popular television channel. It unites and inspires the nation with high-quality programmes across a range of genres which includes news and current affairs, drama, comedy, entertainment and factual.	£792m 2018/19: £868m	65% 2018/19: 67%	06:57 2018/19: 06:57
	BBC Two is a mixed-genre channel with programmes of depth and substance. It includes the greatest amount and range of knowledge-building programming on the BBC, complemented by distinctive comedy, drama and arts programming.	£288m 2018/19: £325m	42% 2018/19: 42%	03:01 2018/19: 03:00
	BBC Four aims to be British television's most intellectually and culturally enriching channel, offering an ambitious range of UK and international arts, music, culture and factual programmes.	£28m 2018/19: £35m	12% 2018/19: 13%	01:55 2018/19: 01:45
	The CBBC channel offers a distinctive mixed schedule for 6-12 year olds, with mainly UK programmes served in a stimulating, creative and enjoyable environment.	£43m 2018/19: £50m	4% 2018/19: 4%	02:27 2018/19: 02:24
	CBeebies provides a mix of high-quality, mostly UK-produced, programmes designed to encourage learning through play in a consistently safe environment for children under six.	£23m 2018/19: £25m	6% 2018/19: 7%	04:18 2018/19: 04:10

Reach definition: 15+ minutes consecutive for all services and audiences in TV-owning households aged 4+. Source: BARB (TV reach and time per viewer – all channels include their simulcast HD channel where applicable). N.B. This BARB data measures TV set viewing only within 28 days of the linear broadcast, meaning that iPlayer viewing on other devices or pre-broadcast or post-28 days is not included in any of the reach and time figures. iPlayer viewing is growing. BARB figures for 2018/19 are restated to include viewing within 28 days of the linear broadcast.


England's performance by service – News		Content (£m)	Reach (%)	Time spent watching a channel each week (hh:mm)
		We spent a total of £51 million on these services last year in England	England population who use the service each week	Length of time the average England viewer spent each week with the service
	The BBC News Channel is a 24-hour impartial and independent news service offering breaking news, analysis and insight. It provides fast and comprehensive coverage of local, UK and international events as they unfold.	£49m 2018/19: £46m	9% 2018/19: 8%	03:08 2018/19: 02:49
	BBC Parliament is the UK's only channel dedicated to politics. It shows debates and committees from Westminster, Holyrood, Stormont, Cardiff Bay and Strasbourg as well as political programmes from across the UK.	£2m 2018/19: £2m	1% 2018/19: 1%	02:06[^] 2018/19: 02:01 [^]

Reach definition: 15+ minutes for all services and audiences in TV-owning households aged 4+. Source: BARB (TV reach and time per viewer). BARB figures for 2018/19 are restated to include viewing within 28 days of the linear broadcast. Three-minute reach for BBC News Channel and BBC Parliament – in line with industry standards – would be 13% and 2% respectively (14% and 2% amongst 16+ population). [^] Lower sample size may be responsible for greater variability in the data.

Performance data packs

England's performance by service - Radio		Content (£m)	Reach (%)	Time spent listening to a service each week (hh:mm)
		We spent a total of £280 million on these services last year in England	England population who use the service each week	Length of time the average England listener spent each week with the service
	BBC Radio 1 broadcasts a distinctive mix of new music and entertainment for 15-29 year olds as well as providing tailored news, documentaries and advice campaigns for young adults.	£38m 2018/19: £41m	16%** 2018/19: 17%	06:14 2018/19: 06:13
	BBC 1Xtra plays the best in contemporary black music, with a strong emphasis on delivering high-quality live music and supporting new artists.	£8m 2018/19: £7m	2%+ 2018/19: 2%	03:57 2018/19: 04:16
	BBC Radio 2 broadcasts a unique mix of music and speech programmes covering a diverse mix of live pop and rock, comedy, documentaries and religious output, as well as running social action campaigns to over 14 million listeners.	£49m 2018/19: £49m	26%^ 2018/19: 27%	11:20 2018/19: 11:56
	BBC Radio 3 centres on classical music, around which it provides a broad spectrum of jazz, world music, arts programmes, religion and drama. There is a strong emphasis on musical performance across the UK.	£31m 2018/19: £33m	4% 2018/19: 4%	06:48 2018/19: 06:12
	BBC Radio 4 is a mixed-speech radio station, offering in-depth news and current affairs and a wide range of other speech programmes including drama, readings, comedy, factual and magazine programmes.	£81m 2018/19: £89m	20% 2018/19: 20%	10:42 2018/19: 11:05
	Originally launched in 2002 as BBC 7, the station was relaunched in April 2011 as BBC Radio 4 extra. The digital-only network is the principal outlet for the BBC's archive of speech entertainment, including comedy, drama and readings.	£3m 2018/19: £3m	4% 2018/19: 4%	06:04 2018/19: 06:10
	BBC Radio 5 live broadcasts continuous news and live sports coverage, bringing major news stories and sports events to its listeners as they happen, and providing context through wide-ranging analysis and discussion.	£47m 2018/19: £45m	10% 2018/19: 10%	06:23 2018/19: 06:43
	BBC Radio 5 live sports extra brings a greater choice of live action to sports fans by extending live coverage of various sporting events.	£3m 2018/19: £3m	3% 2018/19: 2%	04:26 2018/19: 03:15
	BBC 6 Music is a digital radio station that entertains lovers of popular music with a service that celebrates the alternative spirit of popular music from the 60s to the present day, complemented by music news and documentaries.	£12m 2018/19: £12m	5% 2018/19: 5%	09:11 2018/19: 09:24
	BBC Asian Network offers speech and music appealing to British Asians, with a focus on news and current affairs. It broadcasts mainly in English, but does offer some programmes in other languages.	£8m 2018/19: £8m	1% 2018/19: 1%	04:22 2018/19: 05:16

Reach definition: 15+ minutes for all services and audiences aged 15+.
 Source: RAJAR (Radio reach and time per listener; data based on Total Survey Area - TSA).
 ** Radio 1: amongst its target group of 15-29 year olds reach was 30% and time spent was 5:45
 + 1Xtra: amongst 15-24 year olds reach was 6% and time spent per user was 3:04.
 ^ Radio 2: amongst its target group of 35+ year olds reach was 32% and time spent was 12:16.

England's performance by service - Online		Content (£m)	Reach (%)
		We spent a total of £194 million on these services last year in England	England population who use the service each week
	BBC Online comprises the BBC's portfolio of online products on desktop, connected TV, mobile and tablet, including news, sport and weather; our children's services CBBC and CBeebies; and Knowledge & Learning - as well as IP delivered TV and radio services, with both live and on-demand programmes available on BBC iPlayer.	£194m 2018/19: £176m	53%

Source: Ipsos MORI. BBC Online not including Red Button. England adults 16+.

Independent Assurance Report to the Board of the British Broadcasting Corporation, acknowledging that Parliament also places reliance on the Group Accounts and Report

I have conducted independent assurance procedures on the disclosures included in the British Broadcasting Corporation (BBC) Annual Report arising from the requirement under the Royal Charter for the continuance of the BBC (the Royal Charter) to publish the provision for the United Kingdom’s nations and regions, including how the BBC delivered the creative remit in the nations and regions. These disclosures comprise performance against the BBC’s public purpose to reflect, represent and serve the diverse communities of the United Kingdom’s nations and regions and support the creative economy, as set out on pages 136 to 156 of the BBC’s Annual Report.

My work is conducted in accordance with International Standards on Assurance Engagements (ISAE) 3000 Assurance Engagements Other Than Audits or Reviews of Historic Financial Information.

Respective responsibilities of the BBC Board and the Comptroller and Auditor General

For the reporting year covered by this report, the BBC Board was responsible for publishing information required by the Royal Charter as follows: the provision for the United Kingdom’s nations and regions, including how the BBC delivered the creative remit in the nations and regions for the year ended 31 March 2020 (the subject matter) (“Nations Report”).

I am responsible for providing an opinion on whether, in all material respects, the subject matter is complete and accurate and has been properly prepared in accordance with the basis set out therein.

In conducting this work, my staff and I have complied with the Financial Reporting Council’s Revised Ethical Standard 2016. I am independent of the BBC in accordance with the ethical requirements that are relevant to my assurance engagement. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

My staff and I have applied International Standard on Quality Control 1 and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

My approach

I have performed a reasonable assurance engagement as defined in ISAE 3000. A reasonable assurance engagement is to perform such procedures as to obtain information and explanations which I consider necessary to express an opinion on whether, in all material respects, the Nations Report (the subject matter) is complete and accurate and has been properly prepared in accordance with the basis set out therein.

My work consisted of understanding the process adopted by the BBC to derive the disclosures, in particular the completeness and accuracy of information used. This enabled me to design procedures in response to risks identified. I performed procedures in relation to the figures disclosed which included: agreement to third party evidence such as data issued by the Broadcasters Audience Research Board (BARB); agreement to scheduling reports; cross-reference to disclosures made in the BBC Group financial statements; recalculation and confirmation of mathematical accuracy; recalculation of restated prior year figures; and agreement of headcount data to payroll reports.

Inherent limitations

My assurance procedures have been designed to provide reasonable assurance. The objective of a reasonable assurance engagement is to reduce engagement risk to an acceptably low level in the circumstances of the engagement as the basis for a positive form of expression of my conclusion. It does not, however, eliminate this risk entirely. In particular, in preparing the disclosures, the BBC Board is required to make a number of judgements which inherently introduces an element of risk.

My work has been undertaken so that I might state to the BBC Board and Parliament those matters I am required to in this report and for no other purpose.

Opinion

Based on the results of my procedures, in my opinion, in all material respects the Nations Report set out on pages 136 to 156 is complete and accurate and has been properly prepared in accordance with the basis set out therein. This opinion has been formed on the basis of the matters outlined elsewhere in this independent assurance report.

Gareth Davies
Comptroller & Auditor General
 National Audit Office
 157-197 Buckingham Palace Road
 London SW1W 9SP
 3 September 2020

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The BBC's consolidated financial statements

BBC Two comedy *Defending the Guilty*



p. **159**

The Certificate and Report of the Comptroller and Auditor General



BBC One drama *The Capture*

The Certificate and Report of the Comptroller and Auditor General to the Board of the British Broadcasting Corporation, acknowledging that Parliament also places reliance on the Group Accounts and Report

Opinion on financial statements

I certify I have audited the financial statements of the British Broadcasting Corporation (BBC) for the year ended 31 March 2020, which comprise:

- the consolidated income statement;
- the consolidated statement of comprehensive income/loss;
- the consolidated balance sheet;
- the consolidated statement of changes in equity;
- the consolidated cash flow statement; and
- the related notes, including the significant accounting policies.

The financial reporting framework that has been applied in their preparation is the Royal Charter for the continuance of the British Broadcasting Corporation and International Financial Reporting Standards as adopted by the European Union. I have also audited the information in the Remuneration Report that is described as having been audited.

In my opinion the consolidated financial statements:

- give a true and fair view of the state of the group's affairs as at 31 March 2020 and of its deficit for the year then ended; and
- have been properly prepared in accordance with International Financial Reporting Standards as adopted by the European Union.

Opinion on regularity

In my opinion, in all material respects, the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Conclusions relating to principal risks, going concern and viability statement

I have nothing to report in respect of the following information in the annual report, in relation to which the ISAs (UK) require me to report to you whether I have anything material to add or draw attention to:

- the disclosures in the annual report that describe the principal risks and explain how they are being managed or mitigated
- the Board's confirmation in the annual report that they have carried out a robust assessment of the principal risks facing the BBC, including those that would threaten its business model, future performance, solvency or liquidity;
- the Board's statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting in preparing the financial statements and the directors' identification of any material uncertainties to the BBC's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- whether the Board's statement relating to going concern required under the Listing Rules in accordance with Listing Rule 9.8.6R(3) is materially inconsistent with my knowledge obtained in the audit; and
- the Board's explanation in the annual report as to how they have assessed the prospects of the group, over what period they have done so and why they consider that period to be appropriate, and their statement as to whether they have a reasonable expectation that the BBC will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Basis of opinions

I conducted my audit in accordance with International Standards on Auditing (ISAs) (UK) and Practice Note 10 'Audit of Financial Statements of Public Sector Entities in the United Kingdom'. My responsibilities under those standards are further described in the Respective Responsibilities of the BBC Board and the Comptroller and Auditor General section of my certificate. Those standards require me and my staff to comply with the Financial Reporting Council's Revised Ethical Standard 2016. I am independent of the BBC in accordance with the ethical requirements that are relevant to my audit and the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

The regularity framework that has been applied comprises:

- the Royal Charter for the continuance of the British Broadcasting Corporation;
- the Agreement between Her Majesty's Secretary of State for Digital, Culture, Media and Sport and the British Broadcasting Corporation; and
- other agreements the BBC has entered into with Government Ministers.

Overview of my audit approach

Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) that I identified.

I consider the following areas of particular audit focus to be those areas that had the greatest effect on my overall audit strategy, the allocation of resources in my audit and directing the efforts of the audit team in the current year. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by my audit but only those areas that had the greatest effect on my overall audit strategy, allocation of resources and direction of effort. I have not, for example, included detailed information relating to the general work I have performed around the presumed risk of management override of controls, which are areas where my work has not identified any matters to report.

The areas of focus were discussed with the Audit and Risk Committee; their report on matters that they considered to be significant to the financial statements is set out on pages 91-94. The description of the risks below should be read in conjunction with the Audit and Risk Committee's report.

I identified three key audit matters in 2018/19 which are no longer applicable in 2019/20. These are:

- **Accounting for employment-related matters.** In 2017/18, a number of matters relating to pay at the BBC rose to prominence which continued to develop in 2018/19. Whilst these matters continue to have an accounting impact in 2019/20, the number of new and emerging issues has decreased and therefore no longer represent the level of risk to financial reporting or regularity seen previously.
- **Capitalisation and impairment of major projects.** Audit focus on the BBC's more general management of major projects has been refined to consider specific projects, particularly complex property transactions and implementing new IT systems; and
- **Investments in associates, joint ventures and subsidiaries.** This has been largely superseded by the new key audit matters identified in 2019/20 relating to accounting for UKTV.



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Coronavirus

The impact of the coronavirus pandemic during the latter part of the financial year has had a pervasive effect on the key audit matters I have identified. This caused me to revisit my planned procedures in respect of key audit matters. When describing key audit matters, I have outlined the impact that coronavirus has had on my overall audit strategy, allocation of resources and direction of effort.

In addition, I revisited my planned procedures in respect of viability and going concern, evaluating the BBC's assessment and supporting cash-flow forecasts, key assumptions and sensitivities applied to models, actions taken by management and sources of liquidity and finance. I describe my findings and my conclusions on viability and going concern.

The lockdown arising from the coronavirus pandemic required my team to undertake remote audit working and performing alternative procedures to gain the necessary assurances where physical verification had been planned. This included engagement with component auditors, which I explain further in the scope of Group audit procedures section.

I have communicated the impact of the coronavirus pandemic in respect of the audit to the Audit & Risk Committee and concluded that I have obtained the necessary assurances to support my audit opinions

Key audit matter description

Complex property transactions and the implementation of IFRS 16

Total net book value of property, plant and equipment – £2,152 million (2018/19: £1,028 million). Refer to notes D1 and D2 (financial disclosures) and note H (accounting policies) and the risks set out in the Audit and Risk Committee report on page 91.

The BBC has a large and diverse portfolio of properties which includes owned assets, investment properties and assets held under leasing arrangements. In 2019/20, the BBC has adopted IFRS 16, Leases, which replaces the existing standard IAS 17, Leases, and has material implications for the recognition, measurement and disclosure of leases. IFRS 16 provides a single lessee accounting model, requiring lessees to recognise assets and liabilities for all leases unless the lease term is 12 months or less or the underlying asset has a low value.

In managing its property portfolio and related financing arrangements, certain past transactions have given rise to accounting treatments which are not straightforward and require the application of judgement. This includes sale and leaseback arrangements where the borrowing limit set by the Secretary of State for Digital, Culture, Media and Sport has affected the way in which the BBC can finance major projects.

The following complex property transactions represent a significant risk for my audit and have been key areas of focus for my work:

A: The impact of IFRS 16 on properties held under leasing arrangements on adoption of the new standard and accounting for properties recognised under finance leasing arrangements

- The BBC has applied judgement in determining the appropriate accounting treatment for leased properties under IFRS 16 on transition to the new accounting standard. This includes the valuation of assets and liabilities previously recognised as operating leases under IAS 17; accounting for repurchase options at the end of the lease term; and the treatment of contingent rent arrangements.
- The valuation of the BBC’s major lease assets and liabilities involves the use of complex models to calculate the valuations, and judgement over the appropriate inputs into the valuations.

B: New Broadcasting House re-financing

- The valuation of the series of significant derivative cash flow swaps which form the basis of the 2016/17 refinancing of the New Broadcasting House sale and lease back arrangement. The valuation of these swaps involves judgement and is highly sensitive to the assumptions made.

C: Other property transactions

- The classification, completeness and valuation of property available-for-sale which could have a material impact on the financial statements.
- The valuation of new properties in the course of construction or brought into use during the year.

The scope of my audit work in response

I have carried out work to understand the BBC’s overall property strategy and any changes that could have a consequent financial statement impact.

My procedures included making enquiries of management; review of Board minutes and business plans and visiting certain key properties.

A: The impact of IFRS 16 on properties held under leasing arrangements on adoption of the new standard

- Testing the calculation of lease assets and liabilities of significant leases for both the opening and closing balance sheet positions, by recalculating these values. In respect of the opening balance sheet position, this included testing the IFRS 16 transitional impact recognised in equity.
- Considering the reasonableness of inputs into management’s lease calculations and management’s key assumptions and judgements, checking these for consistency with the underlying contractual documentation and industry practice.
- Reviewing the BBC’s processes and controls to identify leases and test for completeness, particularly focusing on where the BBC has decided contracts do not meet the definition of a lease.
- Assessing whether disclosures relating to the adoption and impact of IFRS 16, and disclosure of the accounting policies adopted by management in relation to leases, are sufficient.

B: New Broadcasting House re-financing

I have assessed the reasonableness of the accounting treatment in relation to the classification and valuation of the cash flow swaps used in the past re-financing of the New Broadcasting House sale and leaseback. My audit procedures included assessing the reasonableness of management’s key valuation assumptions and judgements. Using corporate finance specialists, I checked management’s key assumptions and judgements for consistency with underlying contracts, published rates and market practice; and I assessed the sensitivity of management’s valuations to changes in key assumptions.

C: Other property transactions

I have considered management’s key judgements in relation to the accounting treatments adopted for certain planned disposals of property. My audit procedures included reviewing Board minutes and business plans to confirm the completeness of property disclosed as held for sale.

I have reviewed the accounting treatment in relation to new properties in the course of construction or brought into use during the year to consider whether costs have been appropriately capitalised and whether any impairment is necessary.

Key observations and the findings I communicated to the Audit and Risk Committee

I am content that, in respect of IFRS 16, the financial statements appropriately reflect the impact of adopting the new accounting standard. I requested enhancements were made to the disclosure of the key judgements applied in adopting IFRS 16 which were processed by management.

In reviewing the treatment of New Broadcasting House, a number of assumptions used to determine the valuation of cash-flow swaps required updating to reflect market conditions as at the year-end as a result of the coronavirus pandemic. Management adjusted the underlying models accordingly.

On the basis of the procedures performed, I consider that the accounting treatment adopted for these complex property transactions is appropriate.



Financial Statements

Key audit matter description

Risk of fraud in revenue recognition

Total revenue recognised – £4,943 million (2018/19: £4,889 million). Refer to note A1 (financial disclosures) and note H (accounting policies) and the risks set out in the Audit and Risk Committee report on page 91.

International Standards on Auditing (UK) require me to consider whether or not there is a risk of fraud in respect of revenue recognition. Given the scale and nature of the BBC's income streams, I have not rebutted this risk. My scoping work has identified the following transactions streams as areas of specific focus for my audit:

Licence fee revenue (£3,520 million (2018/19: £3,690 million))

The BBC's primary source of funding is derived from the Television Licence Fee (the 'licence fee'). The Telecommunications Act 2003 requires that licence fees must be paid to the BBC which, in turn, must remit the amounts collected to the Consolidated Fund. The BBC Licence Fee Unit uses an outsourced service provider, Capita, to collect licence fees on its behalf.

Licence fees collected are brought to account within the BBC Television Licence Fee Trust Statement ('the Trust Statement'). This is a separate account, which I also audit. The licence fee revenue recorded in the BBC consolidated financial statements is a grant-in-aid funding settlement, paid directly to the BBC from the Secretary of State for Digital, Culture, Media and Sport from sums drawn down for the Consolidated Fund in respect of licence fees issued in the year. The funding arrangements are agreed for the duration of the licence fee settlement between the BBC and the Secretary of State. The current licence fee settlement ends in 2022.

Licence fee revenue is an area of Parliamentary and public interest, in light of changes to the provision of free television licences to over-75s and the decision by the Government to launch a consultation into decriminalising licence fee evasion in February 2020. The ongoing viability of the BBC is dependent upon the collection of licence fee revenue.

There are two key considerations arising from this risk assessment:

- I consider that there may be an incentive to manage and report licence fee revenue in ways that meet management's or licence fee payers' expectations. This might involve the BBC or other parties involved in the licence fee revenue collection and reporting process. I consider that there is a heightened risk around the year end of revenue recognition being managed to achieve particular results and this has been a key focus of my testing in this area. I consider this risk to be heightened in 2019/20 given greater challenges over collecting licence fee revenue around the year end as a result of the coronavirus outbreak.
- Licence fee funding includes a settlement of £253 million in 2019/20 from the Department for Work and Pensions (DWP), in relation to the provision of free Television Licences to over-75s. From 2020/21, no further funding will be provided by DWP and the BBC is implementing a new scheme for the collection of licence fee revenue from over-75s. The implementation of the new scheme, which was originally scheduled for June 2020, has been deferred as a result of the coronavirus outbreak, and the BBC is absorbing the financial impact of deferring the scheme.

The scope of my audit work in response

In relation to the licence fee revenue grant recognised in the BBC's consolidated financial statements, I have assessed the reasonableness of the BBC's licence fee revenue recognition policy. I have substantively tested the amounts and the timing of licence fee revenue funding paid to the BBC by the Secretary of State for Digital, Culture, Media and Sport; and the amounts and timing of payments made by the Department for Work & Pensions to the BBC in respect of television licences issued free of charge to over-75s.

Given that the licence fee revenue and balances recorded in the Trust Statement provide an authoritative expectation as to the related licence fee grant funding and balances recorded in the consolidated financial statements, I have carried out audit procedures on the BBC Licence Fee Unit collection systems and processes and on related transactions and balances reported in the Trust Statement. These included obtaining assurance on the completeness and occurrence of licence fee income recorded in the Trust Statement by using IT audit procedures on key licence fee collection systems and testing a sample of in-year transactions and year-end balances.

I have also obtained assurance over the proper operation of cut-off by examining evidence showing cash receipts and licences issued around the year end.

I have considered whether there are any implications for management judgements and incentives regarding licence fee recognition arising from the reduction in DWP funding year-on-year and the decision to defer the new scheme for collecting revenue from over-75s.

Key observations and the findings I communicated to the Audit and Risk Committee

On the basis of the procedures I have performed I consider licence fee revenue funding and related balances to be appropriately recognised and reported. I have considered the recognition point of licence fee revenue within the BBC's consolidated financial statements and consider this to be appropriate.

Key audit matter description

Risk of fraud in revenue recognition

Commercial revenue and profit recognition (£1,423 million (2018/19: £1,199 million))

There are a number of revenue streams from different sources within the BBC's commercial subsidiaries, including subscriber revenues, distribution, and sale of BBC branded products. Audit risk arises from the level of judgement in respect of the completeness and cut-off of revenue. This risk is particularly relevant within BBC Studios as the largest commercial subsidiary and where most revenue is earned from outside of the BBC Group.

One of the largest revenue streams within BBC Studios relates to the distribution of content. Commercial distribution rights acquired by the BBC relating to this content are treated as intangible assets within BBC Studios' financial statements. When content is distributed, revenue is recognised and, in a number of cases, the contracts underpinning distribution sales can cover a number of financial years. BBC Studios' revenue is affected by judgements in relation to the point at which revenue relating to the distribution of content arises and the timing and nature of the agreements with third parties represent risks around cut-off and completeness of revenue.

In addition, management must exercise judgement in the following areas which could have a material impact on profit:

- the amortisation and impairment of commercial distribution rights. Amortisation is based on the expected revenue profile of the programme portfolio. As a key area of judgement, risks arise as changes in assumptions could have a material impact on profit;
- revenue associated with productions. Although most production revenue is generated from within the BBC Group, a material amount is derived from outside the group. There are risks around completeness, cut-off and recoverability of this revenue; and
- impairment of investments.

Commercial revenue has been affected by trading conditions as a result of the coronavirus outbreak, in particular revenue earned in territories and regions affected at earlier stages of the pandemic. This heightens the risk around recoverability of revenue due from third parties; and the going concern and viability of commercial operations.

The scope of my audit work in response

I have carried out work to understand the nature of the BBC's commercial profits including reviewing contractual documentation and management reporting, making enquires of management responsible for BBC commercial activities (both within the UK and at significant territories overseas, both by value and by risk). I have also researched wider market practice in relation to revenue recognition in the media sector. I used this understanding to assess the reasonableness of revenue recognition policies adopted by the BBC's commercial subsidiaries, focusing my attention on the highest risk and most significant revenue streams: channels, distribution, and format sales.

My testing included: undertaking detailed analysis of key revenue streams and identifying transactions with the greatest risk for further analysis, reviewing significant revenue contracts to understand the key features and confirming that they have been treated appropriately in the financial statements (with particular focus on the requirements of IFRS 15, Revenue from Contracts with Customers); and, considering transactions arising around the year end, for evidence of delivery and licence period start dates. I have particularly focused on the year end, as the timing of BBC Studios' revenue is skewed towards March to coincide with the BBC Showcase event.

I reviewed recoverability by assessing the nature of contractual arrangements, confirming amounts received after the reporting date, and reviewing management's assessment of the need to provide for non-recovery.

I have also assessed the judgements made in respect of amortisation and impairment of commercial distribution rights. I reviewed the basis on which the amortisation principles were determined, comparing these to the known and forecast timing of the realisation of the value of these rights. I considered whether any amendments were required to the policy in light of developments in BBC Studios' business, and wider market practice, during the reporting period.

Key observations and the findings I communicated to the Audit and Risk Committee

I have concluded that commercial revenue and profit is appropriately recognised and reported.

Whilst considering management's initial proposals to amend the amortisation profile for distribution rights, we agreed that evidence did not support changing the profile. Accordingly, I am content that management has determined an appropriate amortisation profile and this is reflected in the accounting treatment adopted. Where management has determined commercial distribution rights should be impaired, I have reviewed and concluded this impairment is appropriate.

I have considered risks around the recoverability of revenue and concluded that management has made appropriate provision to account for the risk of non-recovery.



Financial Statements

Key audit matter description

Accounting for the acquisition of UKTV

Total value of £268 million. Consideration paid of £100million, with an additional £73million payable in the form of a loan. Refer to note E4.

In June 2019, BBC Studios completed its acquisition of UKTV Media Holdings Limited (UKTV). BBC Studios previously held 50% of the share capital of UKTV and accounted for UKTV as a joint venture. Prior to acquisition, UKTV was restructured to separate the respective lifestyle and entertainment channels and UKTV Play, with the entertainment channels and UKTV Play becoming fully owned by BBC Studios.

The acquisition of UKTV has been accounted for under IFRS 3, Business Combinations. Judgement has been applied in determining the value of the BBC's investment, the associated goodwill, and the consideration paid. Assumptions have been made to value intangible assets such as UKTV customer relationships and the revenue generating potential of UKTV's Electronic Programme Guide (EPG) slots. Judgements are applied in the context of market and operating conditions in place at the date of acquisition, and the year end. There is a significant risk of material misstatement that, should these judgements be inappropriately applied, the UKTV investment may be misstated.

In addition, for the first time in 2019/20, the BBC Group accounts for UKTV as a wholly owned subsidiary. Additional significant risks of material misstatement arise in relation to the completeness and accuracy of the consolidation of UKTV into the BBC Group.

The scope of my audit work in response

I have understood the nature of the acquisition and undertaken testing as follows:

- I have assessed the judgements and assumptions made regarding the value of the BBC's investment in UKTV, the associated intangible assets and consideration paid. I drew on media-sector and corporate finance expertise to challenge and assess the reasonableness of the assumptions made by management;
- I have tested the mechanical accuracy of models used by management in preparing the journals underpinning the acquisition accounting, including corroborating inputs into the model to legal documentation;
- I have reviewed the disclosures made against the requirements of IFRS 3.

I have, separately, been appointed as the auditor of UKTV from the date of acquisition. I have treated UKTV as a component of the BBC Group and taken assurance from the work performed on the UKTV financial statements by my audit team from the date of acquisition in forming my BBC Group audit opinion.

The findings I communicated to the Audit and Risk Committee

In reviewing the complex accounting for the calculation of the consideration paid and the fair value of the BBC's previously held investment in UKTV as a joint venture, I agreed adjustments with management. I am satisfied the acquisition of UKTV has been properly accounted for in the financial statements, and the results of UKTV have been completely and accurately consolidated into the BBC Group financial statements

Key audit matter description

Valuation of the pension scheme asset

Total value of pension scheme asset – £247 million (2018/19: £530 million liability). Refer to note C6 (financial disclosures) and note H (accounting policies) and the risks set out in the Audit and Risk Committee report on page 91.

The BBC accounts for a defined benefit pension scheme. For funding purposes, the scheme was subject to triennial valuation as at 1 April 2019, and the BBC and pension scheme trustees have agreed a revised repayment plan to reduce the scheme deficit. However, for accounting purposes the scheme has been assessed by the BBC's actuaries as being in a net asset position. The valuation of the net pension asset reported in the accounts is highly judgemental, and changes to assumptions can result in material changes to the valuation. Given this, I have assessed the valuation of the pension asset as a significant risk to my audit.

The scope of my audit work in response

I have understood the BBC's pension scheme arrangements and assessed the processes and controls used by management to account for them.

Using actuarial experts, I have assessed the reasonableness of key assumptions used in determining the scheme liability, benchmarking them against other schemes; and I have assessed the nature and appropriateness of BBC context-specific assumptions. I have also assessed the expertise and independence of the BBC's actuaries.

I have taken assurance from the work of the BBC Pension Scheme auditors in relation to the valuation of scheme assets.

I have tested data inputs used in determining the valuation, including employer contributions and scheme membership data.

I have tested the accounting entries recognised to the underlying work performed by the BBC's actuaries and reviewed disclosures made to confirm these are in accordance with accounting standards.

Key observations and the findings I communicated to the Audit and Risk Committee

I am satisfied that the methodology and approach adopted by the BBC is appropriate for the valuation of the pension scheme asset in the BBC's consolidated financial statements.

My challenge of the reasonableness of assumptions has found that these all sit within the range I would expect when compared to market practice. I consider that the disclosures relating to pension assets and liabilities comply with the requirements of accounting standards. Following my audit, management has enhanced disclosures around the uncertainties inherent in the valuation of the pension scheme assets, in Note C7.

Key audit matter description

Implementing an IT systems upgrade

This key audit matter has a pervasive impact across the transactions and balances relating to BBC Studios Distribution and the BBC Global News entities.

In November 2019, BBC Studios Distribution (and several of its subsidiaries) and BBC Global News implemented a general ledger upgrade. This upgrade took place as part of an overall finance transformation project which also included changes to existing processes and controls, including the system used for preparing the consolidated financial results of BBC Studios Distribution and its subsidiaries. Although BBC Studios Distribution does not prepare consolidated financial statements, the consolidated results are included in the BBC Group financial statements.

A change in IT systems and associated processes and controls inherently creates a pervasive risk around the completeness and accuracy of underlying records used to prepare the financial statements, including the consolidation of components and I therefore consider it a significant risk for my audit.

The scope of my audit work in response

I performed testing on the migration of data from the old general ledger system to the upgraded system, including:

- understanding the governance arrangements put in place around the finance transformation project;
- testing the controls put in place by management to provide assurance over the complete and accurate migration of data, such as key reconciliations between the two versions of the general ledger; and
- substantively tested opening balances and transactions from both versions of the general ledger to gain assurance that underlying transactions had been appropriately reflected in the financial statements.

In respect of the new consolidation system, I tested the processes put in place by management to provide assurance that the consolidation process worked using the new system, and substantively tested the consolidation including intra-group eliminations to gain assurance the consolidation had been appropriately undertaken.



Financial Statements

Key audit matter description**Implementing an IT systems upgrade****Key observations and the findings I communicated to the Audit and Risk Committee**

I have concluded that data has been completely and accurately migrated onto the new general ledger and the consolidation of BBC Studios Distribution and its subsidiaries has been appropriately reflected in the financial statements.

Key audit matter description**Accounting for programme assets**

Total value of programme assets – £837 million (2018/19: £743 million). Refer to note B3 (financial disclosures) and note H (accounting policies) and the risks set out in the Audit and Risk Committee report on page 91.

The BBC capitalises the costs associated with making a programme as work-in-progress during the course of a production, and releases these assets from the Statement of Financial Position at the point a programme is delivered (in the case of BBC Studios) or transmitted (in the case of the Public Service Broadcaster). Where the rights to broadcast content are acquired, assets and liabilities relating to acquired content are recognised at the point of payment or commencement of the licence period, whichever is earlier. The costs of acquired content are expensed on first transmission except to the extent that the number of further showings is contractually agreed, when they are expensed according to the expected transmission profile.

At the point these programme assets are released, revenue and costs are recognised in the Consolidated Income Statement as appropriate. Where costs have been capitalised and remain as programme assets at the year end, management must consider whether there are any indicators of impairment: for example, where a programme may no longer be broadcast. The coronavirus pandemic has resulted in a number of productions being paused or sporting and live events being postponed or cancelled. This could indicate impairment is necessary.

The valuation of programme assets is a highly material estimate in the accounts, and there is a significant amount of judgement over both the initial value and the impairment of these assets.

There is a risk that the approach to valuation will result in material misstatement of the balance sheet, or that the processes to identify impairment of programme assets are not sufficient to identify material overstatement of the balance sheet.

The scope of my audit work in response

I have assessed the policy adopted by management in respect of programme assets as a key accounting judgement, including an assessment against IFRS and the wider practice within the media industry. This included undertaking walkthroughs of the process for valuing programme assets and the end-to-end process following a programme lifecycle through the various BBC entities, to ensure a consistent approach to the recognition of costs and revenue and that this is appropriately addressed on consolidation.

I substantively tested a sample of programme assets to confirm that these had been accounted for in accordance with the policy adopted by management.

I understood and evaluated the approach to managing production costs and identifying indicators of impairment and considered potential indicators of impairment of programme assets through my wider understanding of the business. This included a review of Board minutes, considering wider information, and holding discussions with the programme and production accounting teams to assess the controls over programme spend. I have considered the implications of coronavirus and whether this has indicated any impairment is necessary.

The findings I communicated to the Audit and Risk Committee

I consider programme assets to be appropriately accounted for in the BBC's consolidated financial statements.

Application of materiality

I applied the concept of materiality in both planning and performing my audit, and in evaluating the effect of misstatements on my audit and on the financial statements. This approach recognises that financial statements are rarely absolutely correct, and that an audit is designed to provide reasonable, rather than absolute, assurance that the financial statements are free from material misstatement or irregularity. A matter is material if its omission or misstatement would, in the judgement of the auditor, reasonably influence the decisions of users of the financial statements.

	Group materiality	Benchmark
Overall materiality	£25 million (2018/19: same)	0.5% of Group revenue (2018/19: same)
Performance materiality	£18.75 million (2018/19: same)	75% of overall materiality (2018/19: same)
Reporting threshold	£250,000 (2018/19: same)	

Based on my professional judgement, I determined that overall materiality for the BBC's consolidated financial statements at £25 million, which is approximately 0.5% of BBC Group revenue. I chose this benchmark because, in my professional judgement, income is the key driver of the BBC's business; in particular licence fee revenue and commercial income generated by the BBC is a key driver of stakeholder interest. Parliament and the public have an interest in the way in which the BBC is funded and how it spends its funds. The level of licence fee revenue and commercial income determines the resources available to the BBC and drives strategic decisions around spending and investment.

In addition, in those areas of greatest sensitivity and therefore greatest stakeholder interest I have applied a lower level of qualitative materiality. These are certain matters that, by their very nature, would if not corrected influence the decisions of users, for example:

- remuneration disclosures;
- matters that could result in a modification of the regularity opinion; and
- any adjustment that would affect the overall position of the primary statements at the margin; for example, that would result in the deficit reported in the consolidated income statement becoming a surplus or vice-versa.

Assessment of such matters would need to have regard to the nature of the misstatement and the applicable legal and reporting framework, as well as the size of the misstatement.

I applied the same concept of materiality to my audit of regularity. In planning and performing audit work in support of my opinion on regularity and evaluating the impact of any irregular transactions, I took into account both quantitative and qualitative aspects that I consider would reasonably influence the decisions of users of the financial statements.

I have also reported any unadjusted misstatements exceeding my reporting threshold of £250,000 to the BBC Audit and Risk Committee, as well as differences below this threshold that, in my view, warranted reporting on qualitative grounds.

Total unadjusted audit differences reported to the Audit Committee would have decreased net expenditure and increased net assets by £1 million.

Responsibilities of the BBC Board

As explained more fully in the Statement of Board Responsibilities, the Board is responsible for:

- the preparation of the BBC's financial statements and for being satisfied that they give a true and fair view and conform to the authorities which govern them;
- such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- assessing the BBC's ability to continue as a going concern, disclosing, if applicable, matters relating to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the BBC or to cease operations, or have no realistic alternative but to do so.

Comptroller and Auditor General's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with applicable law and International Standards on Auditing (ISAs) (UK).

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions; misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the BBC's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, amongst other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.



Financial Statements

I also provide those charged with governance with a statement that I and my team have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

In addition, I am required to obtain evidence sufficient to give reasonable assurance that the income and expenditure reported in the financial statements conform to the authorities which govern them.

Audit scope

The scope of my Group audit was determined by obtaining an understanding of the Group and its environment, including Group-wide controls, and assessing the risks of material misstatement at the Group level.

The BBC Group comprises over 100 subsidiaries, along with a number of associates and joint ventures. There are two levels of consolidation within the BBC Group:

- **Level 1:** BBC Group, comprising the BBC Public Service Broadcaster (PSB), PSB subsidiaries, and BBC Commercial Holdings Group;
- **Level 2:** BBC Commercial Holdings Group, comprising BBC Commercial Holdings Limited and subsidiary companies, including BBC Studios Productions Limited, BBC Studios Distribution Limited and subsidiary companies; BBC Global News companies; BBC Studioworks Limited; and BBC Children's Productions Limited.

This audit opinion relates to the BBC Group, at level 1. My group audit approach has been designed to enable me to form an opinion on these consolidated financial statements, and my assessment of significant components and the nature of the work I have performed is as follows:

Level 1: BBC Group

Significant components and auditors

- BBC Public Service Broadcaster (NAO)
- BBC Commercial Holdings Group (NAO)

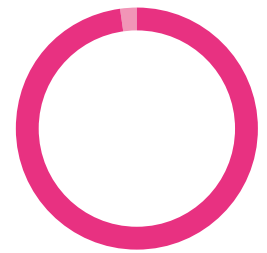
Sampled non-significant components

- None – due to coverage achieved from significant components

Analytical procedures on non-significant components

We performed analytical procedures on the remaining components.

Total revenue £4,943



Full scope audit	98%
Analytical procedures	2%

Level 2: BBC Commercial Holdings Group

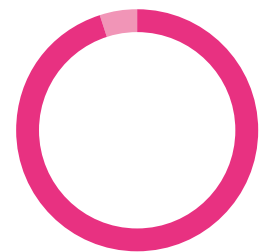
Significant components and auditors

- BBC Global News Ltd (NAO)
- BBC Commercial Holdings Ltd (NAO)
- BBC Studios Distribution Ltd (NAO)
- 2 Entertain Video Ltd (NAO)
- UKTV Media Ltd (NAO)
- BBC Studios Productions Ltd (NAO)

Sampled non-significant components

- BBC Studioworks Ltd (NAO)
- Sid Gentle Films Ltd (Ross Bennet Smith)
- BBC Comedy Productions Ltd (NAO)
- BBC Studios Productions (Clifton) Ltd (NAO)
- BBC Grafton House Productions Ltd (NAO)
- BBC Studios Ltd (NAO)
- BBC Studios France Sarl (KPMG)
- BBC Studios Americas Inc (NAO)
- Lookout Point Ltd (Grant Thornton)
- BBC Natural History and Factual Productions Ltd (NAO)
- BBC Children's Productions Ltd (NAO)
- BBC Studios Australia Pty Ltd (Grant Thornton)
- New Video Channel America LLC (KPMG)

Total revenue £1,570



Full scope audit	95%
Analytical procedures	5%

Analytical procedures on non-significant components

We performed analytical procedures on the remaining components.

I have had direct involvement in the audit strategy of the BBC's significant components, including those significant components where I have not been appointed as auditor. I have issued Group Audit Instructions to all significant components by size and risk and to a sample of other components, which enable me to obtain the necessary assurances required for my audit opinion on the BBC's consolidated financial statements. For significant components where I have not been appointed as auditor, I have met and discussed the audit strategy, significant audit risks and findings from component auditors' work. For these component audits I have also met with component management and attended planning and closing meetings. The restrictions on travel relating to the coronavirus pandemic have, in some instances, prevented my team from physically attending these meetings and therefore alternative procedures have been designed to enable the remote review of the work of component auditors by my team. Under the terms of the Group Audit Instructions I issued, full statutory audit procedures in accordance with local adaptations of International Standards on Auditing have been conducted and I have satisfied myself that sufficient work has been undertaken to provide the necessary assurances for my audit opinion on the BBC's consolidated financial statements. The components subject to these procedures are described as 'full scope audit' components in the table above.

For other components I have undertaken other procedures to gain the necessary assurances for my audit opinion on the BBC's consolidated financial statements. This included evaluating and testing the BBC's group-wide controls and performing analytical and enquiry procedures to address the risk of residual misstatement.

Other information

The BBC Board is responsible for the other information. The other information comprises information included in the Annual Report, other than the parts of the Remuneration Report described in that report as having been audited, the financial statements and my auditor's report thereon. My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon. In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

I am specifically required to address the following items and to report uncorrected material misstatements in the other information, where I conclude that those items meet the following conditions:

- fair, balanced and understandable: the statement given by the directors that the Annual Report and Accounts taken as a whole are fair, balanced and understandable and provide the necessary information to enable users to assess the entity's performance, business model and strategy, is materially inconsistent with my knowledge obtained in the audit; or
- Audit and Risk Committee reporting: the section describing the work of the Group Audit and Risk Committee does not appropriately address matters communicated by me to the Audit and Risk Committee.

I also have nothing to report in this regard.

**Other matters prescribed by the terms of my engagement
Remuneration**

In addition to my audit of the BBC's consolidated financial statements, the Board has engaged me to audit the information in the Board Remuneration Report that is described as having been audited, which the Board has decided to prepare as if the BBC were required to comply with the requirements of Schedule 8 to The Large and Medium-sized Companies and Groups (Accounts and

Reports) Regulation 2008 (SI 2008 No 410) made under the Companies Act 2006.

In my opinion the parts of the Board Remuneration Report which I have been engaged to audit have been properly prepared in accordance with Schedule 8 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulation 2008, as if those requirements were to apply to the BBC Group.

I also report to you if, in my opinion, certain disclosures of directors' remuneration required have not been made. I have nothing to report arising from this duty.

The strategic and governance reports

In my opinion, based on the work undertaken in the course of the audit, the information given in the Strategic and Governance reports for the financial year are consistent with the financial statements and have been prepared in accordance with applicable law.

Based on my knowledge and understanding of the BBC and its environment obtained during the audit, I have identified no material misstatements in these reports.

The corporate governance statement

In my opinion, based on the work undertaken in the course of the audit:

- the information given in the corporate governance statement, in compliance with rules 7.2.5 and 7.2.6 in the Disclosure Rules and Transparency Rules sourcebook made by Financial Conduct Authority (the FCA Rules), in respect of internal control and risk management systems in relation to financial reporting processes, and about share capital structures, is consistent with the accounts and has been prepared in accordance with applicable legal requirements.
- rules 7.2.2, 7.2.3 and 7.2.7 of the FCA Rules about the Group's corporate governance code and practices and about its administrative, management and supervisory bodies and their committees have been complied with.

Based on my knowledge and understanding of the Group and its environment obtained during the course of the audit, I have identified no material misstatements in this information.

Matters on which I report by exception

Adequacy of accounting records information and explanations received

I report to you if, in my opinion:

- adequate accounting records have not been kept, or returns adequate for my audit have not been received from branches not visited by my staff;
- the financial statements and the part of the Remuneration Report to be audited are not in agreement with the accounting records and returns;
- certain disclosures of directors' remuneration specified by law are not made;
- I have not received all the information and explanations I require for my audit; or
- a corporate governance statement has not been prepared.

I have nothing to report arising from this duty.

Report

I have no matters to report.

Gareth Davies
Comptroller and Auditor General

National Audit Office
157-197 Buckingham Palace Road
London, SW1W 9SP
3 September 2020

The BBC's consolidated financial statements

These financial statements comprise both the primary statements and additional supporting disclosure notes. The primary statements are:

Consolidated income statement

The income received and expenditure incurred by the BBC Group's operations during the financial year.

Consolidated statement of comprehensive income/(loss)

Items of income and expense, including reclassification adjustments, that are not directly recognised in the income statement and hence are charged or credited directly to reserves.

Consolidated balance sheet

The statement of the assets and liabilities of the BBC Group at a specific point in time, the financial year end.

Consolidated statement of changes in equity

Components that make up the capital and reserves of the BBC Group and the changes to each component during the financial year.

Consolidated cash flow statement

Cash generated by the BBC Group from its operations and how those cash flows have been used.

Consolidated income statement

	Note	2020 £m	2019 £m
Licence fee income	A1	3,520	3,690
Other income	A1	1,423	1,199
Total income	A1	4,943	4,889
Total operating costs	A1	(5,093)	(4,977)
Share of results of associates and joint ventures	E3	28	36
Group operating deficit		(122)	(52)
Gains on disposal	G4	118	36
Other gains and losses	G5	(6)	7
Net financing costs	F11	(100)	(65)
Deficit before taxation		(110)	(74)
Taxation	G1.1	(9)	5
Deficit for the year		(119)	(69)
Attributable to:			
BBC		(122)	(70)
Non-controlling interests		3	1
Deficit for the year		(119)	(69)

Consolidated statement of comprehensive income/(loss)

	Note	2020 £m	2019 £m
Deficit for the year		(119)	(69)
Other comprehensive income:			
Remeasurement on defined benefit pension schemes	C6.2	862	38
Total items that will not be reclassified to the income statement in the future		862	38
Currency translation adjustment	G7.3	9	15
(Loss)/gain on cash flow hedges	G7.2	(9)	2
Deferred tax charge on financial instruments		-	(1)
Total items that may be reclassified to the income statement in the future		-	16
Other comprehensive income net of tax		862	54
Total comprehensive income/(loss) for the year		743	(15)
Attributable to:			
BBC		740	(16)
Non-controlling interests		3	1
Total comprehensive income/(loss) for the year		743	(15)

Consolidated balance sheet

	Note	As at 31 March	
		2020 £m	2019 £m
Non-current assets			
Intangible assets (including goodwill)	E1	438	247
Property, plant and equipment	D1	584	1,028
Right-of-use assets	D2	1,568	–
Investment properties	D3	33	70
Interests in associates and joint ventures	E3	243	257
Trade and other receivables	F7.1	245	38
Investments		2	–
Derivative financial instruments	G3.2	397	449
Deferred tax assets	G1.5	15	8
Pension assets	C6.1	247	–
		3,772	2,097
Current assets			
Programme-related assets and other inventories	B3	837	743
Trade and other receivables	F7.2	1,075	1,131
Contract assets	A4.2	5	4
Assets classified as held for sale	D5	2	–
Derivative financial instruments	G3.2	9	2
Current tax assets	G1.4	44	29
Cash and cash equivalents	F1	401	468
		2,373	2,377
Current liabilities			
Trade and other payables	F9.2	(1,082)	(1,014)
Contract liabilities	A4.2	(137)	(119)
Borrowings	F4.1	(308)	(30)
Provisions	F10	(70)	(83)
Derivative financial instruments	G3.2	(14)	(3)
Current tax liabilities	G1.6	(9)	(7)
		(1,620)	(1,256)
Non-current liabilities			
Trade and other payables	F9.1	(88)	(43)
Contract liabilities	A4.2	(36)	(21)
Borrowings	F4.2	(1,738)	(824)
Provisions	F10	(83)	(60)
Derivative financial instruments	G3.2	(548)	(552)
Deferred tax liabilities	G1.5	(39)	(16)
Pension liabilities	C6.1	–	(530)
		(2,532)	(2,046)
Net assets			
		1,993	1,172
Attributable to the BBC:			
Operating reserve	G7.1	1,983	1,162
Hedging reserve	G7.2	(8)	1
Translation reserve	G7.3	43	34
Other reserves	G7.4	(27)	(27)
		1,991	1,170
Non-controlling interests		2	2
Total capital and reserves		1,993	1,172

The financial statements were approved by the Board and authorised for issue on 2 September 2020, and signed on their behalf by:



Tim Davie
Director-General



Glyn Isherwood
Chief Financial Officer

Consolidated statement of changes in equity

	Note	Operating reserve £m	Hedging reserve £m	Translation reserve £m	Other reserves £m	Total £m	Non-controlling interests £m	Total £m
At 1 April 2018		1,194	–	19	(27)	1,186	2	1,188
(Deficit)/surplus for the year		(70)	–	–	–	(70)	1	(69)
Currency translation adjustment	G7.3	–	–	15	–	15	–	15
Cash flow hedges	G7.2	–	2	–	–	2	–	2
Deferred tax on financial instruments		–	(1)	–	–	(1)	–	(1)
Remeasurement of defined benefit pension scheme	C6.2	38	–	–	–	38	–	38
Total comprehensive (loss)/income for the year		(32)	1	15	–	(16)	1	(15)
Dividends declared in year		–	–	–	–	–	(1)	(1)
At 31 March 2019 as previously stated*		1,162	1	34	(27)	1,170	2	1,172
First-time adoption of IFRS 16*		81	–	–	–	81	–	81
At 31 March 2019 restated		1,243	1	34	(27)	1,251	2	1,253
(Deficit)/surplus for the year		(122)	–	–	–	(122)	3	(119)
Currency translation adjustment	G7.3	–	–	9	–	9	–	9
Cash flow hedges	G7.2	–	(9)	–	–	(9)	–	(9)
Remeasurement of defined benefit pension scheme	C6.2	862	–	–	–	862	–	862
Total comprehensive income/(loss) for the year		740	(9)	9	–	740	3	743
Dividends declared in year		–	–	–	–	–	(3)	(3)
At 31 March 2020		1,983	(8)	43	(27)	1,991	2	1,993

* The Group has applied IFRS 16 using the modified retrospective approach. Under this method, the comparative information is not restated. See accounting policies in section H for further details.

Consolidated cash flow statement

	Note	2020 £m	2019 £m
Operating activities			
Cash generated from operations	F6	392	255
Tax (paid)/reimbursed		(29)	6
Net cash from operations		363	261
Investing activities			
Interest received	F11	8	9
Financing income relating to swap transactions		12	11
Dividends received from associates and joint ventures	E3	8	27
Dividends paid to non-controlling interests		(3)	(1)
Proceeds from sale of operations		–	32
Acquisition of other investments		(2)	–
Acquisition of interests in associates and joint ventures		(4)	(4)
Acquisition of subsidiary net of cash acquired	E4	37	(2)
Purchases of other intangible assets		(212)	(192)
Purchases of property, plant and equipment		(110)	(130)
Net cash used in investing activities		(266)	(250)
Financing activities			
Interest paid	F11	(4)	(4)
Proceeds from increase in borrowings		–	11
Repayments of borrowings		(8)	(2)
Payment of obligations under leases		(152)	(73)
Net cash used in financing activities		(164)	(68)
Net decrease in cash and cash equivalents		(67)	(57)
Cash and cash equivalents at beginning of the year	F1	468	523
Effect of foreign exchange rate changes on cash and cash equivalents		–	2
Cash and cash equivalents at the end of the year	F1	401	468

Key themes for the BBC

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Notes to the accounts

A. Where the BBC's income comes from

The BBC generates its income from a number of key sources, each source funding different parts of the BBC's activity. The notes in this section provide information on the performance in the year for each segment of the BBC Group.

The distinction between the various income sources is important as the BBC must not cross-subsidise its commercial activities through its PSB Group or grant-funded activities. However, the performance of the Group's commercial activities aim to generate profits that are distributed back to the BBC and contribute towards the funding of PSB Group activities.

The BBC's operating segments are reported in a manner consistent with the internal reports provided to the BBC Board, who are responsible for making strategic decisions, allocating resources and assessing performance of the operating segments.

Segmental information provided to the BBC Board is aligned to the BBC's income sources. The reportable segments are:

- **PSB Group** – Primarily receives licence fee income and is responsible for the Group's Public Service activities;
- **BBC Studios** – Generates income from exploiting the various assets of the BBC, for example by licensing programme formats, selling international rights, merchandising and production facilities. Income is also generated through subscription fees from the broadcast of the group's channels on pay television platforms and from the production of programme content across factual, drama, comedy and entertainment genres; and
- **Other commercials** – These have been aggregated for reporting purposes as they meet the conditions set out in IFRS 8 *Operating Segments*. This includes the Global News group, BBC Studioworks Limited, BBC Childrens Productions Limited and the commercial holding companies.

Group adjustments reflect eliminations required for trading activity between the segments detailed above.

The prices charged for services provided between the PSB Group and the commercial activities are determined on an arm's length basis in accordance with Ofcom's Trading and Separation Obligations and the BBC's published transfer pricing methodologies.

Included within this section is additional information to comply with Ofcom's Commercial and Trading Reporting requirements.

A1 Income and operating results

2020	Note	PSB Group £m	BBC Studios £m	Other commercials £m	Group adjustments £m	Group £m
Licence fee income	A2	3,520	-	-	-	3,520
Total income from contracts with customers	A4.1	182	1,388	197	(450)	1,317
Grant income		87	-	-	-	87
Rental and associated income		30	-	-	(15)	15
Other income		4	-	-	-	4
Total other income		303	1,388	197	(465)	1,423
Total income	A3	3,823	1,388	197	(465)	4,943
Depreciation and amortisation	B1	(183)	(221)	(5)	2	(407)
Other operating costs		(3,812)	(1,089)	(234)	449	(4,686)
Total operating costs	B2	(3,995)	(1,310)	(239)	451	(5,093)
Share of results of associates and joint ventures	E3	-	28	-	-	28
Group operating (deficit)/surplus		(172)	106	(42)	(14)	(122)
Gains on disposal		-	118	-	-	118
Other losses	G5	-	(5)	(1)	-	(6)
Operating segment result		(172)	219	(43)	(14)	(10)
Financing income	F11					29
Financing costs	F11					(129)
Net financing costs	F11					(100)
Deficit before taxation						(110)
Taxation	G1.1					(9)
Deficit for the year						(119)

Notes to the accounts

A. Where the BBC's income comes from *continued***A1 Income and operating results** *continued*

2019	Note	PSB Group £m	BBC Studios £m	Other commercials £m	Group adjustments £m	Group £m
Licence fee income	A2	3,690	–	–	–	3,690
Total income from contracts with customers	A4.1	187	1,189	183	(484)	1,075
Grant income		89	–	–	–	89
Rental and associated income		46	–	–	(16)	30
Other income		5	–	–	–	5
Total other income		327	1,189	183	(500)	1,199
Total income	A3	4,017	1,189	183	(500)	4,889
Depreciation and amortisation	B1	(151)	(173)	(3)	–	(327)
Other operating costs		(3,925)	(967)	(175)	417	(4,650)
Total operating costs	B2	(4,076)	(1,140)	(178)	417	(4,977)
Share of results of associates and joint ventures	E3	–	36	–	–	36
Group operating (deficit)/surplus		(59)	85	5	(83)	(52)
Gain on disposal of non-current assets		–	36	–	–	36
Other gains/(losses)	G5	–	15	(8)	–	7
Operating segment result		(59)	136	(3)	(83)	(9)
Financing income	F11					23
Financing costs	F11					(88)
Net financing costs	F11					(65)
Deficit before taxation						(74)
Taxation	G1.1					5
Deficit for the year						(69)

A2 Licence fee income

	Licence fee 2020 £	Licences in force 2020 Number '000	Total income 2020 £m	Licence fee 2019 £	Licences in force 2019 Number '000	Total income 2019 £m
Colour	154.50	21,128	3,250	150.50	21,408	3,205
Monochrome	52.00	5	–	50.50	5	–
Concessionary	7.50	144	1	7.50	167	1
Over-75s		4,669	253	–	4,603	468
		25,946	3,504		26,183	3,674
Quarterly payment scheme premium			16			16
Total licence fee income			3,520			3,690

During the year, 3 million (2019: 3 million) colour licences were issued under the quarterly payment scheme at a premium of £5 each (2019: £5).

Households in which one or more persons over the age of 75 reside, as their primary residence, were entitled to a free licence in 2019/20. The BBC is not reimbursed for these free licences but received a fixed amount of £247 million (2019: £468 million) from the Department for Work and Pensions (DWP). Income of £6 million has also been received from the DWP to reimburse refunds of over-75 licences paid for by the BBC (2019: £nil). The obligation for the BBC to take over the funding for free TV licences for the over-75s was phased in from April 2018 and was handed over in full during 2020. For 2020/21 and onwards, the BBC will not receive any funding from the DWP for over-75s licences. The BBC has decided to collect over-75s income from 1 August 2020 for those not on pension credit.

A. Where the BBC's income comes from *continued*
A3 PSB income

	2020			2019		
	External income £m	Intra-group income £m	Total income £m	External income £m	Intra-group income £m	Total income £m
Licence fee income	3,520	–	3,520	3,690	–	3,690
Content and format sales	9	29	38	11	32	43
Production income	28	7	35	29	8	37
Royalties	22	22	44	16	16	32
Advertising income	2	–	2	2	–	2
Consumer products (including ticket sales)	16	1	17	21	1	22
Other contract income	12	34	46	20	31	51
Total income from contracts with customers	89	93	182	99	88	187
Grant income	87	–	87	89	–	89
Rental and associated income	15	15	30	30	16	46
Other income	4	–	4	5	–	5
Total other income	106	15	121	124	16	140
Total income	3,715	108	3,823	3,913	104	4,017

A4 Income from contracts with customers
A4.1 Disaggregation of income

In the following table, income is disaggregated by segment, income streams and timing of income recognition. See note G10 for a geographical split of total income which differs to contract income primarily by licence fee income (see note A2).

2020	Note	PSB Group £m	BBC Studios £m	Other commercials £m	Group adjustments £m	Group £m
Income streams						
Content and format sales		38	447	–	(29)	456
Production income		35	442	82	(363)	196
Royalties		44	33	–	(22)	55
Advertising income		2	168	69	(2)	237
Subscription fees		–	209	46	–	255
Consumer products (including ticket sales)		17	89	–	(1)	105
Other contract income		46	–	–	(33)	13
	A1, A3	182	1,388	197	(450)	1,317

Timing of transfer of goods and services

Point in time		119	1,179	157	(406)	1,049
Over time		63	209	40	(44)	268
	A1	182	1,388	197	(450)	1,317

2019	Note	PSB Group £m	BBC Studios £m	Other commercials £m	Group adjustments £m	Group £m
Income streams						
Content and format sales		43	412	–	(32)	423
Production income		37	492	69	(403)	195
Royalties		32	32	–	(16)	48
Advertising income		2	23	68	(1)	92
Subscription fees		–	141	46	–	187
Consumer products (including ticket sales)		22	89	–	(1)	110
Other contract income		51	–	–	(31)	20
	A1, A3	187	1,189	183	(484)	1,075

Timing of transfer of goods and services

Point in time		138	1,048	147	(450)	883
Over time		49	141	36	(34)	192
	A1	187	1,189	183	(484)	1,075

Notes to the accounts

A. Where the BBC's income comes from *continued***A4 Income from contracts with customers** *continued***A4.2 Contract balances**

Contract assets (accrued income) primarily relate to the BBC's right to consideration for work completed but not billed at the reporting date. Contract liabilities (deferred income) primarily relate to the consideration received from customers in advance of transferring a good or service. The following table provides analysis on significant changes to contract assets and liabilities during the year:

	Contract assets		Contract liabilities	
	2020 £m	2019 £m	2020 £m	2019 £m
At 1 April	4	–	(140)	–
Balance transferred following adoption of IFRS 15	–	3	–	(64)
Decrease due to balance transferred to trade receivables	(4)	(3)	–	–
Decrease due to income recognised in the period	–	–	104	50
New contract assets	5	4	–	–
Increase due to cash received in advance and not recognised as income during the year	–	–	(137)	(126)
At 31 March	5	4	(173)	(140)
Presented within:				
Current	5	4	(137)	(119)
Non-current	–	–	(36)	(21)
	5	4	(173)	(140)

A4.3 Transaction price allocated to the remaining performance obligations

The following table includes income expected to be recognised in the future related to the performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date.

	2021 £m	2022 £m	2023 £m	Beyond £m
Content and format sales	160	95	40	147
Production income	128	182	96	245
Royalties	7	6	4	4
Advertising income	137	171	158	736
Subscription fees	192	140	50	47
Consumer products (including ticket sales)	7	7	–	–
	631	601	348	1,179

No consideration from contracts with customers is excluded from the amounts presented above.

The BBC applies the practical expedient allowable by paragraph 121 of IFRS 15 and does not disclose information about the remaining performance obligations that have original expected durations of one year or less.

A4.4 Contract costs

There were no capitalised commission fees or any other contract costs in the current year or prior year.

Applying the practical expedient in paragraph 94 of IFRS 15 *Revenue from Contracts with Customers*, the BBC recognises the incremental costs of obtaining contracts as an expense when incurred if the amortisation period of the assets that the BBC otherwise would have recognised is one year or less.

A5 Contribution of commercial activities

A dividend of £3 million (2019: £73 million) was declared by BBC Commercial Holdings Limited to the PSB Group.

In the year ended 31 March 2020, the following dividends were declared to BBC Commercial Holdings Ltd:

- £71 million by BBC Studios (2019: £65 million);
- £3 million by BBC Childrens Productions Limited (2019: £nil).

In the year ended 31 March 2019, the following dividends were also declared to BBC Commercial Holdings Ltd:

- £43 million by BBC Global News of which £41 million was a dividend in specie; and
- £1 million by BBC Studioworks.

The dividends above are not identifiable in the consolidated primary statements as they are eliminated during the consolidation process.

B. How the BBC spends the funds

This section analyses the total operating costs incurred by the BBC.

B1 Total operating costs

Total operating costs have been arrived at after charging the following items:

	Note	2020 £m	2019 £m
Intangible fixed assets, property, plant and equipment and other investments			
Depreciation			
– owned assets	D1, D3	93	101
– leased assets	D2, D3	87	35
Amortisation of intangible fixed assets	E1	227	191
Impairment of investments in associates and joint ventures	E3	2	1
Impairment of intangible assets	E1	4	21
Inventories			
Write-downs of programme-related assets recognised as an expense		1	2
Other operating costs			
Expenses relating to short-term leases		8	–
Expenses relating to leases of low value assets, excluding short-term leases		1	–
Audit fees (see below)		2	2
Research costs ¹		20	21
Online and TV development		62	76
Net exchange differences on settled transactions		(15)	(8)
Impairment of trade receivables	F8	1	7
Staff costs	C2	1,532	1,480

The National Audit Office served as independent external auditor for the years ended 31 March 2020 and 31 March 2019.

The following table presents the aggregate fees for professional services and other services rendered by the external auditors to the BBC:

	2020 £m	2019 £m
For the audit of the BBC's annual accounts	1	1
For the audit of subsidiaries of the BBC	1	1
Total fees paid	2	2

Non-audit services with other auditors (primarily taxation compliance services) totalled £0.3 million (2019: £0.2 million).

B2 Analysis of total operating costs by commercial activities

	BBC Studios		Other commercials		Total commercials	
	2020 £m	2019 £m	2020 £m	2019 £m	2020 £m	2019 £m
Cost of sales	998	880	181	166	1,179	1,046
Distribution costs	114	54	–	–	114	54
Administration expenses	198	206	58	12	256	218
Total operating costs	1,310	1,140	239	178	1,549	1,318

Administration expenses included impairment costs of £4 million (2019: £21 million) as detailed within note B1. A further £36 million of intra-group impairment costs was also recognised within administration expenses, but then eliminated on consolidation of the group results.

¹ See Glossary for further details.

Notes to the accounts

B. How the BBC spends the funds *continued***B3 Programme-related assets and other inventories**

The main output of the BBC is the production of programmes for broadcast and the sale of rights for others to broadcast. This note discloses the amounts for those programmes that are in production, completed programmes that are ready for broadcast but not yet aired, and rights secured to broadcast programmes produced independently of the BBC. Inventory for the BBC's commercial activities are also contained in this note.

	2020 £m	2019 £m
Programme-related assets		
– Rights to broadcast acquired programmes and films	175	99
– Prepayments to acquire future programme-related rights	451	432
– Completed programmes	59	67
– Programmes in production	146	139
Total programme-related assets	831	737
Other inventories	6	6
Total programme-related assets and other inventories	837	743

C. What the BBC spends on its people

The BBC employs a significant number of people. It also provides pension benefits to both current and past employees. This section is broken into two main parts; the first details employee numbers (excluding freelancers and agency staff), costs and transactions with members of the BBC Board and BBC Executive Committee who served during the year. The second presents the key information relating to the BBC Group's pension plans.

The analysis provided in the pension notes is based on the IAS 19 *Employee Benefits* estimate of the scheme's assets and liabilities as at 31 March 2020. The most recent actuarial valuation of the pension scheme completed by Willis Towers Watson showed a funding shortfall of £1,138 million at 1 April 2019. See note C6 for further details.

Further information on the analysis of the BBC Pension Scheme assets and the assumptions underlying the liabilities are set out in note G2.

C1 Persons employed

The average number of persons employed in the year was:

	Average for the year		At 31 March	
	2020 Number	2019* Number	2020 Number	2019 Number
PSB Group	19,572	19,231	19,430	19,478
BBC Studios	2,672	2,641	2,768	2,536
Other commercials	505	456	520	468
Group total	22,749	22,328	22,718	22,482

* The comparatives for BBC Studios have been restated to better reflect the average headcount for the prior year.

Within the averages above, 3,085 (2019: 2,907) part-time employees have been included at their full-time equivalent of 1,971 (2019: 1,840).

In addition to the above, the BBC employed an average full-time equivalent of 1,372 (2019: 1,350) persons on a casual contract.

C2 Employee remuneration

	Note	2020 £m	2019 £m
Salaries and wages		1,115	1,078
Social security costs		135	132
Pension costs			
Main scheme (defined benefit)	C6.3	226	224
Other schemes	C6.3	56	46
		1,532	1,480

The employer cash contributions to the defined benefit pension scheme are borne by each business.

Employee pension contributions made via salary sacrifice are included within pension costs, with a corresponding reduction in salaries and wages.

C3 Remuneration of the BBC Board

The total emoluments of the members of the BBC Board and BBC Executive Committee are disclosed in the remuneration report.

C. What the BBC spends on its people *continued*

C4 Key management personnel compensation

Key management personnel are those people who have authority and responsibility for planning, directing and controlling the activities of the BBC. This includes members of the BBC Board and BBC Executive Committee, including the non-executive directors (see the BBC executive remuneration report). At 31 March 2020, 27 individuals were classified as key management personnel (2019: 24).

Information about the BBC's structure, senior staff salaries and expenses are published on the BBC's website.

Key management personnel compensation is as follows:

	2020 £m	2019 £m
Short-term employee benefits	6.2	5.8
Post-employment benefits	0.3	0.2
	6.5	6.0

C5 Related party¹ transactions with key management personnel

Charlotte Moore (executive director) has a close family member who is a director of Perry Images Limited. During the year, this company provided an immaterial amount of service to the BBC. There were no outstanding balances as at 31 March 2020 relating to this company.

Tanni Grey-Thompson (non-executive director) received a trivial amount as an on-air contributor during the year.

C6 Group pension plans

The following section includes the key notes relating to BBC Group pension plans and, more specifically, the BBC Pension Scheme¹. Further supplementary notes on the assumptions underpinning the value of the BBC Pension Scheme assets and liabilities are disclosed in note G2.

As the BBC Group has two defined benefit pension schemes, the BBC Pension Scheme and the Unfunded Scheme, the information in this section analyses the asset/liability and income statement charge between the two schemes (note C6). Separate analysis follows in respect of the BBC Pension Scheme to highlight the points outlined below (note C7).

The defined benefit pension schemes give rise to net assets/liabilities which are included on the BBC Group balance sheet as the BBC bears the risks of investment returns, life expectancies and inflation, which impact the future pension payment amounts. The net position consists of two parts:

- scheme liabilities: the present value of the future pension payments the BBC is required to pay in respect of employee service performed up to the balance sheet date; and
- scheme assets: the assets held by the pension fund, into which the BBC pays annual contributions. These assets are used to fund the payments to retired members and to generate returns to fund future pension payments.

The analysis provided in the following notes is based on the IAS 19 estimate of the Scheme's assets and liabilities as at 31 March 2020. The most recent triennial actuarial valuation of the pension scheme as at 1 April 2019 by Wilson Towers Watson showed a funding shortfall of £1,138 million. The next triennial valuation is due 1 April 2022.

The BBC Group's defined contribution pension plans do not give rise to balance sheet pension assets/liabilities as there is no ongoing liability for the employer from these plans once the contributions due for the year have been settled. The expenditure on the defined contribution scheme shown in these accounts represents the BBC's contributions during the financial year.

C6.1 Pension assets/(liabilities) included in the balance sheet

The pension assets/liabilities included in the BBC Group balance sheet comprise both the BBC Pension Scheme and the Unfunded Scheme and are analysed below:

	Pension assets/(liabilities)	
	2020 £m	2019 £m
BBC Pension Scheme	255	(522)
Unfunded Scheme	(8)	(8)
Total	247	(530)

¹ See Glossary for further details.

Notes to the accounts

C. What the BBC spends on its people *continued*

C6.2 Group pension plans

	BBC Pension Scheme 2020 £m	Unfunded Scheme 2020 £m	Total 2020 £m	BBC Pension Scheme 2019 £m	Unfunded Scheme 2019 £m	Total 2019 £m
Deficit in scheme at the start of the year	(522)	(8)	(530)	(510)	(8)	(518)
Movement in the year:						
Current service cost ¹	(225)	-	(225)	(206)	-	(206)
Contributions (from employer)	159	-	159	191	-	191
Past service costs ¹	(1)	-	(1)	(18)	-	(18)
Administration costs incurred	(8)	-	(8)	(7)	-	(7)
Net finance cost ¹	(10)	-	(10)	(10)	-	(10)
Remeasurement ¹ gains	862	-	862	38	-	38
Surplus/(deficit) in scheme at the end of the year	255	(8)	247	(522)	(8)	(530)

The assumptions for pension scheme liabilities of the Unfunded Scheme are the same as the main scheme. As the scheme is unfunded there are no assets.

C6.3 Pension charges in consolidated income statement

	Note	Defined benefit schemes		Defined contribution scheme £m	All schemes £m
		BBC Pension Scheme £m	Unfunded Scheme £m		
2020					
Current service cost	C2	(225)	-	(56)	(281)
Past service costs	C2	(1)	-	-	(1)
Administration costs		(8)	-	-	(8)
Total operating charge		(234)	-	(56)	(290)
Net finance cost	F11	(10)	-	-	(10)
Net cost in consolidated income statement		(244)	-	(56)	(300)
2019					
Current service cost	C2	(206)	-	(46)	(252)
Past service costs	C2	(18)	-	-	(18)
Administration costs		(7)	-	-	(7)
Total operating charge		(231)	-	(46)	(277)
Net finance cost	F11	(10)	-	-	(10)
Net cost in consolidated income statement		(241)	-	(46)	(287)

C7 BBC Pension Scheme

The BBC Pension Scheme is closed to new entrants. It provides pensionable salary-related benefits on a defined benefit basis.

The pension scheme is administered by a fund that is legally separated from the BBC Group. The Trustees of the pension fund are required by law to act in the interest of the fund and of all relevant stakeholders of the scheme. The pension scheme Trustees manage the plan in the short, medium and long term. They make funding decisions based on valuations which take a longer-term view of the assets required to fund the scheme's liabilities.

¹ See Glossary for further details.

C. What the BBC spends on its people *continued*

C7 BBC Pension Scheme *continued*

The pension scheme exposes the BBC to the following actuarial risks:

Risk	Description
Investment risk	Actual returns may differ from expected returns. Investments are diversified, across and within asset classes, to avoid over-exposure to any one asset class or market.
Currency risk	Scheme assets are subject to currency risk because some of the Scheme's investments are held in overseas markets, either as segregated investments or via pooled investment vehicles (PIV). The Trustees limit overseas currency exposure through a currency hedging policy which seeks to partially hedge the major currency exposures (Euro and US dollar).
Counterparty risk	A counterparty may default whilst owing money to the scheme. Collateral is posted by the counterparty for long-term transactions when the valuation of the transaction is favourable to the scheme.
Interest risk	A fall in interest rates would cause the present value of liabilities to rise. To mitigate this risk, the scheme's Trustees invest in bonds, derivatives and other investments with predictable long-term cash flows that will tend to rise in price if interest rates fall.
Longevity risk	Longer life expectancy would increase the scheme's liabilities. The scheme's Trustees regularly assess the possibility and value of hedging the scheme's longevity risk.
Inflation risk	An increase in expected inflation will cause the present value of liabilities to rise if it is not accompanied by a rise in interest rates. To mitigate this risk, the scheme's Trustees invest in index-linked bonds, derivatives and other assets whose value is likely to increase if inflation rises.
Liquidity risk	The scheme may not have sufficient liquid assets to allow it to meet its liabilities and other obligations as they fall due. The amount of cash held to pay benefits is assessed well in advance to minimise unforeseen sales and transaction costs and the large majority of the scheme's assets are invested in highly liquid assets.
Custody risk	The collapse of the scheme's custodian could result in a significant proportion of the scheme's assets being frozen or put at risk of loss. The scheme undertakes rigorous due diligence of the custodian relationship and conducts regular service level reviews.

Current and ongoing economic uncertainty arising from the coronavirus pandemic means that asset valuation techniques that rely on unobservable inputs are reported on the basis of 'material valuation uncertainty' as transactional activity in the market is currently below normal levels. Level 3 assets are valued in line with industry standard guidelines, including RICS methodology for Property and IPEV guidelines for Private Equity. At 31 March 2020 Direct and Pooled property was valued at £1,572 million and a 5% reduction would equate to £79 million. Private Equity mandates were valued at £800 million and a 5% reduction would equate to £40 million.

C7.1 Scheme financial position

Accounting valuations of the scheme are performed by Willis Towers Watson, consulting actuaries. Formal actuarial valuations are undertaken at least every three years.

IAS 19 valuation ¹	Note	2020 £m	2019 £m
Scheme assets	G2.2	17,203	17,183
Scheme liabilities	G2.1	(16,948)	(17,705)
Surplus/(deficit)		255	(522)
Percentage by which scheme assets cover liabilities		102%	97%

Key movements in the year are shown in notes G2.1 and G2.2.

A deferred tax asset or liability in relation to the scheme does not arise for the BBC because most of the BBC's public service activity is not subject to taxation.

The sensitivities of the scheme's liabilities to changes in the principal assumptions are set out below:

2020	Assumption used	Movement	Impact on scheme liabilities %	(Increase)/ decrease on scheme liabilities £m
Discount rate	2.2%	decrease 0.1%	2.0%	(339)
Discount rate	2.2%	increase 0.1%	1.7%	295
Retail price inflation rate	2.8%	decrease 0.1%	1.7%	296
Retail price inflation rate	2.8%	increase 0.1%	1.8%	(304)
Mortality rate	See note G2.5	decrease 1 year	4.8%	813
Mortality rate	See note G2.5	increase 1 year	4.5%	(760)

¹ See Glossary for further details.

Notes to the accounts

C. What the BBC spends on its people *continued***C7 BBC Pension Scheme** *continued***C7.1 Scheme financial position** *continued*

2019	Assumption used	Movement	Impact on scheme liabilities %	(Increase)/ decrease on scheme liabilities £m
Discount rate	2.3%	decrease 0.1%	2.2%	(398)
Discount rate	2.3%	increase 0.1%	1.7%	299
Retail price inflation rate	3.2%	decrease 0.1%	1.7%	304
Retail price inflation rate	3.2%	increase 0.1%	1.8%	(312)
Mortality rate	See note G2.5	decrease 1 year	4.6%	808
Mortality rate	See note G2.5	increase 1 year	4.4%	(771)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation due to the likelihood of some linkage between assumptions.

In presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the statement of financial position.

C7.2 Funding the scheme

The 2019 actuarial valuation of the pension scheme by Willis Towers Watson showed a funding shortfall of £1,138 million. A recovery plan was agreed between the BBC and the pension scheme Trustees which details the additional contributions to be paid by the BBC through to December 2028. The deficit recovery payments agreed are as follows:

Due date	Amount £m	Due date	Amount £m
31 March 2021	48	31 March 2026	102
31 March 2022	47	31 March 2027	110
31 March 2023	75	31 March 2028	118
31 March 2024	87	31 December 2028	83
31 March 2025	94		

The next formal actuarial valuation is to be performed as at 1 April 2022.

Contribution rates	Projection 2021 %	2020 %	2019 %
Employer	31.4	31.4	31.4
Employee (Old and New Benefits)	7.5	7.5	7.5
Employee (Career Average Benefits 2006)	4.0	4.0	4.0
Employee (Career Average Benefits 2011)	6.0	6.0	6.0

The member contributions to the scheme are mainly paid via a salary sacrifice arrangement. These have been treated as employer contributions.

On the basis of the pension assumptions above, contributions totalling £175 million are expected to be paid in 2020/21.

C7.3 Scheme cash flows (day-to-day liquidity)

Below are the cash flows related to the BBC Pension Scheme (not included in the Group results). As the scheme is closed to new entrants, the level of contribution from employees will decrease (as members retire, there are no new entrants to replace the reduction in employee contributions).

	2020 £m	2019 £m
Contributions including additional voluntary (employer and employee)	162	194
Investment income	291	292
Cash inflows	453	486
Payments of pensions and transfers out	(507)	(511)
Expenses	(31)	(29)
Net cash outflow	(85)	(54)

D. The property, technology and equipment used by the BBC to make and distribute its programmes

In providing the range of services to audiences, the BBC makes use of a significant number of assets in its operations. This section sets out those assets the BBC intends to continue to use, those to be disposed of and any disposals made during the year.

D1 Property, plant and equipment

	Land and buildings* £m	Plant and machinery £m	Furniture and fittings £m	Assets under construction £m	Total £m
Cost					
At 1 April 2018	1,020	1,122	133	103	2,378
Additions	–	6	–	124	130
Reclassification to intangible assets	–	–	–	(8)	(8)
Brought into service	30	62	10	(102)	–
Disposals	(6)	(66)	(1)	–	(73)
At 31 March 2019	1,044	1,124	142	117	2,427
Additions	2	11	6	93	112
Reclassification to intangible assets	–	–	–	(5)	(5)
Reclassification to asset held for sale	(8)	(7)	–	–	(15)
Reclassification to right-of-use assets on adoption of IFRS16	(734)	(6)	–	–	(740)
Brought into service	10	63	5	(78)	–
Disposals	(2)	(105)	(14)	–	(121)
Exchange movements	1	(5)	1	–	(3)
At 31 March 2020	313	1,075	140	127	1,655
Depreciation					
At 1 April 2018	406	838	96	–	1,340
Charge for the year	47	76	9	–	132
Disposals	(6)	(66)	(1)	–	(73)
At 31 March 2019	447	848	104	–	1,399
Charge for the year	15	68	10	–	93
Reclassification to asset held for sale	(7)	(6)	–	–	(13)
Disposals	(2)	(99)	(11)	–	(112)
Reclassification to right-of-use assets on adoption of IFRS 16	(291)	(4)	–	–	(295)
Exchange movements	(1)	(2)	2	–	(1)
At 31 March 2020	161	805	105	–	1,071
Net book value					
At 31 March 2020	152	270	35	127	584
At 31 March 2019	597	276	38	117	1,028

* Land and buildings are not separable and therefore reported collectively.

D2 Right-of-use assets

	Land and buildings* £m	Plant and machinery £m	Total £m
Cost			
At 1 April 2019	–	–	–
Recognition of right-of-use asset on initial application of IFRS 16	1,878	8	1,886
Additions	16	3	19
Change in contract	40	–	40
At 31 March 2020	1,934	11	1,945
Depreciation			
At 1 April 2019	–	–	–
Recognition of right-of-use asset on initial application of IFRS 16	290	1	291
Charge for the year	83	3	86
At 31 March 2020	373	4	377
Net book value			
At 31 March 2020	1,561	7	1,568

* Land and buildings are not separable and therefore reported collectively.

1 See Glossary for further details.

Notes to the accounts

D. The property, technology and equipment used by the BBC to make and distribute its programmes *continued***D3 Investment properties**

	Right of use assets £m	Owned assets £m	Total £m
Cost			
At 1 April 2018 and 31 March 2019	–	131	131
Recognition of right-of-use asset on initial application of IFRS 16	34	–	34
Reclassification to net investment in a lease on initial application of IFRS 16	–	(129)	(129)
Reclassification	2	(2)	–
At 31 March 2020	36	–	36
Depreciation			
At 1 April 2018	–	57	57
Charge for the year	–	4	4
At 31 March 2019	–	61	61
Reclassification to net investment in a lease on initial application of IFRS 16	1	(60)	(59)
Reclassification	1	(1)	–
Charge for the year	1	–	1
At 31 March 2020	3	–	3
Net book value			
At 31 March 2020	33	–	33
At 31 March 2019	–	70	70

At 31 March 2020, the BBC held investment properties valued at £5 million (2019: £176 million). The valuation of these investment properties was carried out by independent valuers Lambert Smith Hampton, in accordance with the Royal Institution of Chartered Surveyors (RICS) Valuation Professional Standards. In estimating the fair value¹ of the properties, the highest and best use of the properties is their current use.

The property rental income earned by the BBC from its investment properties, which are leased out under operating leases, amounted to £2 million (2019: £20 million). Direct operating expenses incurred on the investment properties, which generated rental income during the year, amounted to £3 million (2019: £20 million). There were no direct operating expenses incurred on the investment properties which did not generate rental income during the year (2019: nil).

D4 Lease income received as a lessor

The Group received less than £1 million lease income from finance lease contracts in which the Group acts as a lessor. The following sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date:

	2020 £m
Within one year	18
Between one and five years	73
Over five years	202
Total undiscounted finance lease payments	293
Unearned finance income	(96)
Net investment in the lease	197

D5 Assets classified as held for sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through sale rather than continuing use, they are available for immediate sale and the sale is highly probable, normally within the next 12 months.

	2020 £m
Property, plant and equipment	2
Total assets classified as held for sale	2

The BBC reclassified its Broadcasting House, Cardiff site as held for sale at 31 March 2020. No assets were classified as such in the prior year.

E. Investments in the BBC's commercial activities

This section is focused on the commercial activities of the BBC and includes information on assets used to generate economic benefits for the BBC. Also included are intangible assets such as goodwill and programme rights, balances held to represent the BBC's interest in associates and joint ventures and the results of any sales of operations that has occurred.

E1 Intangible assets

	Goodwill ¹ £m	Programme rights ¹ £m	Software £m	Customer Relationships £m	Other intangibles £m	Total £m
Cost						
At 1 April 2018	37	1,020	180	9	15	1,261
Additions	19	169	22	–	9	219
Disposals	–	(5)	(5)	–	–	(10)
Reclassification from property, plant and equipment	–	–	8	–	–	8
Exchange movements	–	2	–	–	–	2
At 31 March 2019	56	1,186	205	9	24	1,480
Additions	–	170	59	54	131	414
Disposals	–	(50)	(18)	–	(1)	(69)
Transfers	–	–	–	3	(3)	–
Reclassification from property, plant and equipment	–	–	5	–	–	5
Prior period reclass	–	93	–	–	–	93
Exchange movements	(1)	1	1	(1)	1	1
At 31 March 2020	55	1,400	252	65	152	1,924
Amortisation and impairment						
At 1 April 2018	1	910	107	6	4	1,028
Charge for the year	–	152	29	1	9	191
Disposals	–	(5)	(4)	–	–	(9)
Impairment	21	–	–	–	–	21
Exchange movements	–	2	–	–	–	2
At 31 March 2019	22	1,059	132	7	13	1,233
Charge for the year	–	176	41	9	1	227
Disposals	–	(50)	(12)	–	(1)	(63)
Transfers	–	–	–	3	(3)	–
Impairment	4	–	–	–	–	4
Prior period reclass	–	92	–	–	–	92
Exchange movements	–	(2)	–	(3)	(2)	(7)
At 31 March 2020	26	1,275	161	16	8	1,486
Net book value						
At 31 March 2020	29	125	91	49	144	438
At 31 March 2019	34	127	73	2	11	247

E2 Goodwill¹

All goodwill is recognised in BBC Studios and allocated by cash-generating unit¹ (CGU) as follows:

	2020 £m	2019 £m
Consumer distribution	–	4
Independent production company	21	21
Other	8	9
	29	34

The Group tests goodwill for impairment in the accounting period in which a business combination takes place; thereafter annually, or more frequently if there are indications that goodwill might be impaired.

The recoverable amounts of the CGUs are determined from value in use calculations. The key assumptions used for these calculations are those regarding discount rates and growth rates. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and the risks specific to each CGU.

¹ See Glossary for further details.

Notes to the accounts

E. Investments in the BBC's commercial activities *continued***E2 Goodwill** *continued***Consumer distribution business**

The goodwill in this CGU arose as a result of the acquisition of 2 Entertain Limited on 6 August 2009. The cash flow projections used in determining value in use are based on the current business plan approved by management, which covers a five-year period, after which cash flows have been extrapolated using an expected long-term growth rate of -42% (2019: -34%).

A discount rate of 9.6% (2019: 8.8%) has been applied to the cash flows.

The main assumption on which the forecast cash flows are based is the trends in the global DVD market. The Group performed an operational review of the DVD business, concluding that sales are declining by an average of approximately 42% per year, which the Group extrapolated to calculate the expected decline on EBITDA for this business.

Following the annual impairment review, as a result of changes in the global DVD market, management made the decision to impair the remaining £4 million goodwill in the consumer distribution business (2019: £21 million).

Independent production company

The goodwill balance arose as a result of the acquisition of Sid Gentle Films Limited and Lookout Point Limited in 2018.

The cash flow projections used in determining value in use for both CGUs are based on the current business plans approved by management, which cover a five-year period, after which cash flows have been extrapolated using an expected long-term growth rate of 1% (2019: 1%).

A discount rate of 9.0% (2019: 10.4%) has been applied to the cash flows.

Management believes that no reasonable change in the key assumptions on which the value in use of these CGUs are based would result in an impairment.

The coronavirus pandemic has had an adverse effect on the economic environment in which each CGU operates. The remaining goodwill balance for the consumer distribution business CGU is nil, and therefore the consideration of any risk-adjusted cash flow forecasts would not have an impact on the respective goodwill balance. For the independent production company CGU consideration has been given to downside scenarios arising from the coronavirus pandemic in order to incorporate a market view of risk and uncertainty.

E3 Interests in associates¹ and joint ventures¹

This note details the BBC's share of net assets in associates and joint ventures, along with the impact that they have on the income statement. Details of significant associates and joint ventures along with principal subsidiary undertakings, including their activities, are provided in note G6.

	2020 £m	2019 £m
Interests in associates	217	199
Interests in joint ventures	26	58
Total interests in associates and joint ventures	243	257
Share of results of associates	18	11
Share of results of joint ventures	10	25
Total share of results of associates and joint ventures	28	36

The movements in associates and joint ventures during the year were as follows:

	Associates 2020 £m	Joint ventures 2020 £m	Total 2020 £m	Associates 2019 £m	Joint ventures 2019 £m	Total 2019 £m
At 1 April	199	58	257	192	48	240
Additions	-	8	8	3	1	4
Disposals	-	(50)	(50)	(6)	-	(6)
Share of results	18	10	28	11	25	36
Adjustment to provision for unrealised profits	(5)	2	(3)	1	(1)	-
Dividends receivable	(8)	-	(8)	(12)	(15)	(27)
Foreign exchange translation gains/(losses)	15	(2)	13	11	-	11
Impairment	(2)	-	(2)	(1)	-	(1)
At 31 March	217	26	243	199	58	257

Additions relate to an increase in ownership of BritBox in North America, which became equally split between BBC Studios and ITV.

Changes in interests in associates and joint ventures

The Group previously held a 50% share in UKTV Group, a joint venture holding in a British multi-channel broadcaster, and on 5 June 2019 purchased the remaining shareholding, resulting in it converting to a 100% wholly owned subsidiary (see note E4) and the disposal seen above.

¹ See Glossary for further details.

E. Investments in the BBC's commercial activities *continued*
E3 Interests in associates¹ and joint ventures¹ *continued*

The following table presents the Group's share of material associates during the year:

	New Video Channel America LLC		New Video Channel America LLC	
	2020 £m	YouView Limited 2020 £m	2019 £m	YouView Limited 2019 £m
Non-current assets	183	2	272	–
Current assets	115	5	105	5
Current liabilities	(43)	(9)	(156)	(6)
Non-current liabilities	(4)	(78)	(6)	(62)
Net assets/(liabilities)	251	(80)	215	(63)
Group's share of net assets	126	–	108	–
Provision for unrealised profit	(5)	–	(5)	–
Goodwill	70	–	66	–
Group's share of net assets of material associates	191	–	169	–
Income	163	9	145	10
Profit/(loss) after tax	35	(20)	24	(14)
Share attributable to other parties	(18)	20	(12)	14
Share of results of material associates	17	–	12	–

The following table presents the Group's share of material joint ventures during the year:

	Daurus Limited 2020 £m	Daurus Limited 2019 £m
Non-current assets	454	555
Current assets	63	61
Current liabilities	(60)	(58)
Non-current liabilities	(667)	(691)
Net (liabilities)/assets	(210)	(133)
Group's share of net assets	–	–
Provision for unrealised profit	–	–
Group's share of net assets of material joint ventures	–	–
Income	10	17
(Loss)/profit after tax	3	(3)
Share attributable to other parties	(3)	3
Share of results of material joint ventures	–	–

Daurus Limited, a company setup to facilitate the redevelopment and subsequent financing arrangements of Broadcasting House, prepares its financial statements to a 30 November accounting reference date and under Financial Reporting Standard 102. Adjustments are therefore made to align these to the Group. The Group is unable to receive dividends from Daurus Limited until 2033 due to restrictions mandated within this entity.

¹ See Glossary for further details.

Notes to the accounts

E. Investments in the BBC's commercial activities *continued***E4 Acquisitions**

On 5 June 2019, the UKTV Group, a British multi-channel broadcaster that was previously a joint venture owned by BBC Studios Distribution Limited and Southbank Media Limited, was demerged and had its ownership restructured. The three life-style channels were separated from the Group, and BBC Studios Distribution obtained 100% ownership and control of UKTV Holdings Limited and its remaining seven entertainment channels, as well as UKTV Play and the UKTV brand. The principal reason for this acquisition was that these channels are closely aligned to the Group's own content strategy, providing financial return.

Details of the purchase consideration, the net assets acquired and goodwill are as follows:

	£m
Cash paid	2
Deferred consideration	98
Purchase consideration	100

An additional £73 million will be paid, representing the assumption of debt previously financed by Discovery and the impact of discounting the deferred consideration.

The assets and liabilities recognised as a result of the acquisition are as follows:

	£m
Cash	39
Trade and other receivables	75
Trade and other payables	(64)
Rights to broadcast acquired programmes and films	106
Furniture and fittings	2
Intangible assets: Customer relationships	58
Intangible assets: Software	5
Intangible assets: Licences and trademarks	139
Intercompany payable	(68)
Corporation tax	(4)
Deferred tax	(20)
Net assets acquired	268

Business combination achieved in stages

Pre acquisition the UKTV joint venture was revalued from, £50 million to a fair value of £164 million, resulting in a profit on disposal of £114 million recognised in the income statement. Gain on bargain purchase totalled £4 million.

Acquired receivables

The fair value of acquired trade receivables is £36 million. The gross contractual amount for trade receivables due is £36 million, all of which is expected to be collected.

Revenue and profit contribution

The acquired business contributed revenues of £236 million and net profit of £41 million to the Group for the period from 5 June 2019 to 31 March 2020.

Purchase consideration – cash inflow

	£m
Cash consideration	(2)
Add cash acquired	39
Net inflow of cash – investing activities	37

Acquisition-related costs

Acquisition-related costs of £1 million that were not directly attributable to the issue of shares are included in administrative expenses within the income statement and in operating cash flows within the statement of cash flows.

F. Managing funding (including future costs)

This section contains the notes to the balance sheet that detail the funding of the BBC as well as the assets and liabilities that are used in the day-to-day operations of the BBC.

The BBC collects licence fees from UK households on behalf of the Consolidated Fund. This is passed up to the Fund as reflected in the BBC's Television Licence Fee Trust Statement¹. Licence fee income, whilst derived from the amount collected directly from licence fee payers, therefore represents a grant-in-aid from DCMS within the Group financial statements.

¹ See Glossary for further details.

F. Managing funding (including future costs) *continued*

This section also sets out the external borrowings of the BBC and the related disclosures required by the DCMS. For 2019/20 borrowing limits were adjusted for the accounting impact of adopting IFRS 16 *Leases*. For 2019/20, the BBC was subject to two specific limits to its borrowings:

- the Public Service net borrowing limit of £2,200 million is set by the Secretary of State for the DCMS in accordance with the Framework Agreement between the BBC and DCMS. Of this limit, £2,000 million is specifically for leases; and
- under a direction granted by the Secretary of State for the DCMS a net borrowing limit of £500 million has been set for the BBC commercial group. Of this limit, £150 million is specifically for leases.

From 1 April 2020 the Public Service net borrowing limits detailed above remain, however a net borrowing limit of £550 million (of which £200 million is specifically for leases) has been set for the BBC commercial group.

A net borrowing limit of £1,050 million, of which £850 million was specifically for finance leases, was applied to Public Service and a net borrowing limit of £350 million was applied to the BBC commercial group for the duration of 2018/19.

F1 Cash and cash equivalents

	2020 £m	2019 £m
Cash at bank, available on demand	170	118
Short-term deposits	231	350
Total	401	468

F2 Analysis of net debt for DCMS borrowing limits

	At 1 April 2019 £m	Cash flows £m	Non-cash changes £m	Exchange £m	At 31 March 2020 £m
Total cash and cash equivalents	468	(67)	–	–	401
Loans and loan notes	(203)	8	–	(9)	(204)
Derivatives associated with borrowings	21	–	11	–	32
Obligations under leases	(651)	152	(1,343)	–	(1,842)
Net debt	(365)				(1,613)
Made up of:					
PSB Group	(382)				(1,548)
BBC Studios	40				(31)
Other commercial businesses	(23)				(34)
Net debt	(365)				(1,613)

F3 Reconciliation of net funds/(debt) to the DCMS borrowing limits

	Public Services ¹			BBC commercial group*		
	Net funds excluding leases £m	Lease borrowings** £m	Net debt £m	Net funds excluding leases £m	Lease borrowings** £m	Net (debt)/ funds £m
2020						
Net funds/(debt)	206	(1,754)	(1,548)	22	(87)	(65)
Net borrowing limit	(200)	(2,000)	(2,200)	(350)	(150)	(500)
Headroom	406	246	652	372	63	435
2019						
Net funds/(debt)	269	(651)	(382)	17	–	17
Net borrowing limit	(200)	(850)	(1,050)	(350)	–	(350)
Headroom	469	199	668	367	–	367

* Under the terms of the DCMS agreement, the BBC Commercial Holdings Group must satisfy two financial covenants, which need to be satisfied throughout the respective period. During 2019/20 and 2018/19, the BBC Commercial Holdings Group was in compliance with both of these covenants.

** Lease borrowings are net of intra-group lease borrowings as these eliminate on consolidation.

F4 Borrowings

F4.1 Borrowings due within one year

	2020 £m	2019 £m
Bank loan	204	9
Obligations under leases	104	21
	308	30

¹ See Glossary for further details.

Notes to the accounts

F. Managing funding (including future costs) continued**F4.2 Borrowings due after more than one year**

	2020 £m	2019 £m
Bank loan	-	194
Obligations under leases	1,738	630
	1,738	824

Analysis of the BBC's borrowing facilities is set out in note F5.

F4.3 Obligations under leases

The ageing of obligations under leases is as follows:

	2020 £m	2019 £m
Within one year	104	21
Between one and five years	410	118
Over five years	1,328	512
	1,842	651

F5 Borrowing facilities

Facility	Interest rate	Total available 31 March 2020 £m	Drawn down at 31 March 2020 £m	Total available 31 March 2019 £m	Drawn down at 31 March 2019 £m	Expiry or review date
PSB Group						
Sterling revolving credit facility agreement	LIBOR* plus 0.225% rising to LIBOR* plus 0.375% on utilisations over 1/3 and LIBOR* plus 0.525% on utilisations over 2/3	200	-	200	-	March 2023~
Uncommitted money market lines (short-term borrowings)	The interest rates on uncommitted money market lines are determined when traded with the bank	25	-	25	-	Reviewed annually
GBP overdraft	Bank base rate plus 1.5%	5	-	5	-	Reviewed annually
Multicurrency overdraft	Banks' short-term offered rates for the relevant currency plus 1%	5	-	5	-	Reviewed annually
Overdraft*	Bank base rate plus 1%. Excess usage at bank base rate plus 2%	1	-	1	-	Reviewed annually
BBC Commercial Holdings Limited						
Multicurrency, revolving credit facility agreement for loans and letters of credit	LIBOR* plus 0.45% rising to LIBOR* plus 0.6% on utilisations over 1/3 and LIBOR* plus 0.75% on utilisations over 2/3	210	-	210	-	March 2025^
Overdraft or money market lines	Money market line – margin of 1.0% (2019: 1.0%)	20	-	20	-	Reviewed annually
US Private Placement	Fixed interest at 2.36%	28	28	28	28	June 2020***
US Private Placement**	Fixed interest at 2.71%	173	173	165	165	June 2020***

^ The BBC has a one-year extension option which, if exercised, would take the maturity through to March 2026.

~ The BBC has two one-year extension options which, if exercised, would take the maturity through to March 2025.

* The base rate used varies according to the currency drawn. GBP drawings are linked to LIBOR.

** The US\$216 million US placement was hedged to a sterling value of £143 million, valued at the time of the facility being put in place.

*** The US Private Placement was replaced in 2020/21 by a £170 million term loan. This facility matures in June 2023 with two one-year extension options potentially taking the maturity to June 2025. The interest rate on the facility is LIBOR plus 1.25%. A series of interest rate swaps have also been entered into to fix the interest rate on this facility to 1.49%.

F. Managing funding (including future costs) continued
F5 Borrowing facilities continued

Facility	Interest rate	Total available 31 March 2020 £m	Drawn down at 31 March 2020 £m	Total available 31 March 2019 £m	Drawn down at 31 March 2019 £m	Expiry or review £m
BBC Studios Distribution Limited						
Overdraft*	Bank base rate plus 1% if drawn down in sterling. Bank currency overdraft rate plus a 1% margin if drawn down in other currencies	2	-	2	-	Reviewed annually
Bank loan	Three-month GBP LIBOR plus 1.75%	9	-	9	1	November 2021
Bank loan	Three-month GBP LIBOR plus 1%	3	3	-	-	September 2020
Bank loan	Three-month GBP LIBOR plus 1%	-	-	3	3	August 2019
Bank loan	Three-month GBP LIBOR plus 1%	-	-	6	6	October 2019

* The base rate used varies according to the currency drawn. GBP drawings are linked to LIBOR.

There have been no defaults or breaches of covenants on these facilities during the year (2019: none).

F6 Cash generated from operations

	Note	2020 £m	2019 £m
Group deficit before taxation		(110)	(74)
Depreciation, amortisation and impairment	B1	413	349
Difference between pension charge and cash contribution		75	41
Fair value impact of derivatives associated with loans		(11)	(13)
Fair value impact of other derivatives		42	24
Loss on disposal of tangible and intangible fixed assets		15	-
Gain on deemed disposal of associates and joint ventures	G4	(114)	(7)
Gain on other disposals	G4	(4)	-
Gain on sale and termination of operations	G4	-	(29)
Other gains and losses		4	(15)
Share of results of associates and joint ventures	E3	(28)	(36)
Financing income (excluding fair value swaps)		(18)	(10)
Financing costs (excluding fair value swaps)		82	74
Decrease/(increase) in programme-related assets and inventories		11	(17)
Decrease/(increase) in receivables and contract assets		103	(94)
(Decrease)/increase in payables and contract liabilities		(78)	23
Increase in provisions	F10	10	39
Cash generated from operations		392	255

F7 Trade and other receivables

This note discloses the balances that are owed to the BBC by third parties and prepayments made by the BBC.

F7.1 Other receivables due after more than one year

	2020 £m	2019 £m
Trade receivables	41	30
Lease receivables	200	-
Other receivables	2	4
Prepayments	-	2
Amounts owed by associates and joint ventures	2	2
Total	245	38

Lease receivables relate to a lease of land and buildings, expiring in 2035, recognised upon the adoption of IFRS 16. The contract was entered into in 2015 with the BBC receiving fixed quarterly receipts, subject to inflation.

Notes to the accounts

F. Managing funding (including future costs) continued**F7 Trade and other receivables** *continued***F7.2 Trade and other receivables due within one year**

	2020 £m	2019 £m
Trade receivables	279	235
Licence fee receivables	409	401
Amounts owed by associates and joint ventures	16	45
VAT recoverable	35	57
Prepayments	92	142
Accrued income	185	163
Other receivables	59	88
Total	1,075	1,131

F8 Expected credit losses

Included in the BBC's contract assets (see note A4.2) and trade and other receivables at 31 March 2020 are balances of £60 million (2019: £37 million) which are past due at the reporting date but not impaired. The aged analysis of these balances is as follows:

	2020 £m	2019 £m
Up to three months	33	28
Three to six months	17	3
Over six months	10	6
	60	37

In determining the recoverability (likelihood of receiving payment) of a contract asset or trade and other receivable the BBC considers any change in the credit quality of the receivable from the date credit was initially granted up to the reporting date, as well as future considerations around the current state of the UK and overseas economies and any industry-specific issues. Receivables are provided for based on the probability of expected credit losses for each receivable.

Amounts charged to the impairment provision are written off when there is no expectation of recovery. Subsequent recoveries of amounts previously written off are credited to the income statement. The impairment provision stands at £35 million at 31 March 2020 (2019: £38 million).

Movements in the BBC's provision for impairment of licence fee receivable, trade receivables and contract assets can be shown as follows:

	2020 £m	2019 £m
Balance at the beginning of the year	38	33
Charge for the year	1	7
Amounts written off as unrecoverable	(3)	(1)
Amounts recovered during the year	(1)	(1)
Balance at the end of the year	35	38

F9 Trade and other payables

This note details the amounts payable to third parties by the BBC.

F9.1 Trade and other payables due after more than one year

	2020 £m	2019 £m
Rights creditors	21	16
Other payables	67	27
Total	88	43

F. Managing funding (including future costs) continued
F9.2 Trade and other payables due within one year

	2020 £m	2019 £m
Licence fee payable	253	245
Accruals	247	213
Trade payables	162	159
Rights creditors	140	135
Salaries and wages payables	83	93
Licence savings stamp deposits and savings cards	42	43
Other taxation and social security	33	32
Amounts owed to associates and joint ventures	8	19
Deferred income	20	18
Other payables	94	57
Total	1,082	1,014

F10 Provisions and contingent liabilities

	At 1 April 2019 £m	Charge for the year £m	Utilised during the year £m	Released during the year £m	At 31 March 2020 £m
Property	49	1	–	–	50
Taxation, litigation and insurance	55	16	(11)	(6)	54
Restructuring	25	44	(22)	(5)	42
Other	14	2	(2)	(7)	7
Total	143	63	(35)	(18)	153
Included in current liabilities	83				70
Included in non-current liabilities	60				83
Total	143				153

Property

The BBC has obligations to restore leased properties to their original condition at the end of the lease term. Property provisions are made for the cost of such restoration works as determined by the properties' discounted net present value or the market value of the gross square footage.

Taxation, litigation and insurance

Taxation, litigation and insurance provisions relate to ongoing legal, insurance and compensation claims against the BBC. The BBC makes specific provision for its best estimate of any damages and costs which may be awarded. A provision is only made to the extent that the BBC considers it probable that there will be an outflow of economic benefits and the amount can be reliably estimated. There are a number of provisions within this balance, including balances connected to payments to Personal Service Companies that may be required.

Restructuring

Restructuring provisions are determined by the probable costs relating to reorganisations, relocations and redundancies in the BBC. The restructuring balance at 31 March 2020 predominantly relates to the redundancies required by ongoing savings strategies.

Other

Other provisions include amounts relating to employment matters and other issues arising across the BBC in the normal course of business, none of which are individually material.

Contingent liabilities

There are no contingent liabilities in the current year.

Notes to the accounts

F. Managing funding (including future costs) continued**F11 Net financing costs**

Set out below is an analysis of the financing income and expenses incurred in the year. These amounts include interest relating to lease liabilities (see note F4.3) and defined benefit pension schemes (see note C7).

	Note	2020 £m	2019 £m
Financing income			
Interest income		8	9
Unwinding of discounted receivables		10	1
Fair value gains on swaps classified as fair value through surplus/deficit		11	13
		29	23
Financing costs			
Interest expense		(4)	(4)
Unwinding of discounted payables		(4)	(2)
Exchange loss on borrowings		(9)	(12)
Change in fair value of instruments classified as fair value through surplus/deficit		(47)	(14)
Interest on obligations under leases		(55)	(46)
Interest cost on pension plan liabilities ¹	C6.3	(119)	(78)
		(10)	(10)
		(129)	(88)
Net financing costs		(100)	(65)

F12 Long-term commitments not reflected in the balance sheet – contracts placed for future expenditure

This note shows amounts to which the BBC is contractually committed, but which do not meet the criteria for inclusion in the balance sheet. It includes fixed (but not variable) payments due under outsourcing contracts for the life of those contracts.

Functions covered by these long-term outsourcing contracts include IT support, content distribution and transmission, facilities management and elements of finance support.

	2020 £m	2019* £m
Fixed asset additions	18	41
Programme acquisitions and sports rights	1,172	1,385
Independent programmes	265	314
Other fixed payments on long-term outsourcing arrangements	1,893	2,066
	3,348	3,806

Long-term commitments not reflected in the balance sheet are payable as follows:

	2020 £m	2019* £m
Within one year	1,008	1,013
Between one and five years	1,726	1,963
Over five years	614	830
	3,348	3,806

* The comparatives have been restated to align the disclosure across the BBC Group.

¹ See Glossary for further details.

G. Other

G1 Taxation

G1.1 Recognised in the income statement

The charge for the year, based on the rate of corporation tax of 19% (2019: 19%) comprised:

	Note	2020 £m	2019 £m
Current tax			
UK corporation tax		(11)	(21)
Foreign tax		20	20
Adjustments in respect of prior years		4	(3)
Total current tax		13	(4)
Deferred tax¹			
Origination and reversal of temporary differences		(5)	(1)
Changes in tax rate		(1)	-
Adjustments in respect of prior years		2	-
Total deferred tax		(4)	(1)
Total taxation charge/(credit) in the consolidated income statement	G1.2	9	(5)

G1.2 Reconciliation of taxation expense

The PSB Group is liable to taxation on activities yielding a taxable profit including rent, royalties and interest receivable; it does not therefore receive relief for all its expenditure. The commercial subsidiaries in the BBC Group are taxed in accordance with tax legislation. As the BBC Group's public sector 'free-to-air' broadcasting activities are not subject to taxation, the tax charge is primarily driven by the results of the commercial businesses. The items affecting the standard rate of corporation tax are explained below:

	Note	2020 £m	2019 £m
Deficit before tax		(110)	(74)
Deficit before tax multiplied by standard rate of corporation tax in the UK of 19% (2019: 19%)		(21)	(14)
Effects of:			
Public service activities			
Public service taxable external income		5	8
Non-taxable public service activities		42	45
Commercial activities			
Disallowed expenditure (including goodwill impairment)		2	3
Losses utilised		-	(3)
High-end television tax relief		(33)	(39)
Tax differential on overseas earnings		9	3
Tax differential in associates and joint ventures		-	(5)
Changes in the tax rate		(1)	-
Adjustments in respect of prior years		6	(3)
Total tax charge/(credit) for the year	G1.1	9	(5)

G1.3 Factors that may affect future tax charges

The UK corporation tax rate is 19% and is expected to remain at this level for the immediate future.

The March 2020 Budget announced that a Corporation Tax rate of 19% would continue to apply with effect from 1 April 2020 and this change was substantively enacted on 17 March 2020. The deferred tax liability at 31 March 2020 has been calculated based on the rate of 19%.

There are many future changes to worldwide taxation systems as a result of the potential adoption by the UK and individual territories of measures relating to the OECD Base Erosion and Profit Shifting Actions. The Group continues to actively monitor any developments and evaluate their potential impact. The Group does not expect the future tax rate to be materially impacted by these changes to the international tax landscape.

¹ See Glossary for further details.

Notes to the accounts

G. Other continued**G1.4 Current tax assets**

The current tax assets totalling £44 million (2019: £29 million) includes £33 million (2019: £30 million) due in respect of industry film tax credits outstanding on high-end drama, comedy, natural history and factual productions.

G1.5 Deferred tax assets/(liabilities)

	Fixed asset temporary differences £m	Provisions £m	Financial instruments £m	Associates and joint ventures £m	Programme rights £m	Other £m	Net deferred tax (liability)/asset £m
At 1 April 2019	5	6	(6)	(21)	(7)	15	(8)
Net credit/(charge) to the income statement	2	(1)	(1)	–	–	4	4
Acquisition of subsidiary	–	–	–	–	–	(20)	(20)
Exchange movements	–	1	–	–	–	(1)	–
At 31 March 2020	7	6	(7)	(21)	(7)	(2)	(24)

Deferred tax asset/(liability) presented within:

	2020 £m	2019 £m
Non-current assets	15	8
Non-current liabilities	(39)	(16)
	(24)	(8)

The BBC has unrecognised deferred tax assets arising on capital losses totalling £139 million (2019: £139 million) and trade losses totalling £23 million (2019: £23 million). These assets have not been recognised on the basis that there is insufficient certainty that future gains or profits will arise against which the BBC can utilise these losses.

The BBC also has unrecognised deferred tax assets on brought forward unutilised management expenses totalling £4 million (2019: £4 million) and non-trade loan relationship losses totalling £14 million (2019: £14 million). These assets have not been recognised on the basis that there is insufficient certainty that future gains or profits will arise against which the BBC can utilise these losses.

There is no time limit for the utilisation of either of these losses and the position is reviewed annually.

G1.6 Current tax liabilities

The current tax liabilities totalling £9 million (2019: £7 million) is due in overseas jurisdictions.

G2 Pension plans

This note sets out the additional detailed disclosures related to the BBC Pension Scheme which were not covered in note C6 or C7.

G2.1 Changes in the present value of plan liabilities¹

The table below illustrates the movement on the scheme liabilities during the year. The key items which affect this are the additional year of pension benefits earned, any gains or losses relating to participants leaving the pension scheme, changes in assumptions made and benefits paid out during the year.

	2020 £m	2019 £m
Opening present value of plan liabilities	17,705	16,986
Current service cost	225	206
Past service cost	1	18
Administration cost	8	7
Interest on pension plan liabilities	401	401
Remeasurement (gains)/losses:		
– Experience adjustments	(360)	(64)
– Changes in financial assumptions ¹	(350)	663
– Changes in demographic assumptions ¹	(175)	–
Contributions by plan participants	1	1
Benefits paid and expenses	(508)	(513)
Closing present value of plan liabilities	16,948	17,705

¹ See Glossary for further details.

G. Other continued
G2 Pension plans continued
G2.2 Changes in the fair value of plan assets

The table below illustrates the movement on the plan assets during the year. The key items which affect this are the additional year of contributions made, changes in the value of the pension plan assets (including the investment return) and benefits paid during the year.

The employee contributions to the scheme by members are mainly paid through a salary sacrifice arrangement. These have been treated as employer contributions.

	2020 £m	2019 £m
Opening fair value of plan assets	17,183	16,476
Interest income on assets	391	391
Remeasurements on plan assets ¹	(23)	637
Contributions by employer	159	191
Contributions by plan participants	1	1
Benefits paid and expenses	(508)	(513)
Closing fair value of plan assets	17,203	17,183

G2.3 Plan assets

The allocation of assets by the pension fund Trustees is governed by the need to manage risk against the desire for high returns and any liquidity needs. A high percentage of assets are held in equities which the Trustees expect will produce higher returns in the long term.

Type of asset	2020		2019	
	£m	%	£m	%
Held at quoted market prices:				
Equities	1,234	7	1,284	7
Pooled vehicles	1,056	6	1,242	7
Repurchase agreements	(2,440)	(14)	(2,004)	(12)
Fixed interest bonds	3,289	19	3,106	18
Index-linked bonds	7,727	45	7,303	44
Derivatives	(155)	(1)	47	–
Other assets:				
Property				
– UK	1,007	6	1,013	6
– Pooled investment vehicles	565	3	540	3
Alternatives*	4,684	28	4,434	26
Cash and other current assets	236	1	218	1
Total assets	17,203	100	17,183	100
Actual return on pension plan assets**	367		1,028	

* Alternatives are investments in asset classes other than the traditional quoted equities, bonds, property and cash. They include investments in private equity, private credit, hedge funds, infrastructure and renewable energy investments. They are generally illiquid investments as some may require sufficient time to find buyers willing to pay full market value. They are useful for managing risk as they enhance portfolio diversification and potentially reduce risk as their cash flows can be well suited to meeting the scheme's liabilities.

** This constitutes realised gains from the receipt of investment income (e.g. dividends and rent), transactions where assets are sold and unrealised fair value changes.

A long term plan of achieving full funding on a discount rate equal to the yield on liability matching gilts plus 0.5% per annum has been agreed. The Scheme's strategic asset allocation is based on the Scheme's funding ratio, with the intention of not taking more risk than necessary to return to full funding over the horizon of the plan. Indirect currency risk exposure exists through pooled investment vehicles held in foreign currencies, valued at £4,409 million (2019: £4,238 million).

G2.4 BBC Pension Scheme (losses)/gains in the consolidated statement of comprehensive income/(loss)

	2020 £m	2019 £m
Return on plan assets (excluding amounts included within interest)	(23)	637
Remeasurement gains/(losses) ¹ arising from:		
– Experience adjustments	360	64
– Changes in demographic assumptions	175	–
– Changes in financial assumptions	350	(663)
Net gain recognised in the consolidated statement of comprehensive income/(loss)	862	38

¹ See Glossary for further details.

Notes to the accounts

G. Other *continued***G2 Pension plans** *continued***G2.5 Principal actuarial assumptions**

The calculation of the scheme liabilities requires a number of financial and demographic assumptions to be made. The principal assumptions used by the actuaries at the balance sheet date were:

Principal financial assumptions	2020 %	2019 %
Rate of increase in salaries	1.0	1.0
Rate of increase in pension payments:		
Old Benefits*	3.0	3.2
New Benefits*	2.8	3.0
Career Average Benefits (2006)*	2.4	2.4
Career Average Benefits (2011)*	2.0	2.1
Inflation assumption (RPI)	2.8	3.2
Inflation assumption (CPI)	2.0	2.2
Discount rate ¹	2.2	2.3

* For more information on the different pension arrangements, please refer to the remuneration report.

The average life expectancy assumptions for members, after retiring at 60 years of age, are as follows:

Principal demographic assumptions	2020 Number of years	2019 Number of years
Retiring today:		
Male	27	27
Female	29	30
Retiring in 20 years:		
Male	28	29
Female	31	31

The mortality assumptions have been selected to reflect the characteristics and experience of the membership of the scheme. These are based on the assumptions used for the actuarial valuation which was carried out for funding purposes as at 1 April 2019. The standard 'S3' series of tables, published by the Continuous Mortality Investigation (CMI), reflect recent research into mortality experience in the UK. A subset of these tables have been used for males and females, with a multiplier of 100% for male members and dependants and 100% for female members and 102% for female dependants. For the allowance for future improvements, the CMI 2016 core projection has been adopted with a long-term trend of 1.25% for both males and females.

G2.6 Scheme membership analysis and maturity¹ profile

Principal demographic assumptions	2020 Number	2019 Number
Contributors	8,776	9,337
Pensioners	20,222	19,922
Dependants	4,375	4,351
Deferred pensioners	27,944	28,430

The total number of scheme beneficiaries as at 31 March 2020 was 47,764 (2019: 48,478). Membership numbers in the table above are higher as members can hold more than one record. For example, contributing members who have transferred to the Career Average Benefits 2011 section from another section of the scheme may have a deferred pensioner record for their benefits built up in the Old Benefits, New Benefits or Career Average Benefits 2006 sections and a contributing record for their Career Average Benefits 2011 benefits.

The average duration of the benefit obligation at the end of the reporting period is 19 years (2019: 21 years). This number can be subdivided into the duration related to:

- contributors: 25 years (2019: 26 years);
- pensioners: 13 years (2019: 14 years); and
- deferred pensioners: 25 years (2019: 28 years).

¹ See Glossary for further details.

G. Other continued

G3 Financial instruments

This section details the financial instruments held by the BBC. A financial instrument is a contract that results in one entity recording a financial asset (a contractual right to receive financial assets, e.g. cash) in their accounts and another entity recording a financial liability.

G3.1 Financial risk management

The BBC's financial risk management operations are carried out by a BBC Group Treasury function, within parameters defined formally within the policies and procedures manual agreed by the Treasury Management Group which has delegated authority from the BBC Board.

The BBC Group Treasury function uses financial instruments to raise finance and to manage financial risk arising from the BBC's operations in accordance with its objectives, which are:

- to ensure the business of the BBC, both PSB Group and Commercial, is funded in the most efficient manner and remains compliant with borrowing ceilings;
- to protect the value of the BBC's assets, liabilities and cash flows from the effects of adverse interest rates and foreign exchange fluctuations; and
- to maximise the return on surplus funds, whilst ensuring sufficient cash is retained to meet foreseeable liquidity requirements.

The BBC takes a risk averse approach to the management of interest rate fluctuations and foreign currency trading and has implemented a clear economic hedging policy to minimise volatility in the financial results. A small number of the forward foreign currency contracts entered into by the BBC were designated as hedging instruments in effective cash flow hedges. Hedge accounting is only applied where there is appropriate designation and documentation.

The BBC is exposed to the following areas of risk arising from financial instruments:

Risk	Exposure arising from	Measurement	Management
Market risk – currency risk	Transactions and balances denominated in foreign currencies	Cash flow forecasting	Forward foreign currency contracts
Market risk – interest risk	Long-term borrowings at variable rates	Projected borrowing requirements	Interest rate swaps, caps and collars
Liquidity risk	Borrowings and other financial liabilities	Rolling cash flow forecasts	Monitoring cash flow forecasts and covenant compliance
Credit risk	Counterparty default on contractual obligations	Credit ratings and ageing analysis	Assessment of financial reliability, collateral and other credit enhancements

Currency risk

Although the BBC is principally a UK-based organisation, some transactions are undertaken in currencies other than sterling.

The BBC's commercial operations are undertaken in a range of global markets and a significant proportion of BBC Studios' and Global News' incomes are generated outside the UK, and as a result are exposed to foreign exchange risk arising from various currencies – principally the US dollar, the euro and the Australian dollar. Due to movements in exchange rates, the amount the BBC expects to receive or pay when it enters into a transaction may differ from the amount that it actually receives or pays when it settles the transaction.

The BBC takes a risk averse approach to the management of currency risk and has implemented clear policy parameters for the use of forward foreign currency contracts to minimise volatility in the financial results. A substantial proportion of the BBC's material net foreign currency exposures are economically hedged.

The BBC's main exposure is to US dollars; however, due to the relative size of this exposure in comparison to the BBC's sterling-denominated business, the BBC does not consider this to be significant. The BBC generally enters into forward currency contracts to manage, or hedge, this currency risk. This allows the BBC to reduce risk by settling transactions at known exchange rates.

The overall income or expenditure to be recognised in relation to contracts denominated in foreign currencies (and the related hedges) is therefore fixed; however, where these contracts span financial years, the recognition of the fair value of the forward currency contracts results in timing gains or losses in each financial year. These timing gains or losses are as a result of market conditions and not variances in underlying contract value.

As the BBC has mitigated its underlying exposure to currency fluctuations there is no requirement to present sensitivity analysis as any potential variation is insignificant.

At 31 March 2020, the BBC had entered into a net commitment to sell foreign currencies amounting to £4 million (2019: £242 million) that mature in the period through to 2024 in order to fix the sterling cost of commitments through this period (mainly euros and US dollars).

The BBC applies hedge accounting for trades taken out by one of its commercial subsidiaries in respect of their forecast foreign currency transactions¹. Net losses (before tax and non-controlling interests) recognised in the hedging reserve on forward foreign exchange contracts in hedge relationships at 31 March 2020 were £9 million (2019: £2 million net gains). These amounts are recognised in the income statement in the period when the hedged forecast transaction impacts the income statement.

The ineffective portion recognised in operating costs arising from such hedges was immaterial in both the current and prior year.

¹ See Glossary for further details.

Notes to the accounts

G. Other continued**G3 Financial instruments continued****G3.1 Financial risk management continued**

Depending on how exchange rates and interest rates move between the time the BBC enters into the transaction and at the year end reporting date, derivatives can either be profitable ('in the money') or loss-making in their own right. However, the rationale in entering into these derivatives is not to profit from currency markets or interest rate fluctuations, but to provide stability to the BBC's cash flows. Other than where hedge accounting is applied, the movements relating to these derivatives (i.e. where they are either in profit or loss-making) are taken to the BBC's statement of income and expenditure for the year.

Interest rate risk

BBC Commercial Holdings' 2013 private placement included a tranche of fixed rate sterling debt alongside a tranche of fixed rate US dollar debt, with the latter swapped to fixed rate sterling throughout the period of the instrument. Since March 2003 BBC Commercial Holdings has borrowed using its revolving credit facilities at floating rates of interest and then used interest rate swaps, caps and collars to manage the BBC's exposure to interest rate fluctuations and provide greater certainty of cash flows. Interest rate swaps, caps and collars are entered into based on projected borrowing requirements, therefore differences will occur between the notional amount of the swaps, caps and collars and the actual borrowing requirements. By taking out the interest rate swaps, caps and collars the BBC has mitigated underlying exposure to interest rate fluctuations and hence no sensitivity analysis has been presented as any potential variation is insignificant.

Sterling fixed rate borrowings are achieved by entering into interest rate swap transactions; all outstanding swaps mature by the end of June 2020. In total, £174 million (2019: £165 million) of swaps were entered into. The coverage is £27 million lower (2019: £28 million lower) than the current level of bank loans of £201 million (2019: £193 million).

The private placement debt matured in June 2020 and was therefore replaced by a £170 million term loan. A series of interest rate swaps have also been entered into to fix the interest rate on this facility. See note F5 for further details.

Other price risk of financial assets

The BBC invests surplus cash in money market funds and money market deposits, therefore it is not subject to other price risks, such as market price risk.

Liquidity risk

Liquidity risk is the risk that the BBC will not be able to meet its financial obligations as they fall due. The BBC is subject to limits on its borrowings set by the Secretary of State in accordance with the Agreement between the BBC and DCMS (see note F2). In order to comply with these limits, together with the terms of any individual debt instruments, the BBC Group Treasury function manages the BBC's borrowings by regularly monitoring cash flow forecasts. The BBC holds its surplus liquidity in term deposit accounts with highly rated financial institutions.

The bank loans of the BBC's commercial operations are subject to debt covenants based on the BBC's earnings before interest and taxation. The covenants are in respect of net borrowings and net interest coverage. The BBC is active in the monitoring of its debt covenants, which have been met at 31 March 2020.

The following table sets out the contractual undiscounted cash flows (including interest) of financial liabilities:

	Carrying value £m	Total contractual cash flows £m	Less than one year £m	Between one and five years £m	Over five years £m
2020					
Non-derivative financial liabilities					
Trade and other payables	(787)	(792)	(699)	(92)	(1)
Bank loans and overdrafts	(204)	(224)	(224)	-	-
Obligations under leases	(1,842)	(2,406)	(160)	(603)	(1,643)
Derivative financial liabilities					
Forward foreign currency contracts – fair value through surplus/(deficit)	(7)	(7)	(5)	(2)	-
Forward foreign currency contracts – fair value through other comprehensive income/(loss)	(9)	(9)	(9)	-	-
Cash flow swaps	(546)	(546)	-	-	(546)
2019					
Non-derivative financial liabilities					
Trade and other payables	(456)	(456)	(413)	(43)	-
Bank loans and overdrafts	(203)	(223)	(15)	(208)	-
Obligations under finance leases	(651)	(1,060)	(66)	(277)	(717)
Derivative financial liabilities					
Forward foreign currency contracts – fair value through surplus/(deficit)	(6)	(6)	(3)	(3)	-
Cash flow swaps	(549)	(549)	-	-	(549)

G. Other *continued*
G3 Financial instruments *continued*
G3.1 Financial risk management *continued*
Credit risk

Credit loss is the risk of financial loss to the BBC if a counterparty defaults on its contractual obligation. Default arises when it is determined that a counterparty is unlikely to pay following the evaluation of objective evidence.

Cash and cash equivalents and derivative financial instruments are held only with banks of A+ to BBB rating. The Group limits its exposure to credit risk by only investing in liquid securities with counterparties that have a minimum credit rating of A-, with a higher minimum rating up to AA- required depending upon duration and amount. Given these high credit ratings, the Group considers it has appropriately mitigated the risk of any counterparty failing to meet its obligations.

The BBC's credit risk management policy in relation to other trade receivables involves regularly assessing the credit quality of customers, taking into account several factors such as their financial position and historical performance. The carrying amount of financial assets included in the financial statements represents the BBC's maximum exposure to credit risk in relation to these assets.

G3.2 Fair value¹ of financial instruments

When calculating the fair value of the BBC's financial instruments (subsequent to the initial recognition), the technique used is determined with reference to the classification in the three-level hierarchy set out below. This disclosure helps to show the level of judgement that the BBC has used in calculating fair values, subsequent to the initial recognition.

Fair value hierarchy levels 1 to 3 are based upon the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted market prices (unadjusted) in active markets;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

No transfers between these categories have occurred during the period.

	Carrying value			Fair value hierarchy for those carried at fair value or at amortised cost where fair value differs				
	Amortised cost £m	Fair value through surplus/ (deficit) £m	Fair value through other comprehensive income/(loss) £m	Total £m	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
2020								
Cash and cash equivalents	401	-	-	401				
Trade and other receivables	947	-	-	947				
Derivative financial assets:								
Forward foreign currency contracts ¹	-	9	1	10	10	-	-	10
Cash flow swaps	-	364	-	364	-	364	-	364
Interest rate swaps	-	32	-	32	-	32	-	32
Other investments	16	-	-	16	-	-	229	229
Investment properties	33	-	-	33	-	-	5	5
Total financial assets	1,397	405	1	1,803	10	396	234	640
Trade and other payables	(771)	(16)	-	(787)	-	-	(16)	(16)
Bank loans and overdrafts	(204)	-	-	(204)				
Derivative financial liabilities:								
Forward foreign currency contracts ¹	-	(7)	(9)	(16)	(16)	-	-	(16)
Cash flow swaps	-	(546)	-	(546)	-	(546)	-	(546)
Obligations under leases	(1,842)	-	-	(1,842)	-	-	(1,842)	(1,842)
Total financial liabilities	(2,817)	(569)	(9)	(3,395)	(16)	(546)	(1,858)	(2,420)

¹ See Glossary for further details.

Notes to the accounts

G. Other continued

G3 Financial instruments continued

G3.2 Fair value¹ of financial instruments continued

	Carrying value			Fair value hierarchy for those carried at fair value or at amortised cost where fair value differs				
	Amortised cost £m	Fair value through surplus/ (deficit) £m	Fair value through other comprehensive income/(loss) £m	Total £m	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
2019								
Cash and cash equivalents	468	–	–	468				
Trade and other receivables	713	–	–	713				
Derivative financial assets:								
Forward foreign currency contracts ¹	–	3	1	4	4	–	–	4
Cash flow swaps	–	426	–	426	–	426	–	426
Interest rate swaps	–	21	–	21	–	21	–	21
Other investments	14	–	–	14	–	–	205	205
Investment properties	70	–	–	70	–	–	176	176
Total financial assets	1,265	450	1	1,716	4	447	381	832
Trade and other payables	(444)	(12)	–	(456)	–	–	(12)	(12)
Bank loans and overdrafts	(203)	–	–	(203)				
Derivative financial liabilities:								
Forward foreign currency contracts ¹	–	(6)	–	(6)	(6)	–	–	(6)
Cash flow swaps	–	(549)	–	(549)	–	(549)	–	(549)
Obligations under finance leases	(651)	–	–	(651)	–	–	(906)	(906)
Total financial liabilities	(1,298)	(567)	–	(1,865)	(6)	(549)	(918)	(1,473)

Due to their short-term nature, the carrying value of cash and cash equivalents, short-term bank loans, trade and other receivables and trade and other payables, is approximately equal to their fair value.

Level 2 – cash flow swap derivatives

Cash flow swaps represents derivative financial assets of £364 million (2019: £426 million) and derivative financial liabilities of £546 million (2019: £549 million) relating to the financing arrangement of Broadcasting House, London. These swaps, which expire between 2033 and 2045, are valued with reference to relevant SONIA and LIBOR yield curves, subject to appropriate credit risk adjustments where necessary. An adjustment of 316 basis points is applied to a specific leg of the swaps to reflect credit risk as the arrangement with the counterparty is not collateralised. These assumptions and inputs are reviewed on an annual basis, along with the completion of sensitivity analysis. If an alternative adjustment of 327 basis points had been used to reflect a reasonably possible change based on market movements during the year, then this would result in a decrease in the net liability of £7 million.

During the prior year an adjustment of 250 basis points was applied to reflect credit risk as the arrangement with the counterparty is not collateralised. A change in the credit risk adjustment, reflecting the cumulative market movements since the inception of the swap, would have resulted in an increase in the net liability of £2 million. The net liability would have decreased by £7 million had another appropriate index been used as a proxy for the credit risk adjustments, taking into account the cumulative movements since inception of the swap.

Level 3 financial instruments

The change in fair value of level 3 financial instruments is reconciled as follows:

	2020		2019	
	Financial assets £m	Financial liabilities £m	Financial assets £m	Financial liabilities £m
At 1 April	381	(918)	370	(962)
Payments	–	152	–	68
Unwinding of discount recorded within finance expense	–	(57)	–	(48)
Additions	2	–	–	–
IFRS 9 cumulative catch-up	–	–	(1)	1
IFRS 16 cumulative catch-up	(69)	(1,229)	–	–
Change in fair value recorded in other gains and losses	–	(2)	–	15
Change in fair value	(80)	196	12	8
At 31 March	234	(1,858)	381	(918)

¹ See Glossary for further details.

G. Other continued

G3 Financial instruments continued

G3.2 Fair value¹ of financial instruments continued

Other investments – Daunus Limited

In order to facilitate the redevelopment and subsequent financing arrangement relating to Broadcasting House, London, the BBC holds an investment in Daunus Limited, which is included within level 3 financial instruments with a fair value of £227 million (2019: £205 million). The BBC holds a 20% (2019: 20%) share of the issued share capital (preferential in nature), due to mature in 2033, at which point the BBC receives certain rights in respect of Broadcasting House. The BBC's share in Daunus Limited entitles it to the first £125 million (plus RPI from the start of the lease) of any proceeds on termination of the lease. The fair value has therefore been derived from £125 million, inflated by RPI and subsequently discounted to 31 March 2020. The estimated interest rate used was 2.2% (2019: 2.9%) and the rate used to discount the future cash flows was 0.6% (2019: 1.5%). These assumptions and inputs are reviewed on an annual basis, along with the completion of a sensitivity analysis. A change in the adjustment applied to the respective interest rate of +1.0% would result in an increase in the net assets by £33 million (2019: £32 million) whilst a reduction in the respective interest rate of -1.0% would result in a decrease in the net assets of £29 million (2019: £28 million).

The fair value of the investment in Daunus Limited is not included on the balance sheet as it is equity accounted for through the income statement (see note E3). This is due to the BBC sharing joint control with other investors, including voting power and right to veto over relevant activities, along with significant shared exposure to variable returns. The assumptions relating to Daunus Limited are reviewed on an annual basis, along with the completion of a sensitivity analysis. Whilst the reported profit or loss of Daunus Limited is not a significant input, the decision that Daunus Limited is a joint venture is a significant judgement.

G4 Gains on disposals

	Note	2020 £m	2019 £m
Gain on disposal of Good Food		-	29
Gain on deemed disposal of UKTV	E4	114	-
Other gains		4	7
		118	36

The Group increased its shareholding in UKTV Media Holdings Limited on 5 June 2019. The accounting for this investment changed from a joint venture to that of a subsidiary holding on the same day. A £114 million deemed disposal on the joint venture holding has therefore been recognised.

G5 Other gains and losses

	2020 £m	2019 £m
Change in fair value of derivative financial instruments	(2)	(8)
Change in fair value of put options over non-controlling interests	(2)	15
Change in earn-out payments due in respect of prior acquisitions	(2)	-
	(6)	7

G6 Interests in associates, joint ventures and subsidiaries

The BBC Group holds (directly and indirectly) interests in the associates, joint ventures and subsidiaries listed below which, except where otherwise stated, are incorporated in Great Britain and registered in England and Wales.

G6.1 Significant associates and their activities

Name of entity	Place of incorporation and principal place of business	Holding of issued ordinary shares %	Activity
YouView TV Limited	England and Wales	14.2%	Multiplatform broadcasting
Britbox SVOD Limited	England and Wales	10.0%	Digital Video Subscription
New Video Channel America LLC*	United States	50.1%	TV channel operator
3sixtymedia Limited**	England and Wales	10.0%	Production

* Whilst BBC Studios Distribution Limited retain a significant influence over New Video Channel America LLC and has the rights to variable returns, it is not deemed to have control and is therefore recognised as an associate undertaking.

**The BBC holds 10% of the total share capital of 3sixtymedia Limited but 20% of the Class A ordinary shares, which gives it significant influence.

1 See Glossary for further details.

Notes to the accounts

G. Other *continued*

G6 Interests in associates, joint ventures and subsidiaries *continued*

G6.2 Significant joint ventures and their activities

Name of entity	Place of incorporation and principal place of business	Holding of issued ordinary shares %	Activity
Commercial joint ventures:			
Britbox LLC	United States	50%	Digital Video Subscription
Daunus Limited*	England and Wales	20%	Property

* The BBC holds 20% of the total share capital of Daunus Limited but 66% of the voting rights. Other shareholders retain certain veto rights and therefore this entity is recognised as a joint venture.

G6.3 Subsidiary undertakings¹

Name of entity	Registered address
Directly owned commercial subsidiaries: (all 100% owned unless stated)	
BBC Commercial Holdings Limited	Broadcast Centre Media Village, 201 Wood Lane, London W12 7TP
BBC Property Limited	
BBC Property Investment Limited	
BBC Property Development Limited	
Centre House Productions Limited	
BBC News Limited	
BBC Free to View (Satellite) Limited	
BBC Free to View Limited	
BBC Media Applications Technologies Limited	
DSHS Limited	
BBC Subscription Television Limited	
BBC Investments Limited	
BBC Digital Programme Services Limited	
BBC World Service Trading Limited	London Broadcasting House, Portland Place, London W1A 1AA
BBC World Service Holdings Limited	

Indirectly owned commercial subsidiaries: (all 100% owned unless stated)

BBC Studios Limited	1 Television Centre, 101 Wood Lane, London W12 7FA
BBC Studios Distribution Limited	
2 entertain Limited	
2 entertain Management Limited	
2 entertain Video Limited	
BBC Video Limited	
MCI Music Publishing Limited	
Demon Music Group Limited	
Crimson Productions Limited	
F-Beat Records Limited	
Demon Records Limited	
BBC Earth MD (WWD) Limited	
BBC Earth Productions (Life) Limited	
BBC Earth Productions Limited	
BBC Earth Productions (Giant Films) Limited	
Earth Film Productions Limited	
BBC Magazine Holdings Limited	
BBC Studios Corporate Services Limited	
BBC Studios Investments Limited	
BBC Studios Drama Productions Limited	
Tonto Films and Television Limited	
BBC Studios Channel Investments Limited	
Mortimer Productions Limited	
UK Programme Distribution Limited (92.683% owned)	
BEEB Rights Limited (88.402% owned)	
BBC Studios Productions Limited	
BBC Grafton House Productions Limited	
BBC Comedy Productions Limited	
BBC Natural History and Factual Productions Limited	
BBC Natural History Giant Screen Limited	
BBC Studios Productions (Clifton) Limited	

¹ See Glossary for further details.

G. Other *continued*

G6 Interests in associates, joint ventures and subsidiaries *continued*

G6.3 Subsidiary undertakings¹ *continued*

Name of entity	Registered address
UKTV Media Holdings Limited UKTV Media Limited	10 Hammersmith Grove, London W6 7AP
BBC Children's Productions Limited BBC Global News Holdings Limited BBC Global News Limited BBC World Distribution Limited BBC.com Limited	Broadcasting House, Portland Place, London, United Kingdom W1A 1AA
BBC Studioworks Limited	Room N101, Neptune House, BBC Elstree Centre, Clarendon Road, Borehamwood, Hertfordshire WD6 1JF
Baby Cow Productions Limited (72.994% owned) Baby Cow Manchester Limited Baby Cow Productions (Hunderby) Limited Baby Cow Productions (Partridge) Limited Baby Cow Productions (Red Dwarf) Limited Baby Cow Films Limited Alan Partridge Limited Baby Cow Animation (Warren) Limited Baby Cow Animation (Wussywat) Limited Baby Cow Productions (Witchfinder) Limited Baby Cow Animation Limited Baby Cow Films (Zoe) Limited Lost Child Limited (50%) Moone Bay (UK) Limited (50%) The Last Holiday Limited	1 Television Centre, 101 Wood Lane, London W12 7FA
Sid Gentle Films Limited (51% owned) Sid Gentle Films (Corfu) Limited Sid Gentle Films (Gaiman) Limited Sid Gentle Films (KE2) Limited Sid Gentle Films (KE3) Limited Sid Gentle Films (KE4) Limited Sid Gentle Films (Killing Eve) Limited Sid Gentle Films (OLIVE) Limited Sid Gentle Films (SS-GB) Limited Sid Gentle Films (TD4) Limited Philomena Lee Limited Sid Gentle Films (The Durrells) Limited	Charles House, 5-11 Regent Street, St James's Way, London SW1Y 4LR
Lookout Point Limited (94% owned) A Suitable Company Limited AMP 1 Limited Evergreen Television Limited LOOKOUT POINT (LES MISERABLES) Limited LOOKOUT POINT (SHIBDEN) Limited Lookout Point (LT5) Limited Lookout Point Acquisition Limited Off Stone Productions Limited Lookout Point (The Collection) Limited	Hammer House, 113-117 Wardour Street, London, United Kingdom W1F 0UN
Lookout Point (The Collection) Limited	4 Daventry Road, Rugby, United Kingdom, CV22 6NS
BBC Studios Canada Limited	409 King Street West, 5th Floor, Toronto, ON, M5V 1K1, Canada
BBC Studios Singapore PTE. Limited	12-08/08 Shal Tower, 100 Beach Road, Singapore 189702, Singapore
BBC Studios Japan Limited	Tokyo Club Bldg., 10F, 3-2-6 Kasumigaseki, Chiyoda-ku, Tokyo 100-0013, Japan
BBC Studios Productions Nordics ApS	Mosedalvej 14, 2500 Valby, Denmark
BBC.com US, Inc	c/o Corporation Trust Centre, 1209 Orange Street, Wilmington 19801, United States New Castle, Delaware 19801

¹ See Glossary for further details.

Notes to the accounts

G. Other *continued***G6 Interests in associates, joint ventures and subsidiaries** *continued***G6.3 Subsidiary undertakings¹** *continued*

Name of entity	Registered address
Nine Productions1 Inc	650-699 Howe Street Vancouver, British Columbia, V6 0B4, Canada
BBC Studios France	18-20 Quai du Point du Jour, Bat. A, 92100 Boulogne-Billancourt, France
BBC Studios Channel Investments (Ontario) Limited	Toronto Dominion Bank Tower, Toronto Dominion Center, Toronto, ON M5K 1E6, Canada
2004370 Inc	66 Wellington Street West 470, Toronto Dominion Bank Tower, Toronto M5k 1EG, Canada
BBC Studios Americas Inc BBC Studios Americas (401) K Plan Trustees	1120 Avenue of the Americas, 5th Floor, New York, NY 10036-6700, United States
Adjacent Productions, LLC Bad Wolf Productions LLC BBC Studios Reality Productions LLC Global Hybrid Productions LLC Lime Grove Productions LLC Sun Never Sets Productions LLC Studios Competition Productions LLC	10351 Santa Monica Boulevard, Los Angeles, CA 90025, United States
BBC Studios Americas Investments Inc	The Corporation Trust Company, Corporation Trust Centre, 1209 Orange Street, Wilmington 19801, United States
BBC Studios Australia Holdings Pty Limited BBC Studios Australia Pty Limited BBC Studios Productions Australia Pty Limited	Level 1, 35-51 Mitchell Street, McMahons Point NSW 2060, Australia
BBC Studios Germany GmbH Erste Weltweit Medien GmbH	Kaiser-Wilhelm-Ring 17-21, 50672 Köln, Germany
BBC Worldwide Holdings B.V	Prins Bernhardplein 200, 1097 JB Amsterdam, Netherlands
BBC Studios India Private Limited	Construction House A Wing, 401- 4th Floor, Off Linking Road, 24th Road, Khar (W), Mumbai 400 052 India
BBC Studios Africa (Pty) Limited	Office 003H3 Ground Floor, 10 Melrose Boulevard, Melrose Arch, Melrose North 2196, SA
BBC Studios Intermediadora de Programadora Estangeira Limited	Rua Ferreira de Araujo, 741, Andar 1, Pinheiros, São Paulo SP 05.428-002 Brazil
BBC Studios Polska Sp. z o.o.	Pl. Bankowy 1, 00-139 Warszawa, Poland
BBC Worldwide Mexico S.A de C.V BBC Worldwide Channels Mexico S.A de C.V	Calle Andres Bello 10 Piso 10, Chapultepec Polanco, Delg. Miguel Hidalgo, Ciudad de Mexico CP 11560, Mexico
Worldwide Knowledge (Beijing) Business Consulting Company Ltd	Unit 7, Floor 9, West Tower, Genesis Building, 8 Xinyuan South Road, Chaoyang District, Beijing 100027
BBC Studios Productions (Africa) (Pty) Limited	24 18th Street, Menlo Park 0081, Maxars House, 5 St Davids Place, Parktown 2193, SA
Rapid Blue Pty Limited Canadian AP Ventures Company ULC	263 Oak Avenue, Ferndale, Randburg, 2194, South Africa
Rapid Blue Africa Limited	7 Sowemimo Street, GRA Ikeja, Nigeria
BBC World (Japan) Limited (incorporated in Japan)	Tokyo Club Bldg, 3-2-6, Kasumigaseki, Chiyoda-ku, Tokyo, 100-0013, Japan
BBC World (Singapore) Private Limited (incorporated in Singapore)	#12-08/08 Shaw Tower, 100 Beach Road Singapore 189702, Singapore
BBC Global News (India) Private Limited (incorporated in India)	Unit No. 301, 3rd Floor, D-2, Southern Park, District Centre, Saket, New Delhi, 110017
BBC Global News US LLC (incorporated in America)	Corporation Service Company, 80 State Street, Albany, New York, 12207-2543

G7 Reserves**G7.1 Operating reserve**

The operating reserve reflects accumulated profits to date and the one-off cumulative catch-up adjustment of £81 million due to the transition to IFRS 16 *Leases*, hence this will amount to the difference in 2018/19 closing and 2019/20 opening retained earnings. The cumulative catch-up adjustment is an entry to opening retained earnings to reflect the changes recognised as a result of IFRS 16 under the modified retrospective transition method. Refer to the accounting policies section for further information on the transition.

¹ See Glossary for further details.

G. Other continued
G7 Reserves continued
G7.2 Hedging reserve

The hedging reserve is used to record the effective portion of cumulative net changes in the fair value of cash flow hedging instruments, related to hedged transactions that have not yet occurred (net of tax). During the current year, losses of £4 million were removed from the hedging reserve and debited to income in the income statement (2019: £4 million).

G7.3 Translation reserve

The translation reserve comprises all foreign exchange differences arising since the transition to IFRS, from the translation of the financial statements of foreign operations, as well as from the translation of liabilities that hedge the BBC's net investment in foreign subsidiaries.

G7.4 Other reserves

Other reserves include the fair value of put option liabilities arising on acquisition of subsidiaries and the difference between the cost of investment and net assets of entities acquired which are held under common control.

G8 Post-balance sheet events

There were no events subsequent to the balance sheet date which required disclosure within the financial statements.

G9 Related party transactions

The following table represents transactions with related parties excluding key management personnel.

	Associates, joint ventures and other investments		BBC Pension Scheme	
	2020 £m	2019 £m	2020 £m	2019 £m
Rendering of services	56	83	-	-
Receiving of services	(90)	(89)	-	-
Pension contributions	-	-	159	191
Dividends received	8	28	-	-
	(26)	22	159	191

	Amounts owed by related parties		Amounts owed to related parties	
	2020 £m	2019 £m	2020 £m	2019 £m
Associates, joint ventures and other investments	18	47	(8)	(19)
	18	47	(8)	(19)

In all transactions, terms were negotiated on an arm's length basis.

The BBC also enters into various transactions with Government and local authorities on an arm's length basis. These transactions include business rates and corporation tax payments.

Related party transactions with key management personnel are disclosed in note C5.

During the year the BBC received less than £0.1 million of income and incurred less than £0.1 million of expenditure with BBC Children in Need. At 31 March 2020, the BBC had a receivable of £1.8 million (2019: £0.6 million) with this entity, predominantly relating to the recharge of employee costs. At year end, the BBC also had a receivable of £0.6 million with BBC Media Action UK (2019: £0.6 million).

At the end of the year the BBC was owed £0.6 million (2019: £0.4 million) by the BBC Pension Scheme and was due to pay £0.5 million (2019: £0.6 million) to the BBC Pension Scheme.

G10 Segment reporting

Geographical location of income and non-current assets

2020	PSB Group £m	BBC Studios £m	Other commercials £m	Group adjustments £m	Group £m
Non-current assets excluding deferred tax and financial instruments:					
UK	2,488	536	294	(261)	3,057
America	5	210	-	-	215
Australia	-	13	-	-	13
Rest of world	67	7	1	-	75
	2,560	766	295	(261)	3,360
Additions included in non-current assets and investments	104	445	5	(2)	552
External income:					
UK	3,802	658	80	(465)	4,075
America	10	301	33	-	344
Australia	1	64	2	-	67
Rest of world	10	365	82	-	457
	3,823	1,388	197	(465)	4,943

Notes to the accounts

G. Other continued**G10 Segment reporting continued**

2019	PSB Group £m	BBC Studios £m	Other commercials £m	Group adjustments £m	Group £m
Non-current assets excluding deferred tax and financial instruments:					
UK	1,307	289	278	(512)	1,362
America	2	186	–	–	188
Australia	–	14	–	–	14
Rest of world	68	8	–	–	76
	1,377	497	278	(512)	1,640
Additions included in non-current assets and investments	133	218	2	(2)	351
External income:					
UK	3,997	529	67	(500)	4,093
America	9	241	33	–	283
Australia	1	70	7	–	78
Rest of world	10	349	76	–	435
	4,017	1,189	183	(500)	4,889

The allocation of sales to geographical segments is based upon the business region in which the sales are generated. No individual country within the rest of world category is more than 3% of total sales.

Further analysis of the Group's revenues by product or service line is not provided as this information is not routinely reported to the Board.

H. Basis of preparation of the financial statements and other accounting policies

The BBC is incorporated in the United Kingdom by Royal Charter.

Statement of accounting policies

The BBC is required to select and apply accounting policies for each type of transaction entered into throughout the year and in the preceding year. An accounting policy will specify the timing for recognising and derecognising assets, liabilities, income and expenditure, how those items will subsequently be measured and where they are presented in the statement of total income and expenditure, balance sheet and statement of cash flows.

Use of estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates that affect the reported performance and position of the BBC, or areas where assumptions or estimates are significant to the consolidated financial statements.

It also requires management to exercise judgement in applying the BBC's accounting policies. These areas involve a higher degree of judgement or complexity.

The areas involving a higher degree of judgement or complexity are set out below and in more detail in the related notes:

- Income recognition (note A);
- Provisions and accruals (notes F10 and F9);
- Property, plant and equipment (note D1 and D2);
- Acquisitions (note E4);
- Pension scheme and actuarial assumptions (note C7); and
- Derivative financial assets and liabilities (note G3).

Basis of preparation

These consolidated financial statements for the BBC have been prepared in accordance with IFRS as adopted by the EU. Additional analysis is also presented to meet regulatory additional requirements including those prescribed by DCMS, Ofcom or the Charter.

The financial statements are principally prepared on the historical cost basis. Exceptions are noted within the relevant section of the notes.

Where items are sufficiently significant by virtue of their size or nature, they are disclosed separately in the financial statements in order to aid the reader's understanding of the BBC's financial position and performance.

The following new and revised standards and interpretations have been adopted for the first time, as they became effective for this financial year:

- IFRS 16 *Leases*
- Prepayment Features with Negative Compensation (Amendments to IFRS 9)
- Long-term Interests in Associates and Joint Ventures (Amendments to IAS 28)
- Annual Improvements to IFRS Standards 2015–2017 Cycle
- Plan Amendment, Curtailment or Settlement (Amendments to IAS 19)
- IFRIC 23 *Uncertainty over Income Tax Treatments*

These have been applied since 1 April 2019 and, with the exception of IFRS 16 (see below), have not had a significant impact on the results or financial position of the Group.

H. Basis of preparation of the financial statements and other accounting policies *continued*

IFRS 16 Leases

Except for the below, the Group has consistently applied the accounting policies to all periods presented. The Group has applied IFRS 16 with an initial application date of 1 April 2019, using the modified retrospective approach, under which the cumulative effect of initial recognition is recognised in retained earnings at 1 April 2019.

The definition of a lease applicable to the BBC's circumstances is described in the accounting policies relevant to section D.

On transition to IFRS 16, the Group elected to apply the practical expedient to apply the assessment of which transactions are leases, applying IFRS 16 to contracts that had been previously identified as leases. The definition of a lease under IFRS 16 was applied to contracts entered into or changed on or after 1 April 2019.

As a lessee, the Group previously classified leases as either 'operating' or 'finance' based upon its assessment of whether significantly all the risks and rewards incidental to ownership of the underlying asset transferred to the Group. Under IFRS 16, the Group recognises right-of-use assets and lease liabilities for most leases on the balance sheet. Recognition exemptions have been applied to short-term and low-value leases.

At transition, lease liabilities were measured at the present value of the remaining lease payments discounted at the Group's incremental borrowing rate at 1 April 2019. Right-of-use assets are measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments.

The Group used the following practical expedients when applying IFRS 16 to previously classified operating leases:

- Adjusted the right-of-use assets by any onerous contract provision immediately before initial application;
- Did not recognise right-of-use assets and liabilities for leases with a term of less than 12-months;
- Excluded initial direct costs from measuring right-of-use assets at the date of initial application; and
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

For previously classified finance leases, the carrying amount of the right-of-use asset and the lease liability at 1 April 2019 are determined at the carrying amount of the lease asset and liability immediately as at 31 March 2019. Where assets were previously treated as operating leases and finance leases (for example, assets with a land and building element) the carrying amount of the entire lease asset and liability has been remeasured on transition accordingly.

Adjustments upon transition are not required for leases in which the Group acts as a lessor, except for sub-leases when classification is determined with reference to the right-of-use asset, not the underlying asset.

On transition the Group recognised the following:

	£m
Right-of-use asset	1,595
Transfer out of property, plant and equipment	(445)
Net transfer from investment property	(36)
Creation of lease receivable	205
Other balance sheet movement	(9)
Additional lease liabilities	(1,229)
Retained earnings	81

An assessment as to whether the existing available borrowing facilities would provide the funds necessary to obtain assets of a similar nature has been performed in order to determine the weighted average of the discount rates applied of 2.54%.

	£m
Operating lease commitments at 31 March 2019 as previously disclosed	610
Discounted using the incremental borrowing rate at 1 April 2019	517
Finance lease liabilities	1,346
Recognition exemption for short-term leases	(17)
Recognition exemption for leases of low-value assets	(1)
Variable lease payments based on an index or rate	(15)
Other	50
Lease liabilities recognised at 1 April 2019	1,880

Going concern¹

The financial statements are prepared on a going concern basis. The Directors believe this to be appropriate for the reasons set out below.

The Directors have prepared and reviewed cash flow forecasts for the 24-month period to 31 March 2022, a period in excess of a year from the date of approval of these financial statements.

In the Directors' judgement, the key factors in these forecasts are the continuity of the Charter and licence fee, the BBC Pension Scheme deficit and the resultant deficit recovery payments agreed with the pension scheme Trustees, the realisation of planned cost savings under the 'Strategic Plan' programme and the BBC's response to compensate for the implications of the coronavirus pandemic and the forecast consequences.

¹ See Glossary for further details.

Notes to the accounts

H. Basis of preparation of the financial statements and other accounting policies *continued*

The coronavirus pandemic has a clear impact on a number of key areas of the BBC. Social distancing measures impact the ability to collect the licence fee and a number of cost saving measures have been put in place across the BBC to compensate for the loss of income. Filming pauses will delay delivery of content, as well as increasing the costs of production overall. The commercial operations are impacted by the significant pressure on global advertising revenues, following dips in consumer confidence and business investment. The knock-on effect on the global economy of social distancing measures is profound. However, the BBC is seeing continuing demand for premium content and output, underpinned by audience choices and the continuing proliferation of services.

For 2020, due to the increased pressures on the BBC as a result of the coronavirus pandemic, we conducted additional financial stress testing and sensitivity analysis, considering income at risk as well as the impact of our response plan to the crisis. See further information in the Viability Statement on page 103 and on page 95 to 102 for a robust assessment of the principal risks facing the Corporation, including those that would threaten its business model, future performance, solvency or liquidity. In particular, the Directors have applied assumptions relating to the changing risk profile arising due to the coronavirus pandemic as described under principal risk 4, 'Our Finances' to cash flow and budgetary modelling.

The Charter and licence fee give the BBC a secure source of income, however the timing of cash flows is an important factor in the consideration of going concern given the borrowing restrictions agreed with the DCMS for both the PSB Group (£200 million) and the commercial operations of the BBC (£350 million). An additional £2 billion is available to the PSB in 2019/20 to fund leases and £150 million for the commercial operations increasing to £200 million from April 2020.

The Board remains satisfied with the BBC's funding and liquidity position. The BBC has external funding available, including a £200 million sterling revolving credit facility which expires on 31 March 2023 with two one-year extension options exercisable by the BBC which would extend the maturity to 31 March 2025. This facility is currently unutilised. PSB net debt at 31 March 2020 was £1,548 million, which equates to a headroom of £652 million against the borrowing limit available.

There is a separate facility available to the BBC commercial operations. At the balance sheet date, the primary source of funding to the commercial operations was a £171 million US Private Placement facility, available until June 2020. This facility consisted of US\$216 million (fixed through foreign exchange swap transactions at £143 million) and £28 million sterling. From June 2020 these facilities were replaced with a £170 million facility with UK banks until June 2023 with a possibility of two one year extension options (to June 2025). The commercial operations also have access to a £210 million facility with a group of international banks until March 2024 and the BBC has elected to extend this by one year to March 2025. As at the year-end the BBC had drawn down £201 million (£169 million net of the impact of foreign exchange swap transactions) of the facilities available (2019: £193 million).

The Directors of the BBC have reviewed the cash flow forecasts and available external borrowing facilities. Together with the sensitivities and mitigating factors in the context of available funds, they expect the BBC to be able to meet its debts as they fall due for the foreseeable future.

As a result, the Directors are satisfied that the going concern basis is appropriate for the preparation of these financial statements.

Basis of consolidation

The BBC's financial statements include the results of the BBC and all businesses controlled by the BBC (subsidiaries) together with the BBC's share of the results of businesses over which the BBC has

significant influence but not control (associates) and those which the BBC jointly controls (joint ventures).

The BBC accounts for its interests in associates and joint ventures using the equity method. The equity method means that the BBC presents its interest in associates or joint ventures as a single line item in the balance sheet, measured at the cost of the investment plus the share of the net result, less dividends received. The equity accounted result for the year is presented as a single line item in the statement of income and expenditure.

Changes in the BBC's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions, being movements between reserves attributable to the BBC and non-controlling interests. A non-controlling interest is the interest in a subsidiary that is not owned, directly or indirectly, by the BBC. The non-controlling interest reflects the amount of the net result for the year and the net assets/(liabilities) which are not attributable to the BBC. The carrying amounts of non-controlling interests are adjusted to reflect any changes in their, and the BBC's, relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to the BBC.

When the BBC loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the net assets of the subsidiary (including attributable goodwill) and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are reclassified to the income statement or transferred directly to retained earnings as appropriate. The fair value of any interest retained in the former subsidiary at the date when control is lost is regarded as the cost on initial recognition of an investment in an associate or joint venture.

Business combinations

The acquisition of subsidiaries is accounted for using the acquisition method. The cost of an acquisition is measured at the aggregate of the fair values, at the date of exchange, of assets given by the BBC in exchange for control of the acquiree. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 are recognised at their fair value at the acquisition date. Subsequent adjustments to the fair values of net assets acquired are made within 12 months of the acquisition date where original fair values were determined provisionally. These adjustments are accounted for from the date of acquisition. Transaction costs that the BBC incurs in connection with a business combination, such as legal fees, due diligence fees and other professional and consulting fees, are expensed as incurred. On acquisition, the BBC recognises any non-controlling interest either at fair value or at the non-controlling interest's proportionate share of net assets.

When control is obtained in successive share purchases (a 'step acquisition') it is accounted for using the acquisition method at the acquisition date. The previously held interest is remeasured to fair value at the acquisition date and a gain or loss is recognised in the income statement.

Acquisitions

All identified assets and liabilities included within an acquisition are recognised at fair value as at the acquisition date. Judgement is required in determining the valuation method for each identifiable asset and liability, which is specific for each category based on the most appropriate valuation method – including the Cost, Income and Market approaches. Judgement is also required when assessing the appropriate economic useful lives for assets acquired.

Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of each entity of the Group at an average exchange rate.

H. Basis of preparation of the financial statements and other accounting policies *continued*

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated into sterling at the rate of exchange ruling at that date. Foreign currency gains or losses arising from the translation of assets and liabilities at these rates of exchange, together with exchange differences arising from transactions settled during the year, are included in the income statement within operating costs. Non-monetary assets and liabilities measured at historical cost are translated into sterling at the rate of exchange on the date of initial recognition.

Financial statements of foreign operations

The assets and liabilities of foreign operations are translated into sterling at the rate of exchange ruling at the balance sheet date. The income and expenses of foreign operations are translated into sterling at average rates of exchange ruling during the financial period, which is a good approximation for the actual rate. Exchange differences arising on translation are recognised directly in the translation reserve.

On disposal of an investment in a foreign operation, the associated translation reserve balance is released to the income statement.

Accounting policies relevant to section A

Licence fee income

Income from television licences is treated as an amount due from the relevant Government department. This represents the value of licences issued in the year, less a deduction for refunds and cancellations.

Where an element of the licence fee income has been ring-fenced by the Government for a specific purpose, that income is recognised when it is due, except if it becomes virtually certain that the BBC's expenditure on the ring-fenced purposes will be less than the ring-fenced income already received. In this case, the relevant amount of licence fee income, as agreed with the Government, will be repayable and recognised as such in the year the obligation to repay arises.

Other income

Other income arises from activities such as the sale of goods, provision of services and granting of licences. Income is measured after deductions for value added tax, any other sales taxes, trade discounts and sales between BBC companies.

Income from contracts with customers

Income is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. Income recognition is based on the delivery of performance obligations and an assessment of when control is transferred to the customer. The complexity of individual contractual terms may require the BBC to make judgements in assessing when the triggers for income recognition have been met, particularly whether the BBC has sufficiently fulfilled its obligations under the contract to allow income to be recognised.

Income is recognised either when the performance obligation in the contract has been performed ('point in time') or 'over time' as control of the performance obligation is transferred to the customer. A performance obligation must meet one of the three criteria in IFRS 15 to meet 'over time' recognition. The default category, if none of these criteria are met, is 'point in time' recognition. Further detail on the category of income recognition for each income stream can be found below.

IFRS 15 provides more comprehensive guidance for contracts to licence intellectual property, or contracts where licence of intellectual property is a significant component. Each performance obligation is identified and evaluated as to whether it represents a right to access the content (revenue recognised over time) or represents a right to use the content (revenue recognised at a point in

time), and all three of the criteria referred to above must be met to meet the definition of a 'right to access' licence. The majority of the Group's contracts to licence intellectual property have defaulted to a 'right to use' licence and recognised at a 'point in time'.

The transaction price, being the amount to which the BBC expects to be entitled and has rights to under the contract, is allocated to the identified performance obligations. Most of the BBC's income is derived from fixed price contracts and therefore the amount of income to be earned from each contract is determined by reference to those fixed prices. Royalties, as the exception, are generally set as a metric/percentage of sales generated.

The allocation of the transaction price to the performance obligations is at the amount that depicts the consideration to which the BBC expects to be entitled in exchange for goods or services transferred. This is generally done in proportion to the stand-alone selling prices.

The BBC's main sources of contract income are recognised as follows:

— Content and format sales

Licence fees from programme content and programme formats are recognised on the latter of the start of the licence period (taking into account any holdback dates) or when the Group's performance obligations have been satisfied. For content sales the performance obligation will generally be to deliver the associated programme to the customer, therefore income is recognised 'episodically' – on delivery of each episode. For format sales, there are two performance obligations – to provide the format 'bible' and in some cases production assistance. Income is allocated to each of these performance obligations based on stand-alone selling prices and recognition at the two separate 'points in time'. The payment terms are over the term of the contract.

— Production income

Production revenue is recognised on delivery of the related programme or on a stage of completion basis, depending on the nature of the contract with the customer. Revenue is recognised either when the performance obligation in the contract has been performed ('point in time' recognition) or 'over time' as control of the performance obligation is transferred to the customer. The payment terms are over the term of the contract.

— Subscription fees

Subscription fees on pay channel platforms and from subscriptions to print and online publications and services are recognised as earned, pro rata over the subscription period. The performance obligation is to provide the subscription service over the period of the contract. This performance obligation meets the definition of 'right to access' as the customer simultaneously receives and consumes the benefits as the Group provides the service. Therefore, subscription fee income is recognised 'over time'. Minimum guarantees related to subscription fee income are recognised pro-rata straight line over the contract life, in line with 'over time' recognition. The payment terms are quarterly in arrears.

— Advertising income

Advertising income is recognised on transmission or publication of the advertisement. The performance obligation is satisfied at this 'point in time' – when each advertisement occurs. The payment terms are over the term of the contract.

— Consumer products

Income generated from the sale of consumer products is recognised at the time of delivery. Income from the sale of goods is stated net of deductions for actual and expected returns based on management judgement and historical experience. The performance obligation is delivery of the products, and therefore income is recognised at a 'point in time'. The payment terms are over the term of the contract.

Notes to the accounts

H. Basis of preparation of the financial statements and other accounting policies *continued***— Royalties**

Royalty income arising from sales and usage-based royalties are recognised at the later of when the subsequent sales or usage occurs, or the performance obligation has been satisfied.

Minimum guarantees related to royalty income are recognised on delivery of the completed content to the customer, with any subsequent royalties recognised as earned. Therefore, royalty income is recognised at a 'point in time'. The payment terms are over the term of the contract.

Other income**— Grant income**

Grants from Government departments are recognised as income in the financial year that they relate to. Grants from other public bodies are recognised as income consistently with the related costs, provided that there is reasonable assurance that the BBC will comply with any conditions attached to the grant and that the grant will be received.

— Rental income

Rental income is recognised on a straight-line basis over the term of the lease.

Costs of obtaining long-term contracts and costs of fulfilling contracts

The costs of fulfilling contracts do not result in the recognition of a separate asset because:

- such costs are included in the carrying amount of inventory for contracts involving the sale of goods; and
- for service contracts, income is recognised over time by reference to the stage of completion, meaning that control of the asset is transferred to the customer on a continuous basis as work is carried out. Consequently, no asset for work in progress is recognised.

The group has taken advantage of the practical exemptions:

- not to account for significant financing components where the time difference between receiving consideration and transferring control of goods (or services) to its customer is one year or less; and
- expense the incremental costs of obtaining a contract when the amortisation period of the asset otherwise recognised would have been one year or less.

Use of estimates and judgements – Income recognition

The largest income stream for the BBC is licence fee income; received from DCMS. This also gives rise to the largest receivable to the BBC, which is calculated based upon the value of licences issued in the year, less a deduction for refunds and cancellations. The expected credit loss in relation to this balance takes into the account the number of individual licences cancelled or refunded. Income recognition in the BBC's commercial operations is complex however, with a number of different income streams including sale of content to global broadcasters, subscription income and income from the sale of physical and digital products. The complexity of individual contractual terms may require the BBC to make judgements in assessing when the criteria for recognising income have been satisfied, particularly whether the BBC has sufficiently fulfilled its obligations under the contract to allow income to be recognised.

Spend on the BBC's services

Disclosures on the BBC Public Service Broadcasting expenditure can be found within the Strategic Report. Below details some of the key policies adhered to.

Spend by BBC service shows the cost to the licence fee payer of providing the relevant service and therefore exclude any costs funded by a co-producer.

Where a programme is broadcast on more than one channel, the full cost of the programme is recognised as a cost of the channel where the programme is first broadcast. However, where a programme is commissioned by two channels, the cost of the programme is recognised as a cost of the primary channel irrespective of the channel holding the first transmission.

For BBC Online, the service spend reflects the incremental costs of getting content to audiences unless the content is specifically commissioned for this service.

This means the costs reported against individual services are not necessarily equivalent to the costs which would be incurred by such a service on a stand-alone basis.

Development spend funds the near-term development of new platforms and services, particularly for BBC Online. This is primarily focused on new features for existing services and also includes related support and overhead costs. It is distinct from research department costs (see note B1) which is focused on much longer-term research of new technology and standards that benefit the whole industry.

Accounting policies relevant to section B**Completed originated programmes, programmes in production and prepayments to acquire future programme-related rights**

Programme assets reported as inventory effectively represent the BBC's right to broadcast. The BBC's right to sell programme rights are, however, recognised within intangible assets.

Completed originated programmes and programmes in production are held at cost.

Cost includes all direct costs, production overheads and a proportion of other attributable overheads. The proportion of programmes necessarily taking a substantial period of time to produce is small and, as such, no borrowing costs are included in cost.

Where, exceptionally, it becomes certain that a programme is unable to be broadcast, the full value of the programme is written off to the income statement.

Programme development costs are expensed to the income statement until such time as there is a strong indication that the development work will result in a commissioned programme¹, when any further costs are recognised as programme-related assets.

Originated programmes that are still in production at the balance sheet date are recognised as programmes in production, except that prepayments to acquire future programme-related rights are shown separately where the BBC has made payments to independent producers, or the holders of certain rights (for example, rights to broadcast sporting events), to receive the programme on completion.

Rights to broadcast acquired programmes and films

The rights to broadcast acquired programmes and films are recognised at cost. The costs of acquired programmes and films are expensed on first transmission except to the extent that the number of further showings are contractually agreed, when they are expensed according to the expected transmission profile. Assets and liabilities relating to acquired programmes are recognised at the point of payment or commencement of the licence period, whichever is earlier. Agreements for the future purchase of rights whose licence period has not commenced and where there has been no payment by the balance sheet date are disclosed as purchase commitments.

Where the BBC has invested in independent productions, in addition to broadcasting rights, the BBC may obtain rights to future royalties from the sale of rights associated with the production. These residual interests are recognised initially at cost subject to amortisation as royalties are received and impaired if anticipated royalties do not materialise.

¹ See Glossary for further details.

H. Basis of preparation of the financial statements and other accounting policies *continued*

Accounting policies relevant to section C

Other employee benefits

Other short and long-term employee benefits, including holiday pay and long service leave, are recognised as an expense over the period in which they accrue.

Termination benefits

Termination benefits are expensed at the earlier of when the BBC can no longer withdraw the offer of those benefits and when the BBC recognises costs for a restructure.

Defined contribution plans

The amounts charged as expenditure for the defined contribution plans represent the contributions payable by the BBC for the accounting period.

Defined benefit plans

The defined benefit plans, of which the significant minority of staff are members, provide benefits based on pensionable pay. The assets of the BBC's Pension Scheme are held separately from those of the BBC.

Pension scheme assets are measured at fair value. Pension scheme liabilities are measured using the projected unit credit method. The present value of scheme liabilities is calculated by discounting estimated future cash outflows at the current rate of return on a high-quality corporate bond of equivalent term and currency to the liabilities.

Should the pension scheme be in a net asset position, under the Pension Scheme rules, the BBC considers that they are entitled to any surplus on the pension scheme in the event that it is wound up. It is the actuarial valuation, as opposed to the IAS 19 estimate, which would be used to determine the amount due if the scheme was wound up.

Remeasurement comprising gains and losses and the return on scheme assets (excluding interest) are recognised immediately in the balance sheet with a charge or credit to the statement of comprehensive income in the period in which they occur.

Remeasurement recorded in the statement of comprehensive income is not recycled. When the benefits of a plan are changed the resulting change in benefit that relates to past service is recognised immediately in the income statement. Net interest is calculated by applying a discount rate to the net defined benefit liability or asset. Defined benefit costs are split into three categories:

- current service cost, past-service cost and gains and losses on settlements and curtailments;
- net interest expense or income; and
- remeasurement.

The current service cost and past-service cost are included within operating costs in the consolidated income statement. Curtailments gains and losses are accounted for as past-service cost. Net interest expense or income relating to the funded defined benefit pension plans is included within 'finance income' or 'finance costs', as relevant, in the consolidated income statement.

Administration costs directly related to the management of plan assets are deducted from the return on plan assets, which are recorded as remeasurements in the statement of comprehensive income. Other administrative scheme expenses associated with running the scheme are recorded within operating expenses when incurred.

The retirement benefit obligation recognised in the consolidated balance sheet represents the deficit or surplus in the BBC's defined benefit schemes. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the schemes or reductions in future contributions to the schemes.

Use of estimates and judgements – post-retirement benefits

The pension costs and obligations of the BBC's defined benefit schemes are calculated on the basis of a range of assumptions, including the discount rate, inflation rate, salary growth and mortality. Differences arising as a result of actual experience differing from the assumptions, or future changes in the assumptions, will be reflected in subsequent periods. A small change in assumptions can have a significant impact on the valuation of the liabilities. Further analysis on the sensitivity of pension assumptions is given in note C7.1.

Accounting policies relevant to section D

Owned assets

Other than as noted below, items of property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset.

Leases

The Group has applied IFRS 16 using the modified retrospective approach. Comparative information has not been restated, with details of the accounting policies disclosed separately where different.

Under IFRS 16, at inception of a contract the Group assesses whether a contract contains a lease; defined as a contract that conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Group assesses whether:

- the contract involves the use of an identified asset – either specified explicitly or implicitly – and should be (or represent substantially all the capacity of) a physical asset. If the supplier has substantive substitution rights, then the asset is not identified;
- the Group has the right to obtain substantially all the economic benefits from use of the asset throughout the period of use; and
- the Group has the right to direct the use of the asset, which is when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used.

This predominantly includes land and buildings (both in the UK and overseas) as well as a range of specialised broadcast equipment.

This policy is applied to contracts entered into, or changed, on or after 1 April 2019.

At inception or on reassessment of a contract that contains a lease component, the group allocates the consideration in the contract to each lease component on the basis of their relevant stand-alone prices as determined by the underlying contract.

Depreciation

Depreciation is provided to write off the cost of each item of property, plant and equipment, less its estimated residual value, on a straight-line basis over its estimated useful life. The major categories of property, plant and equipment are depreciated as follows:

- **Land and buildings**
 - Freehold land – not depreciated
 - Freehold buildings – 50 years
 - Freehold building improvements – 10 to 50 years
 - Leasehold buildings – shorter of 50 years or life of lease
 - Leasehold building improvements – shorter of 50 years or life of lease
- **Plant and machinery**
 - Computer equipment – 3 to 5 years
 - Electrical and mechanical infrastructure – 10 to 25 years
 - Other – 3 to 10 years
- **Furniture and fittings – 3 to 10 years**
 - Depreciation methods, estimated useful lives and residual values are reviewed at each reporting date

Notes to the accounts

H. Basis of preparation of the financial statements and other accounting policies *continued*

Use of estimates and judgements – capital projects

The BBC is completing a number of significant capital projects for which amounts have been capitalised on the BBC's balance sheet.

The most critical estimates that the capitalised values are based upon is the recoverability of these assets, dependent on the achievement of project completion, and the assets being used in the manner intended as part of the original business case.

Investment properties

Investment properties are initially recognised at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses. Depreciation is calculated using a straight-line method to allocate the depreciable amounts over the estimated useful lives of the properties (see depreciation on land and buildings above). The residual values, useful lives and depreciation method of investment properties are reviewed, and adjusted as appropriate, at each balance sheet date. The effects of any revision are included in the profit and loss when the changes arise.

As a lessee

The Group recognises a right-of-use asset and a lease liability upon lease commencement. The right-of-use asset is initially measured at cost, being the initial amount of the lease liability adjusted for any lease payments made before the commencement date, plus any initial direct costs and an estimate of restoration costs, less incentives received.

The right-of-use asset is subsequently depreciated using a straight-line method from the commencement date over the lease term (which is equal to, or shorter than, the asset's useful life). The right-of-use asset is periodically reduced by impairment losses and adjustments for certain remeasurement of the lease liability.

The lease liability is initially measured at the present value of unpaid lease payments at commencement, discounted using the Group's incremental borrowing rate (unless the interest rate implicit in the lease can be readily determined).

The incremental borrowing rate is the rate of interest that would hypothetically have to be paid to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right of use asset in a similar economic environment. A small change in the rate could have a significant impact on the valuation of respective lease liabilities.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments;
- variable payments dependent on an index or rate, measured using the index or rate at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option or lease payments in an optional renewal period that the Group is reasonably certain to exercise, and early termination penalties of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in index or rate, change in estimate of the amount expected to be payable under a residual value guarantee, a change in the lease term or a change in the assessment of an option being exercised.

The Group has a number of options to extend the lease on a right-of-use asset, or to purchase the underlying asset – typically relating to land and buildings, either in the UK or overseas. An assessment of the location and the availability of suitable alternatives has been undertaken in determining the likelihood of exercising these options.

When the lease liability is remeasured a corresponding adjustment is made to the carrying amount of the right-of-use asset. If the carrying value has been reduced to zero then any further reductions are recorded in the income statement.

Right-of-use assets are presented in 'property, plant and equipment' and lease liabilities are presented in borrowings in the statement of financial position.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets, which are expensed. This includes laptops and other items of small IT equipment.

When determining the accounting for a finance lease, the BBC has assessed whether it has the right to use the leased asset at the inception¹ of the lease, or whether this right passes at a later date ('the commencement date').

Where a significant site is being redeveloped, occupation may occur in distinct phases; consequently, the leased asset and liabilities are recognised based on the proportion of the site occupied at each commencement date.

Accounting policies relevant to section E

Programme-related intangible assets

The BBC's right to sell programme rights is recognised within intangible assets. Programme assets reported as inventory effectively represent the BBC's right to broadcast, however.

Programme rights acquired by the Group are either purchased, generated internally or licensed following the payment of an advance on royalties. Where the Group controls the respective assets and the risks and rewards attached to them, rights are initially recognised at acquisition cost or production cost. The carrying amount is stated at cost less accumulated amortisation and provision for impairment.

Amortisation is charged to the income statement to match the estimated future economic benefit. This is calculated as the higher of an estimated recoupment profile based on the average historic performance of the overall distribution rights portfolio or the actual recoupment of the specific initial distribution advance.

Where the carrying value of any individual set of rights exceeds management's best estimate of future exploitation revenues, a provision for impairment is recorded in the income statement immediately.

For self-produced content, distribution rights exclude co-production costs borne by third parties. These costs are deferred within current assets and expensed upon recognition of the associated production income. Production income is recognised in accordance with the Group's revenue recognition policies.

Research and development expenditure – internally generated intangible assets

Expenditure on research activities is written off in the income statement when incurred.

Expenditure on development activities is included on the balance sheet as an asset only if both of the following conditions are met:

- it is probable that the asset will generate future economic benefits; and
- the development costs of the asset can be measured reliably.

The assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

For the PSB Group it is generally unlikely that future economic benefits in the form of cash inflows will be received, and as a result, other than assets created for use by the business in delivering its public purposes, development costs are only capitalised by the BBC Group's commercial businesses.

¹ See Glossary for further details.

H. Basis of preparation of the financial statements and other accounting policies *continued*

Other intangible assets

Other intangible assets acquired separately by the BBC are stated at cost less accumulated amortisation and any accumulated impairment losses. The identifiable intangible assets acquired as part of a business combination are shown at fair value at the date of acquisition (in accordance with IFRS 3 *Business Combinations*) less accumulated amortisation and any accumulated impairment losses.

Amortisation¹

Amortisation is charged to the income statement on a systematic basis over the estimated useful lives of intangible assets, from the date that they are available for use, unless such lives are indefinite.

Amortisation methods, useful lives and residual values are reviewed at each balance sheet date and adjusted if appropriate.

The useful lives and amortisation methods of other classes of intangible asset are as follows:

Customer Relationships	Straight line	Unexpired term of agreement
Licences and Trademarks	Straight line	30 years or unexpired term
Software	Straight line	2 – 5 years
Other	Straight line	3 – 8 years

Amortisation of distribution rights is charged to the income statement to match the average income profile over its estimated average marketable life.

Impairment¹: Non-financial assets

At each balance sheet date, the BBC reviews the carrying amount (net amount held on the balance sheet) of those assets that are subject to amortisation, to determine whether there is an indication that any of those assets has suffered any impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss.

For goodwill, the recoverable amount is estimated each year at the same time.

The recoverable amount of an asset is the higher of fair value less costs to sell and value in use. For the purposes of impairment testing, assets are grouped at the lowest level at which they generate separately identifiable cash flows (cash-generating units). In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

An impairment loss is recognised in the income statement for the amount by which the asset's carrying amount exceeds its recoverable amount. Where a cash-generating unit is impaired, the impairment loss will first be allocated to reduce goodwill and then to the other assets of the cash-generating unit on a pro rata basis, except that the carrying amount of any individual asset will not be reduced below its separately identifiable recoverable amount.

Impairment losses in respect of goodwill are not reversed. In respect of assets other than goodwill, an impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised.

Goodwill

Goodwill is recorded in the balance sheet as the difference between the fair value of the consideration transferred by the BBC and the recognised amount of non-controlling interests in the acquiree compared to the fair value of the identifiable assets and liabilities acquired. These are all measured at the date of acquisition. Where the consideration is less than the net assets acquired, the difference is recognised immediately in the income statement.

Goodwill arising on the acquisition of associates and joint ventures is included in the carrying amount of the associate or joint venture and is tested for impairment as part of the overall balance.

Subsequent measurement of separately recognised goodwill – goodwill is tested annually for impairment and is measured at cost less any accumulated impairment losses. For the purposes of impairment testing the goodwill is allocated to cash-generating units on the basis of those expected to benefit from the relevant business combination.

Accounting policies relevant to section F

Use of estimates and judgements – impairment of goodwill

The determination of whether goodwill is impaired requires an estimation of the value in use of the cash-generating units. The value in use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate that reflects current market assessments of the risks specific to the asset and the time value of money, in order to calculate present value. The estimation process is complex due to the inherent risks and uncertainties associated with long-term forecasting. If different estimates of the projected future cash flows or a different selection of an appropriate discount rate or long-term growth rate were made, these changes could materially alter the projected value of the cash flows of the asset, and as a consequence materially different amounts would be reported in the financial statements.

Trade and other payables

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method¹.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets (those necessarily taking a substantial period of time to get ready for their intended use) are added to the cost of those assets, until such time as the assets are ready for their intended use.

Originated programmes can be qualifying assets, but those necessarily taking a substantial period of time to get ready for broadcast are a small proportion of overall programme investment. Any borrowing costs that could be attributed to those programmes are not significant and, therefore, no borrowing costs are capitalised.

All finance income and other borrowing costs are recognised in income and expense in the period in which they are incurred.

Use of estimates and judgements – provisions

Judgements are employed in determining if a past event has given rise to a present obligation that will result in probable payment by the BBC that can be measured reliably. Estimation techniques are used, following the review of such events, if it is determined that a provision is required. Such techniques are used in the calculation of the best estimate of the amount required to settle obligations, including determining how likely it is that expenditure will be required by the BBC. This can be very complex, especially when there is a wide range of possible outcomes. The BBC recognises decommissioning liabilities as part of the initial cost of the asset, discounted to present value. The BBC reassesses whether there has been a change in this liability based on the facts and circumstances at each balance sheet date.

¹ See Glossary for further details.

Notes to the accounts

H. Basis of preparation of the financial statements and other accounting policies *continued*

Use of estimates and judgements – accruals

Accruals include work in progress accruals, which arise in instances where a performance obligation has been satisfied but all associated expenditure has not yet been incurred. The basis of the calculation of such accruals is based upon forecast expenditure required to fulfil the contract.

Accounting policies relevant to section G

Taxation

The tax charge for the period comprises both tax currently payable and deferred tax. Taxation is recognised in the income statement except to the extent that it relates to items recognised directly in reserves, in which case it is recognised in reserves.

Current tax is the expected tax payable for the year, using tax rates that are enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years. In respect of tax currently payable:

- the PSB Group is not liable to corporation tax on any surplus licence fee income or grants received from Government departments; however, it is fully liable for corporation tax on capital gains and on all its other external income. Expenditure on capital assets is not eligible for capital allowances giving rise to temporary differences that would lead to deferred tax assets or liabilities. Movements of fair value adjustments in the income statement give rise to deferred tax balances;
- the BBC's commercial subsidiaries are liable for corporation tax based on taxable profit for the year.

Current tax assets and current tax liabilities are offset if, and only if, there is a legally enforceable right to set off the recognised amounts; and the entity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Deferred tax is provided using the balance sheet liability method on any temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the tax rates expected to apply in the period when the liability is settled or the asset is realised using tax rates enacted or substantively enacted at the balance sheet date.

Deferred tax assets and deferred tax liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either:

- the same taxable entity; or
- different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Financial instruments

The BBC classifies its financial assets and liabilities into one of the categories discussed below, depending on the purpose for which the asset was acquired. Other than financial instruments in a qualifying hedging relationship, the BBC's accounting policy for each category is as follows:

Amortised cost

The BBC's financial assets measured at amortised cost comprise trade and other receivables, contract assets, cash and cash equivalents and borrowings. The BBC's financial liabilities measured at amortised cost comprise trade and other payables, contract liabilities and borrowings. They principally arise from the provision of goods and services, but also incorporate other types of financial assets/liabilities where the objective is to collect or receive

contractual cash flows and the contractual cash flows are solely payments of principal and interest.

Trade and other receivables and contract assets

Trade and other receivables and contract assets are recognised initially at transaction price and subsequently at amounts considered recoverable (amortised cost). Estimates are used in determining the level of receivables that will not be collected. These estimates include factors such as historical experience, the current state of the UK and overseas economies and industry specifics. A provision for impairment of trade and other receivables and contract assets is recognised based on the simplified approach using the lifetime expected credit losses. During this process the probability of non-payment is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade and other receivables and contract assets.

The most significant trade and other receivable is the licence fee receivable, which represents amounts due from the DCMS for licence fee payments not yet collected but due. The calculation of this balance carries a degree of estimation (see page 214), however we do not believe that the estimation uncertainty/difference would be material to the accounts.

Changes in the carrying amount of the allowance are recognised in the income statement within total operating costs.

Contract liabilities

A contract liability is recognised when payment is received prior to the associated performance obligation being fulfilled. It is released to revenue when the performance obligation is satisfied.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with maturities of less than three months (short-term deposits). Cash and cash equivalents also include licence fee funds collected on behalf of HM Treasury, which are excluded from the Group's net funds and in respect of which a separate creditor is recognised.

Fair value through surplus/deficit

This category comprises derivatives. Those in-the-money derivatives are financial assets whilst those out-the-money are financial liabilities.

The BBC does not enter into speculative derivative contracts; however, some derivative financial instruments are used to manage the BBC's exposure to fluctuations in interest rates (interest rate swaps¹, caps¹ and collars¹) and foreign currency exchange rates (foreign currency forward contracts and currency options).

Derivative financial instruments, excluding derivatives held as qualifying hedges, are initially recognised at fair value and are subsequently remeasured to fair value at the balance sheet date with movements recorded in the income statement.

Interest rate swaps, caps and collars

The fair value is the estimated amount that the BBC would receive or pay to terminate the swap, cap or collar at the balance sheet date, taking into account current interest rates, the current creditworthiness of swap, cap or collar counterparties and the creditworthiness of the BBC.

Foreign currency forward contract rates

The fair value of forward foreign exchange contracts is determined by using the difference between the contract exchange rate and the quoted forward exchange rate at the reporting date from third parties.

Embedded derivatives

An embedded derivative is a component of a hybrid contract that also includes a non-derivative host – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative.

¹ See Glossary for further details.

H. Basis of preparation of the financial statements and other accounting policies *continued*

Derivatives embedded in hybrid contracts with a financial asset host within the scope of IFRS 9 are not separated. The entire hybrid contract is classified and subsequently measured as either amortised cost or fair value as appropriate.

Derivatives embedded in hybrid contracts with hosts that are not financial assets within the scope of IFRS 9 (e.g. financial liabilities) are treated as separate derivatives when they meet the definition of a derivative, their risks and characteristics are not closely related to those of the host contracts and the host contracts are not measured at fair value through surplus/deficit.

If the hybrid contract is a quoted financial liability, instead of separating the embedded derivatives, the BBC generally designates the whole hybrid contract at fair value through surplus/deficit.

Other investments

The BBC has strategic investments in listed and unlisted entities which are not accounted for as subsidiaries, associates or joint ventures. These investments were previously classed as available for sale under IAS 39, and are now held at fair value through surplus/deficit.

Fair value through other comprehensive income

Certain derivatives designated as cash flow hedges are recognised at fair value through other comprehensive income. See hedge accounting below for further details.

Hedge accounting

Where hedge accounting is applied, the BBC has elected to adopt the hedge accounting requirements of IFRS 9 *Financial Instruments*. The BBC enters into hedge relationships where the critical terms of the hedging instruments and the hedged item match. Hedge effectiveness is determined at the origination of the hedging relationship. Quantitative effectiveness tests are performed at each period end to determine the continuing effectiveness of the relationship. In instances where changes occur to the hedged item which results in the critical terms no longer matching, the hypothetical derivative method is used to assess effectiveness.

The BBC designates certain derivatives as cash flow hedges by documenting the relationship between the hedging instrument and the hedged item, along with the risk management objectives and its strategy for undertaking various hedge transactions. Where the hedge is deemed to have been effective, the effective portion of any changes in the fair value of the derivatives that are designated in the hedge are recognised in other comprehensive income. The accumulated amount in the cash flow hedge reserve is reclassified to profit or loss in the same period as the hedged cash flows affect profit or loss. Any ineffective portion of the hedge is recognised immediately in the income statement.

Use of estimates and judgements – impairment of financial assets

Financial assets are assessed at each balance sheet date to determine whether there is any objective evidence of impairment. Judgement is required when considering the factors in determining whether there is objective evidence of impairment; which include significant financial difficulty of the counterparty and breach of contract. Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics. The amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. All impairment losses are recognised in the income statement.

The Group uses an allowance matrix to measure the expected credit losses of trade receivables from individual customers. Loss rates are based on actual credit loss experience which are adjusted to reflect differences between customer base during the period over which the historical data has been collected, as well as any forward looking

information regarding the Company's view of economic and industry wide conditions over the expected lives of the receivables.

The Group has further reviewed the amounts provided against receivables for expected credit losses, taking into account the potential for increased losses due to the economic impact of the coronavirus pandemic. In addition to revisiting historic loss rates, this review assessed if heightened sectoral exposure and uncertainty impacted certain segments of the receivables balances, resulting in a qualitative adjustment being required.

Reserves

The operating reserve is the accumulated surplus/deficit to date.

The hedging reserve is used to record the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred (net of tax).

The translation reserve is used to record exchange differences arising from the retranslation of the net assets and results of overseas subsidiaries.

The other reserve includes fair value gains and losses on financial assets recognised through other comprehensive income and the fair value of put option liabilities arising on acquisition of subsidiaries.

New standards and interpretations not yet adopted

At the date of authorisation of these financial statements, the following standards and interpretations, which have not been applied in these financial statements, were in issue but not yet effective (and in some cases had not yet been adopted by the EU).

- Amendments to References to Conceptual Framework in IFRS Standards
- Definition of a Business (Amendments to IFRS 3)
- Definition of Material (Amendments to IAS 1 and IAS 8)
- IFRS 17 *Insurance Contracts*
- Amendments to IFRS 10 and IAS 28 (Sept 2014) Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The directors do not expect that the adoption of the standards and interpretations above would have a material impact on the financial statements of the Group in future periods.

Glossary

The table below explains the financial terms used within the financial statements:

Term	Note	Definition
Amortisation	H	Amortisation is the reduction reflected in the carrying value of the asset as a consequence of the regular use of that asset by the organisation.
Associate	E3	An associate is an entity that the BBC has significant influence over, but that does not meet the definition of a joint venture or subsidiary. Significant influence is the power to participate in the financial and operating decisions of an entity but is not control or joint control over those policies.
BBC's Television Licence Fee Trust Statement		A set of financial statements containing an annual report and accounts on income from licence fee customers. The document also contains reports by the National Audit Office who have audited the financial statements and the processes for collecting the licence fee.
Cash flow swaps	G3.2	The BBC's cash flow swaps exchange a series of variable cash flows for a series of fixed cash flows.
Cash-generating units	E2	Cash-generating units are the smallest group of assets that can independently generate cash flows.
Changes in demographic and financial assumptions	G2.1	Changes in demographic and financial assumptions represent the changes in estimates used to value the future pension asset/liability. Demographic assumptions include mortality rates, staff turnover and early retirement. Financial assumptions encompass items such as discount rate and future salary levels.
Commissioned programme	H	A commissioned programme is where an agreement has been made for the programme to be produced for broadcast.
Credit risk	G3.1	Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligation.
Current service cost	C6.2	The current service cost is the underlying cost to the BBC of pension rights earned by employees during the year.
Deferred tax	G1.1	Deferred tax is the amount of income tax payable or recoverable in future periods in respect of taxable or deductible temporary differences, the carry forward of unused losses, and/or the carry forward of unused tax credits. Temporary differences are differences between the carrying amount of an asset or liability in the statement of financial position and its tax base, where the tax base of an asset or liability is the amount attributed to that asset or liability for tax purposes.
Derivative	G3.2	A derivative is an asset or liability that is dependent on, or derives its value from, another asset or liability and is to be settled in the future.
Discount rate	G2.5	The discount rate for the IAS 19 <i>Pensions</i> valuation has been derived with reference to market yields at the end of the reporting period on AA-rated sterling-denominated corporate bonds with maturities consistent with the estimated term of the post-employment benefit obligations. Certain types of bonds are excluded from the calculating model, either because they have unusual features, are relatively small or potential outliers, in order to remove the distortion that might otherwise occur from including unusual, less liquid or potentially misrated bonds. Extrapolation is performed when the profile of the scheme's expected benefit outflow is longer than the cash flows of the available bonds.
Effective interest rate	H	An effective interest rate is the rate used to discount future cash flows over the life of the contract back to present value.
Fair value	D, G	The fair value of an asset is the amount for which the asset could be exchanged between knowledgeable, willing parties in an arm's length transaction.
Foreign currency transactions	G3.2	As these financial statements are prepared in sterling, the BBC's foreign currency transactions and balances must be translated at appropriate exchange rates, into sterling. This means that variations in exchange rates can cause the valuation of investments to fluctuate, even when there has been no change in the health of the underlying business.
Forward foreign currency contracts	G3.1	Under forward exchange contracts you buy or sell a currency at a fixed exchange rate with delivery made on a given date or dates in the future.
Going concern	H	The directors are required to make a statement that the BBC is a going concern, which means it can meet its debts and continue trading for a period of at least 12 months from the date on which these financial statements were signed.
Goodwill	E2	Goodwill is the difference between the monetary value paid for a business and the fair value of its net assets. It represents the premium the purchaser is prepared to pay for the business. Where the BBC does not own an entity outright, the other shareholders are known/disclosed as non-controlling interests.
IAS 19 valuation	C7.1	The IAS 19 <i>Pensions</i> valuation takes assets at their market value and discounts the accrued liabilities by reference to the discount rate of an AA-rated corporate.
Impairment	H	An impairment occurs when the carrying value of an asset is higher than the amount that is recoverable from its use or sale.

Term	Note	Definition
Inception	H	Inception is the point at which a contract is confirmed; this is normally the point at which the contract is signed.
Interest cost on pension plan liabilities	F11	The interest cost on pension plan liabilities represents the increase during the year in the value of the plan liabilities because the benefits are one year closer to settlement.
Interest rate caps	G3.1	Interest rate caps protect against interest rates rising, by setting an upper limit (cap) on the floating interest rate, whilst still allowing the benefit of falling interest rates.
Interest rate collars	G3.1	Interest rate collars are the same as interest rate caps except that there is also a lower limit set to the floating interest rate.
Interest rate swaps	G3.1	Interest rate swaps effectively swap a floating rate loan into a fixed rate loan, or vice versa.
Joint venture	E3	A joint venture is where the BBC has joint control over an entity with another partner(s).
Maturity	G2.6	The maturity of a scheme provides an indication of the cash requirements of the scheme and the likely attitude of the Trustees to risk within their investment policy. The more mature a scheme, the more likely that Trustees will favour low-risk investments.
Net finance income/(cost)	C6.2	Net finance income/(cost) is the difference between the expected return on assets and the interest liabilities.
Past service cost	C6.2	The past service charges arise from changes to the terms and conditions relating to members' defined retirement benefits, resulting in a credit for years of service already given.
Pension scheme	C6	On retirement, members of the BBC's defined benefit pension scheme are paid their pensions from a fund which is kept separate from the Group, to which the BBC makes cash contributions.
Plan liability	G2.1	The plan liability represents the expected amount of money that will be needed in the future to pay employees for their current and future service to the company.
Programme rights	E1	Programme rights are rights held by the BBC that permit a future transmission of a particular programme or event.
Public services	F3	Public services in this context represent the PSB Group.
Put option	G3.2	A put option issued by the BBC provides the holder the rights, but not the obligation, to require the BBC to buy shares at a future date and price determined by the option agreement.
Related parties	C5	Related parties include key management personnel, their immediate families and external entities controlled by them.
Remeasurement gains and losses	G2.4	These gains and losses arise from actual performance being different from that predicted. Only defined benefit schemes give rise to gains and losses in the statement of comprehensive income/(loss).
Remeasurements	C6.2	Remeasurements which arise from actual performance being different from that predicted give rise to gains and losses in the statement of comprehensive income.
Remeasurements on plan assets	G2.2	Remeasurements on plan assets represent the amount by which the assets held by the scheme (such as equities, bonds and property) have performed better or worse than the expected prior year value.
Research costs	B1	Research costs are incurred to explore ideas for new programmes or assets, such as the BBC iPlayer. Research costs are where the ideas are generated, some of which are then developed further into a plan or design where the costs are then categorised as development.
Subsidiary undertaking	G6.3	A subsidiary undertaking is an entity that is directly or indirectly controlled by the BBC. Control exists where the BBC has the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities. In assessing control, potential voting rights that are currently exercisable or convertible are taken into account.

Equality Information Report

Our annual Equality Information Report provides an update on the progress we have made in relation to equality, diversity and inclusion for our workforce.

Drama Trigonometry



Last Tango in Halifax

Staff (reporting is shown separately for our staff and freelancers)

Percentages for gender, age and religion and belief data in this section are calculated as a proportion of the total BBC staff population. For all other characteristics, where some staff have chosen not to provide data, percentages are calculated as a proportion of the known population who declared a response for that characteristic. This aligns with the methodology used in the BBC's Diversity & Inclusion Strategy 2016-2020.

All staff and leadership: 31 March 2020

Workforce	Mar-20	2020 Target
Women (all staff)	48.3%	50.0%
Women (leadership)	45.0%	50.0%
Disability (all staff)	10.2%	8.0%**
Disability (leadership)	8.6%	8.0%**
BAME (all staff)	15.7%	15.0%
BAME (leadership)	12.3%	15.0%
LGBTQ+ (all staff)	11.2%	8.0%
LGBTQ+ (leadership)	11.2%	8.0%

Age

All staff age distribution by division: 31 March 2020

Division	Total	Age band (numbers)						Age band (%)					
		<20	20-29	30-39	40-49	50-59	60+	<20	20-29	30-39	40-49	50-59	60+
BBC Design & Engineering	3,406	*	630	1,073	941	612	146	*	18.5	31.5	27.6	18.0	4.3
Chief Customer Officer Group	530	*	142	204	118	58	*	*	26.8	38.5	22.3	10.9	*
Content	873	*	137	281	289	138	28	*	15.7	32.2	33.1	15.8	3.2
Corporate, Policy & External Affairs	197	*	50	55	51	31	10	*	25.4	27.9	25.9	15.7	5.1
Finance & Operations	612	*	71	172	171	168	30	*	11.6	28.1	27.9	27.5	4.9
Managing Director Group	1,201	50	329	303	267	217	35	4.2	27.4	25.2	22.2	18.1	2.9
Nations and Regions	6,009	*	657	1,361	1,860	1,626	498	*	10.9	22.6	31.0	27.1	8.3
News and Current Affairs	3,198	*	342	811	912	920	212	*	10.7	25.4	28.5	28.8	6.6
Radio and Education	1,878	*	290	520	505	450	113	*	15.4	27.7	26.9	24.0	6.0
UK Public Service	17,904	62	2,648	4,780	5,114	4,220	1,080	0.3	14.8	26.7	28.6	23.6	6.0
BBC Studios (Sales & Distribution, Branded Services & Management)	900	*	194	319	259	116	11	*	21.6	35.4	28.8	12.9	1.2
BBC Studios (TV & Radio Production)	1,231	*	280	359	339	205	47	*	22.7	29.2	27.5	16.7	3.8
BBC Studios	2,131	*	474	678	598	321	58	*	22.2	31.8	28.1	15.1	2.7
World Service Group	1,486	*	157	470	470	308	81	*	10.6	31.6	31.6	20.7	5.5
Other	271	*	47	75	66	71	12	*	17.3	27.7	24.4	26.2	4.4
Other	1,757	*	204	545	536	379	93	*	11.6	31.0	30.5	21.6	5.3
Grand Total	21,792	64	3,326	6,003	6,248	4,920	1,231	0.3	15.3	27.5	28.7	22.6	5.6

All staff data reflects UK-based employee contracts only.

Leadership is defined as Band E and above.

Totals for each characteristic differ due to varying disclosure rates.

* Data has been replaced with an asterisk where figures are below sample size.

**The BBC's target for disabled staff and leadership was raised from 8% (by 2020) to 12% (by 2022) in November 2018 to offer a more stretching target. The targets here reflect those in the Diversity and Inclusion Strategy 2016-2020. The BBC is producing a new Diversity & Inclusion Strategy for 2021 onwards and, as part of this, all targets will be reviewed.

Equality Information Report

Leadership staff age distribution by division: 31 March 2020

Division	Total	Age band (numbers)						Age band (%)					
		<20	20-29	30-39	40-49	50-59	60+	<20	20-29	30-39	40-49	50-59	60+
BBC Design & Engineering	500	*	*	103	220	155	17	*	*	20.6	44.0	31.0	3.4
Chief Customer Officer Group	106	*	*	37	38	29	*	*	*	34.9	35.8	27.4	*
Content	199	*	*	29	96	64	*	*	*	14.6	48.2	32.2	*
Corporate, Policy & External Affairs	54	*	*	11	18	17	*	*	*	20.4	33.3	31.5	*
Finance & Operations	179	*	*	44	63	60	10	*	*	24.6	35.2	33.5	5.6
Managing Director Group	303	*	*	72	120	91	11	*	*	23.8	39.6	30.0	3.6
Nations and Regions	682	*	*	72	264	277	67	*	*	10.6	38.7	40.6	9.8
News and Current Affairs	594	*	*	72	215	252	54	*	*	12.1	36.2	42.4	9.1
Radio and Education	235	*	*	31	102	83	19	*	*	13.2	43.4	35.3	8.1
UK Public Service	2,852	*	21	471	1,136	1,028	196	*	0.7	16.5	39.8	36.1	6.9
BBC Studios (Sales & Distribution, Branded Services & Management)	281	*	12	87	118	61	*	*	4.3	31.0	42.0	21.6	*
BBC Studios (TV & Radio Production)	232	*	*	37	106	74	14	*	*	15.9	45.7	31.9	6.1
BBC Studios	513	*	13	124	224	135	17	*	2.5	24.2	43.7	26.3	3.3
World Service Group	268	*	*	42	112	93	18	*	*	15.7	41.8	34.7	6.7
Other	44	*	*	*	18	17	*	*	*	40.9	38.6	*	*
Other	312	*	*	50	130	110	19	*	*	16.0	41.7	35.2	6.1
Grand Total	3,677	*	37	645	1,490	1,273	232	*	1.0	17.5	40.5	34.7	6.3

All staff age distribution by job family: 31 March 2020

Job family	Total	Age band (numbers)						Age band (%)					
		<20	20-29	30-39	40-49	50-59	60+	<20	20-29	30-39	40-49	50-59	60+
Commissioning	212	*	19	36	88	61	*	*	9.0	17.0	41.5	28.8	*
Programming	10,415	*	1,451	2,859	3,206	2,342	554	*	13.9	27.5	30.8	22.5	5.3
Sales/Marketing	795	*	195	313	199	76	12	*	24.5	39.4	25.0	9.6	1.5
Support/Admin	4,175	59	767	1,174	1,117	882	176	1.4	18.4	28.1	26.8	21.1	4.2
Technical/Engineering	5,749	*	874	1,541	1,501	1,413	418	*	15.2	26.8	26.1	24.6	7.3
Not Allocated	446	*	20	80	137	146	63	*	4.5	17.9	30.7	32.7	14.2
Grand Total	21,792	64	3,326	6,003	6,248	4,920	1,231	0.3	15.3	27.5	28.7	22.6	5.6

Leadership staff age distribution by job family: 31 March 2020

Job family	Total	Age band (numbers)						Age band (%)					
		<20	20-29	30-39	40-49	50-59	60+	<20	20-29	30-39	40-49	50-59	60+
Commissioning	148	*	*	17	73	51	*	*	*	11.5	49.3	34.5	*
Programming	1,743	*	*	213	710	673	141	*	*	12.2	40.7	38.6	8.2
Sales/Marketing	151	*	*	49	68	29	*	*	*	32.5	45.0	19.2	*
Support/Admin	1,068	*	26	255	404	331	52	*	2.4	23.9	37.8	31.0	4.9
Technical/Engineering	534	*	*	107	222	180	22	*	*	20.0	41.6	33.7	4.1
Not Allocated	33	*	*	*	13	*	*	*	*	*	39.4	*	*
Grand Total	3,677	*	37	645	1,490	1,273	232	*	1.0	17.5	40.5	34.6	6.4

**The BBC's target for disabled staff and leadership was raised from 8% (by 2020) to 12% (by 2022) in November 2018 to offer a more stretching target. The targets here reflect those in the Diversity and Inclusion Strategy 2016-2020. The BBC is producing a new Diversity & Inclusion Strategy for 2021 onwards and, as part of this, all targets will be reviewed.

All staff data reflects UK-based employee contracts only. Leadership is defined as Band E and above.

Totals for each characteristic differ due to varying disclosure rates.

* Data has been replaced with an asterisk where figures are below sample size.

All staff age distribution by grade bands: 31 March 2020

Grade band	Total	Age band (numbers)						Age band (%)					
		<20	20-29	30-39	40-49	50-59	60+	<20	20-29	30-39	40-49	50-59	60+
A	1,070	60	387	152	157	208	106	5.6	36.2	14.2	14.7	19.4	9.9
B	2,591	*	882	631	488	439	148	*	34.0	24.4	18.8	16.9	5.8
C	7,193	*	1,563	2,321	1,706	1,235	367	*	21.7	32.3	23.7	17.2	5.1
D	7,218	*	454	2,246	2,392	1,755	371	*	6.3	31.1	33.1	24.3	5.2
E	2,319	*	36	529	925	698	131	*	1.6	22.8	39.9	30.1	5.6
F	1,025	*	*	101	445	407	71	*	*	9.9	43.4	39.7	6.9
SL	333	*	*	15	120	168	30	*	*	4.5	36.0	50.5	9.0
Not Allocated	43	*	*	*	15	10	*	*	*	34.9	23.3	*	*
Grand Total	21,792	64	3,326	6,003	6,248	4,920	1,231	0.3	15.3	27.5	28.7	22.6	5.6

All staff leaver and joiner distribution by age: 31 March 2020

Category	Total	Age band (numbers)						Age band (%)					
		<20	20-29	30-39	40-49	50-59	60+	<20	20-29	30-39	40-49	50-59	60+
Leavers	2,805	15	930	856	497	318	189	0.5	33.2	30.5	17.7	11.3	6.8
Joiners	2,785	66	1,385	805	365	143	21	2.4	49.7	28.9	13.1	5.1	0.8

All staff leaver distribution by age and reason for leaving: 31 March 2020

Reason for leaving	Total	Age band (numbers)						Age band (%)					
		<20	20-29	30-39	40-49	50-59	60+	<20	20-29	30-39	40-49	50-59	60+
Voluntary	1,389	*	382	518	278	112	97	*	27.5	37.3	20.0	8.1	7.0
Redundancy	326	*	*	47	82	124	64	*	*	14.4	25.2	38.0	19.6
End FTC	1,020	13	529	275	123	58	22	1.3	51.9	27.0	12.1	5.7	2.0
Other Involuntary	64	*	*	13	14	23	*	*	*	20.3	21.9	35.9	*
Other	6	*	*	*	*	*	*	*	*	*	*	*	*
Grand Total	2,805	15	930	856	497	318	189	0.5	33.2	30.5	17.7	11.3	6.8

All staff internal mover distribution by age: 31 March 2020

Internal move type	Total	Age band (numbers)						Age band (%)					
		<20	20-29	30-39	40-49	50-59	60+	<20	20-29	30-39	40-49	50-59	60+
Attachment	1,086	*	256	464	273	85	*	*	23.6	42.7	25.1	7.8	*
Promotion	685	*	236	263	133	49	*	*	34.5	38.4	19.4	7.2	*
Transfer	1,552	*	678	496	251	102	23	*	43.7	32.0	16.2	6.6	1.4
Grand Total	3,323	*	1,170	1,223	657	236	32	*	35.2	36.8	19.8	7.1	0.9

All staff age distribution by contract type: 31 March 2020

Contract type	Total	Age band (numbers)						Age band (%)					
		<20	20-29	30-39	40-49	50-59	60+	<20	20-29	30-39	40-49	50-59	60+
Continuing	19,933	54	2,412	5,443	6,026	4,799	1,199	0.3	12.1	27.3	30.2	24.1	6.0
Fixed Term less than 1 yr	1,448	*	729	439	178	81	19	*	50.3	30.3	12.3	5.6	1.4
Fixed Term 1 yr +	393	*	184	117	42	33	*	*	46.8	29.8	10.7	8.4	*
Flexicon	18	*	*	*	*	*	*	*	*	*	*	*	*
Grand Total	21,792	64	3,326	6,003	6,248	4,920	1,231	0.3	15.3	27.5	28.7	22.6	5.6

All staff age distribution by length of service: 31 March 2020

Length of service (yrs)	Total	Age band (numbers)						Age band (%)					
		<20	20-29	30-39	40-49	50-59	60+	<20	20-29	30-39	40-49	50-59	60+
<1	2,338	49	1,092	724	332	119	22	2.1	46.7	31.0	14.2	5.1	0.9
1-<3	3,741	15	1,363	1,302	671	322	68	0.4	36.4	34.8	17.9	8.6	1.9
3-<5	2,216	*	556	897	469	249	45	*	25.1	40.5	21.2	11.2	2.0
5-<10	3,874	*	315	1,861	1,079	484	135	*	8.1	48.0	27.9	12.5	3.5
10+	9,623	*	*	1,219	3,697	3,746	961	*	*	12.7	38.4	38.9	10.0
Grand Total	21,792	64	3,326	6,003	6,248	4,920	1,231	0.3	15.3	27.5	28.7	22.6	5.6

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Equality Information Report

Disability**All staff disability distribution by division: 31 March 2020**

Division	Disability (numbers)			Disability (%)	
	Total	Disabled	Not Disabled	Disabled	Not Disabled
BBC Design & Engineering	3,106	377	2,729	12.1	87.9
Chief Customer Officer Group	479	48	431	10.0	90.0
Content	802	94	708	11.7	88.3
Corporate, Policy & External Affairs	181	23	158	12.7	87.3
Finance & Operations	562	62	500	11.0	89.0
Managing Director Group	1,111	141	970	12.7	87.3
Nations and Regions	5,597	490	5,107	8.8	91.2
News and Current Affairs	2,936	294	2,642	10.0	90.0
Radio and Education	1,726	214	1,512	12.4	87.6
UK Public Service	16,500	1,743	14,757	10.6	89.4
BBC Studios (Sales & Distribution, Branded Services & Management)	819	78	741	9.5	90.5
BBC Studios (TV & Radio Production)	1,123	115	1,008	10.2	89.8
BBC Studios	1,942	193	1,749	9.9	90.1
World Service Group	1,336	92	1,244	6.9	93.1
Other	247	19	228	7.7	92.3
Other	1,583	111	1,472	7.0	93.0
Grand Total	20,025	2,047	17,978	10.2	89.8

Leadership staff disability distribution by division: 31 March 2020

Division	Disability (numbers)			Disability (%)	
	Total	Disabled	Not Disabled	Disabled	Not Disabled
BBC Design & Engineering	471	49	422	10.4	89.6
Chief Customer Officer Group	100	10	90	10.0	90.0
Content	177	17	160	9.6	90.4
Corporate, Policy & External Affairs	49	*	44	*	89.8
Finance & Operations	168	17	151	10.1	89.9
Managing Director Group	281	30	251	10.7	89.3
Nations and Regions	649	48	601	7.4	92.6
News and Current Affairs	556	41	515	7.4	92.6
Radio and Education	223	28	195	12.6	87.4
UK Public Service	2,674	245	2,429	9.2	90.8
BBC Studios (Sales & Distribution, Branded Services & Management)	255	15	240	5.9	94.1
BBC Studios (TV & Radio Production)	219	18	201	8.2	91.8
BBC Studios	474	33	441	7.0	93.0
World Service Group	244	17	227	7.0	93.0
Other	40	*	40	*	100.0
Other	284	17	267	6.0	94.0
Grand Total	3,432	295	3,137	8.6	91.4

All staff disability distribution by job family: 31 March 2020

Job family	Disability (numbers)			Disability (%)	
	Total	Disabled	Not Disabled	Disabled	Not Disabled
Commissioning	193	23	170	11.9	88.1
Programming	9,644	920	8,724	9.5	90.5
Sales/Marketing	731	71	660	9.7	90.3
Support/Admin	3,861	440	3,421	11.4	88.6
Technical/Engineering	5,216	582	4,634	11.2	88.8
Not Allocated	380	11	369	2.9	97.1
Grand Total	20,025	2,047	17,978	10.2	89.8

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Leadership is defined as Band E and above.

Totals for each characteristic differ due to varying disclosure rates.

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Leadership staff disability distribution by job family: 31 March 2020

Job family	Disability (numbers)			Disability (%)	
	Total	Disabled	Not Disabled	Disabled	Not Disabled
Commissioning	134	12	122	9.0	91.0
Programming	1,637	130	1,507	7.9	92.1
Sales/Marketing	138	11	127	8.0	92.0
Support/Admin	994	92	902	9.3	90.7
Technical/Engineering	498	47	451	9.4	90.6
Not Allocated	31	*	28	*	90.3
Grand Total	3,432	295	3,137	8.6	91.4

All staff disability distribution by grade bands: 31 March 2020

Grade band	Disability (numbers)			Disability (%)	
	Total	Disabled	Not Disabled	Disabled	Not Disabled
A	961	94	867	9.8	90.2
B	2,363	315	2,048	13.3	86.7
C	6,581	697	5,884	10.6	89.4
D	6,654	645	6,009	9.7	90.3
E	2,165	178	1,987	8.2	91.8
F	953	91	862	9.5	90.5
SL	314	26	288	8.3	91.7
Not Allocated	34	*	33	*	97.1
Grand Total	20,025	2,047	17,978	10.2	89.8

All staff leaver and joiner distribution by disability: 31 March 2020

Category	Disability (numbers)			Disability (%)	
	Total	Disabled	Not Disabled	Disabled	Not Disabled
Leavers	2,520	272	2,248	10.8	89.2
Joiners	2,469	270	2,199	10.9	89.1

All staff leaver distribution by disability and reason for leaving: 31 March 2020

Reason for leaving	Disability (numbers)			Disability (%)	
	Total	Disabled	Not Disabled	Disabled	Not Disabled
Voluntary	1,249	118	1,131	9.4	90.6
Redundancy	304	39	265	12.8	87.2
End FTC	903	103	800	11.4	88.6
Other Involuntary	59	11	48	18.6	81.4
Other	*	*	*	*	*
Grand Total	2,520	272	2,248	10.8	89.2

All staff internal mover distribution by disability: 31 March 2020

Internal move type	Disability (numbers)			Disability (%)	
	Total	Disabled	Not Disabled	Disabled	Not Disabled
Attachment	985	123	862	12.5	87.5
Promotion	576	43	533	7.5	92.5
Transfer	1,294	156	1,138	12.1	87.9
Grand Total	2,855	322	2,533	11.3	88.7

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Leadership is defined as Band E and above.

Totals for each characteristic differ due to varying disclosure rates.

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Equality Information Report

All staff disability distribution by contract type: 31 March 2020

Contract type	Disability (numbers)			Disability (%)	
	Total	Disabled	Not Disabled	Disabled	Not Disabled
Continuing	18,346	1,862	16,484	10.1	89.9
Fixed Term less than 1 yr	1,308	148	1,160	11.3	88.7
Fixed Term 1 yr +	354	35	319	9.9	90.1
Flexicon	17	*	15	*	88.2
Grand Total	20,025	2,047	17,978	10.2	89.8

All staff disability distribution by length of service: 31 March 2020

Length of service (yrs)	Disability (numbers)			Disability (%)	
	Total	Disabled	Not Disabled	Disabled	Not Disabled
<1	2,123	223	1,900	10.5	89.5
1-<3	3,368	290	3,078	8.6	91.4
3-<5	1,785	196	1,589	11.0	89.0
5-<10	3,716	392	3,324	10.5	89.5
10+	9,033	946	8,087	10.5	89.5
Grand Total	20,025	2,047	17,978	10.2	89.8

Ethnicity

All staff ethnicity distribution by division: 31 March 2020

Division	Ethnicity band (numbers)								Ethnicity band (%)						
	Total	BAME	Asian	Black	Mixed Ethnicity	Other BAME	White British	Other White Back-ground	BAME	Asian	Black	Mixed Ethnicity	Other BAME	White British	Other White Back-ground
BBC Design & Engineering	3,241	601	327	147	93	34	2,450	190	18.5	10.1	4.5	2.9	1.0	75.6	5.9
Chief Customer Officer Group	508	75	30	19	22	*	402	31	14.8	5.9	3.7	4.3	*	79.1	6.1
Content	837	129	52	30	40	*	661	47	15.4	6.2	3.6	4.8	*	79.0	5.6
Corporate, Policy & External Affairs	193	25	*	10	*	*	156	12	13.0	*	5.2	*	*	80.8	6.2
Finance & Operations	590	116	58	36	19	*	442	32	19.7	9.8	6.1	3.2	*	74.9	5.4
Managing Director Group	1,167	252	122	59	54	17	843	72	21.6	10.5	5.1	4.6	1.5	72.2	6.2
Nations and Regions	5,808	345	155	67	103	20	5,066	397	5.9	2.7	1.2	1.8	0.3	87.2	6.9
News and Current Affairs	3,056	492	209	107	106	70	2,348	216	16.1	6.8	3.5	3.5	2.3	76.8	7.1
Radio and Education	1,820	217	91	60	58	*	1,522	81	11.9	5.0	3.3	3.2	*	83.6	4.5
UK Public Service	17,220	2,252	1,049	535	502	166	13,890	1,078	13.1	6.1	3.1	2.9	1.0	80.7	6.2
BBC Studios (Sales & Distribution, Branded Services & Management)	855	172	84	41	40	*	610	73	20.1	9.8	4.8	4.7	*	71.3	8.6
BBC Studios (TV & Radio Production)	1,191	132	41	29	51	11	986	73	11.1	3.4	2.4	4.3	0.9	82.8	6.1
BBC Studios	2,046	304	125	70	91	18	1,596	146	14.9	6.1	3.4	4.4	0.9	78.0	7.1
World Service Group	1,354	703	206	108	74	315	530	121	51.9	15.2	8.0	5.5	23.3	39.1	9.0
Other	262	26	11	10	*	*	226	10	9.9	4.2	3.8	*	*	86.3	3.8
Other	1,616	729	217	118	79	315	756	131	45.1	13.4	7.3	4.9	19.5	46.8	8.1
Grand Total	20,882	3,285	1,391	723	672	499	16,242	1,355	15.7	6.7	3.5	3.2	2.4	77.8	6.5

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Leadership staff ethnicity distribution by division: 31 March 2020

Division	Ethnicity band (numbers)								Ethnicity band (%)						
	Total	BAME	Asian	Black	Mixed Ethnicity	Other BAME	White British	Other White Background	BAME	Asian	Black	Mixed Ethnicity	Other BAME	White British	Other White Background
BBC Design & Engineering	481	49	32	*	12	*	403	29	10.2	6.7	*	2.5	*	83.8	6.0
Chief Customer Officer	104	*	*	*	*	*	92	*	*	*	*	*	*	88.5	*
Content	191	20	11	*	*	*	160	11	10.5	5.8	*	*	*	83.8	5.7
Corporate, Policy & External Affairs	52	*	*	*	*	*	47	*	*	*	*	*	*	90.4	*
Finance & Operations	171	28	13	*	*	*	132	11	16.4	7.6	*	*	*	77.2	6.4
Managing Director	294	41	24	*	*	*	225	28	13.9	8.2	*	*	*	76.5	9.6
Nations and Regions	657	29	17	*	*	*	573	55	4.4	2.6	*	*	*	87.2	8.4
News and Current Affairs	570	67	36	11	15	*	476	27	11.8	6.3	1.9	2.6	*	83.5	4.7
Radio and Education	231	30	13	*	*	*	192	*	13.0	5.6	*	*	*	83.1	*
UK Public Service	2,751	272	150	41	64	17	2,300	179	9.9	5.5	1.5	2.3	0.6	83.6	6.5
BBC Studios (Sales & Distribution, Branded Services & Management)	265	43	25	*	12	*	199	23	16.2	9.4	*	4.5	*	75.1	8.7
BBC Studios (TV & Radio Production)	228	16	*	*	*	*	196	16	7.0	*	*	*	*	86.0	7.0
BBC Studios	493	59	31	*	17	*	395	39	12.0	6.3	*	3.4	*	80.1	7.9
World Service Group	251	101	23	12	14	52	133	17	40.2	9.2	4.8	5.6	20.7	53.0	6.8
Other	43	*	*	*	*	*	36	*	*	*	*	*	*	83.7	*
Other	294	105	26	12	15	52	169	20	35.7	8.8	4.1	5.1	17.7	57.5	6.8
Grand Total	3,538	436	207	59	96	74	2,864	238	12.3	5.9	1.7	2.7	2.1	80.9	6.8

All staff ethnicity distribution by job family: 31 March 2020

Job family	Ethnicity band (numbers)								Ethnicity band (%)						
	Total	BAME	Asian	Black	Mixed Ethnicity	Other BAME	White British	Other White Background	BAME	Asian	Black	Mixed Ethnicity	Other BAME	White British	Other White Background
Commissioning	204	33	15	*	*	*	154	17	16.2	7.4	*	*	*	75.5	8.3
Programming	9,998	1,593	592	306	325	370	7,728	677	15.9	5.9	3.1	3.3	3.7	77.3	6.8
Sales/Marketing	766	89	36	18	28	*	626	51	11.6	4.7	2.3	3.7	*	81.7	6.7
Support/Admin	4,022	760	351	205	162	42	3,000	262	18.9	8.7	5.1	4.0	1.0	74.6	6.5
Technical/Engineering	5,475	785	385	183	139	78	4,362	328	14.3	7.0	3.3	2.5	1.4	79.7	6.0
Not Allocated	417	25	12	*	*	*	372	20	6.0	2.9	*	*	*	89.2	4.8
Grand Total	20,882	3,285	1,391	723	672	499	16,242	1,355	15.7	6.7	3.5	3.2	2.4	77.8	6.5

Leadership staff ethnicity distribution by job family: 31 March 2020

Job family	Ethnicity band (numbers)								Ethnicity band (%)						
	Total	BAME	Asian	Black	Mixed Ethnicity	Other BAME	White British	Other White Background	BAME	Asian	Black	Mixed Ethnicity	Other BAME	White British	Other White Background
Commissioning	142	18	10	*	*	*	111	13	12.7	7.0	*	*	*	78.2	9.1
Programming	1,686	214	84	29	38	63	1,375	97	12.7	5.0	1.7	2.3	3.7	81.6	5.7
Sales/Marketing	149	*	*	*	*	*	131	*	*	*	*	*	*	87.9	*
Support/Admin	1,022	135	74	22	32	*	804	83	13.2	7.2	2.2	3.1	*	78.7	8.1
Technical/Engineering	512	55	31	*	16	*	423	34	10.7	6.1	*	3.1	*	82.6	6.7
Not Allocated	27	*	*	*	*	*	20	*	*	*	*	*	*	74.1	*
Grand Total	3,538	436	207	59	96	74	2,864	238	12.3	5.9	1.7	2.7	2.1	80.9	6.8

All staff data reflects UK-based employee contracts only.
Leadership is defined as Band E and above.

Totals for each characteristic differ due to varying disclosure rates.

* Data has been replaced with an asterisk where figures are below sample size.

Equality Information Report

All staff ethnicity distribution by grade bands: 31 March 2020

Grade band	Ethnicity band (numbers)								Ethnicity band (%)						
	Total	BAME	Asian	Black	Mixed Ethnicity	Other BAME	White British	Other White Back-ground	BAME	Asian	Black	Mixed Ethnicity	Other BAME	White British	Other White Back-ground
A	1,031	186	61	60	55	10	813	32	18.0	5.9	5.8	5.3	1.0	78.9	3.1
B	2,514	426	160	125	104	37	1,943	145	16.9	6.4	5.0	4.1	1.5	77.3	5.8
C	6,871	1,220	512	285	228	195	5,153	498	17.8	7.5	4.1	3.3	2.8	75.0	7.2
D	6,890	1,016	451	194	188	183	5,433	441	14.7	6.5	2.8	2.7	2.7	78.9	6.4
E	2,221	306	140	41	68	57	1,766	149	13.8	6.3	1.8	3.1	2.6	79.5	6.7
F	988	105	58	13	21	13	819	64	10.6	5.9	1.3	2.1	1.3	82.9	6.5
SL	329	25	*	*	*	*	279	25	7.6	*	*	*	*	84.8	7.6
Not Allocated	38	*	*	*	*	*	36	*	*	*	*	*	*	94.7	*
Grand Total	20,882	3,285	1,391	723	672	499	16,242	1,355	15.7	6.7	3.5	3.2	2.4	77.8	6.5

All staff leaver and joiner distribution by ethnicity: 31 March 2020

Category	Ethnicity band (numbers)								Ethnicity band (%)						
	Total	BAME	Asian	Black	Mixed Ethnicity	Other BAME	White British	Other White Back-ground	BAME	Asian	Black	Mixed Ethnicity	Other BAME	White British	Other White Back-ground
Leavers	2,685	504	196	150	111	47	1,953	228	18.8	7.3	5.6	4.1	1.8	72.7	8.5
Joiners	2,642	582	225	158	138	61	1,859	201	22.0	8.5	6.0	5.2	2.3	70.4	7.6

All staff leaver distribution by ethnicity and reason for leaving: 31 March 2020

Reason for leaving	Ethnicity band (numbers)								Ethnicity band (%)						
	Total	BAME	Asian	Black	Mixed Ethnicity	Other BAME	White British	Other White Back-ground	BAME	Asian	Black	Mixed Ethnicity	Other BAME	White British	Other White Back-ground
Voluntary	1,329	224	99	54	53	18	973	132	16.9	7.4	4.1	4.0	1.4	73.2	9.9
Redundancy	311	42	15	16	*	*	249	20	13.5	4.8	5.1	*	*	80.1	6.4
End FTC	978	217	74	71	49	23	685	76	22.2	7.6	7.3	5.0	2.4	70.0	7.8
Other Involuntary	62	19	*	*	*	*	43	*	30.6	*	*	*	*	69.4	*
Other	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
Grand Total	2,685	504	196	150	111	47	1,953	228	18.8	7.3	5.6	4.1	1.8	72.7	8.5

All staff internal mover distribution by ethnicity: 31 March 2020

Internal move type	Ethnicity band (numbers)								Ethnicity band (%)						
	Total	BAME	Asian	Black	Mixed Ethnicity	Other BAME	White British	Other White Back-ground	BAME	Asian	Black	Mixed Ethnicity	Other BAME	White British	Other White Back-ground
Attachment	1,043	168	78	30	37	23	817	58	16.1	7.5	2.9	3.5	2.2	78.3	5.6
Promotion	627	101	39	21	29	12	490	36	16.1	6.2	3.3	4.6	1.9	78.1	5.8
Transfer	1,386	250	106	64	50	30	1,030	106	18.0	7.6	4.6	3.6	2.2	74.3	7.7
Grand Total	3,056	519	223	115	116	65	2,337	200	17.0	7.3	3.8	3.8	2.1	76.5	6.5

All staff ethnicity distribution by contract type: 31 March 2020

Contract type	Ethnicity band (numbers)								Ethnicity band (%)						
	Total	BAME	Asian	Black	Mixed Ethnicity	Other BAME	White British	Other White Back-ground	BAME	Asian	Black	Mixed Ethnicity	Other BAME	White British	Other White Back-ground
Continuing	19,125	2,923	1,256	620	570	477	14,976	1,226	15.3	6.6	3.2	3.0	2.5	78.3	6.4
Fixed Term less than 1 yr	1,380	273	97	81	79	16	1,001	106	19.8	7.0	5.9	5.7	1.2	72.5	7.7
Fixed Term 1 yr +	359	88	38	22	22	*	248	23	24.5	10.6	6.1	6.1	*	69.1	6.4
Flexicon	18	*	*	*	*	*	17	*	*	*	*	*	*	94.4	*
Grand Total	20,882	3,285	1,391	723	672	499	16,242	1,355	15.7	6.7	3.5	3.2	2.4	77.8	6.5

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 Leadership is defined as Band E and above.
 Totals for each characteristic differ due to varying disclosure rates.
 * Data has been replaced with an asterisk where figures are below sample size.

All staff ethnicity distribution by length of service: 31 March 2020

Length of service (yrs)	Ethnicity band (numbers)							Ethnicity band (%)							
	Total	BAME	Asian	Black	Mixed Ethnicity	Other BAME	White British	Other White Back-ground	BAME	Asian	Black	Mixed Ethnicity	Other BAME	White British	Other White Back-ground
<1	2,235	486	196	123	118	49	1,584	165	21.7	8.8	5.5	5.3	2.2	70.9	7.4
1-<3	3,548	710	303	173	152	82	2,588	250	20.0	8.5	4.9	4.3	2.3	72.9	7.1
3-<5	2,109	369	189	70	86	24	1,571	169	17.5	9.0	3.3	4.1	1.1	74.5	8.0
5-<10	3,696	591	242	110	124	115	2,828	277	16.0	6.5	3.0	3.4	3.1	76.5	7.5
10+	9,294	1,129	461	247	192	229	7,671	494	12.1	5.0	2.7	2.1	2.5	82.5	5.4
Grand Total	20,882	3,285	1,391	723	672	499	16,242	1,355	15.7	6.7	3.5	3.2	2.4	77.8	6.5

Gender
All staff gender distribution by division: 31 March 2020

Division	Total	Gender band (numbers)		Gender band (%)	
		Female	Male	Female	Male
BBC Design & Engineering	3,406	984	2,422	28.9	71.1
Chief Customer Officer Group	530	297	233	56.0	44.0
Content	873	417	456	47.8	52.2
Corporate, Policy & External Affairs	197	145	52	73.6	26.4
Finance & Operations	612	357	255	58.3	41.7
Managing Director Group	1,201	786	415	65.4	34.6
Nations and Regions	6,009	2,712	3,297	45.1	54.9
News and Current Affairs	3,198	1,502	1,696	47.0	53.0
Radio and Education	1,878	1,086	792	57.8	42.2
UK Public Service	17,904	8,286	9,618	46.3	53.7
BBC Studios (Sales & Distribution, Branded Services & Management)	900	518	382	57.6	42.4
BBC Studios (TV & Radio Production)	1,231	797	434	64.7	35.3
BBC Studios	2,131	1,315	816	61.7	38.3
World Service Grps	1,486	777	709	52.3	47.7
Other	271	149	122	55.0	45.0
Other	1,757	926	831	52.7	47.3
Grand Total	21,792	10,527	11,265	48.3	51.7

Leadership staff gender distribution by division: 31 March 2020

Division	Total	Gender band (numbers)		Gender band (%)	
		Female	Male	Female	Male
BBC Design & Engineering	500	126	374	25.2	74.8
Chief Customer Officer Group	106	55	51	51.9	48.1
Content	199	97	102	48.7	51.3
Corporate, Policy & External Affairs	54	32	22	59.3	40.7
Finance & Operations	179	80	99	44.7	55.3
Managing Director Group	303	193	110	63.7	36.3
Nations and Regions	682	266	416	39.0	61.0
News and Current Affairs	594	272	322	45.8	54.2
Radio and Education	235	119	116	50.6	49.4
UK Public Service	2,852	1,240	1,612	43.5	56.5
BBC Studios (Sales & Distribution, Branded Services & Management)	281	148	133	52.7	47.3
BBC Studios (TV & Radio Production)	232	125	107	53.9	46.1
BBC Studios	513	273	240	53.2	46.8
World Service Group	268	121	147	45.1	54.9
Other	44	21	23	47.7	52.3
Other	312	142	170	45.5	54.5
Grand Total	3,677	1,655	2,022	45.0	55.0

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Leadership is defined as Band E and above.

Totals for each characteristic differ due to varying disclosure rates.

* Data has been replaced with an asterisk where figures are below sample size.

Equality Information Report

All staff gender distribution by job family: 31 March 2020

Job family	Total	Gender band (numbers)		Gender band (%)	
		Female	Male	Female	Male
Commissioning	212	125	87	59.0	41.0
Programming	10,415	5,475	4,940	52.6	47.4
Sales/Marketing	795	525	270	66.0	34.0
Support/Admin	4,175	2,686	1,489	64.3	35.7
Technical/Engineering	5,749	1,503	4,246	26.1	73.9
Not Allocated	446	213	233	47.8	52.2
Grand Total	21,792	10,527	11,265	48.3	51.7

Leadership staff gender distribution by job family: 31 March 2020

Job family	Total	Gender band (numbers)		Gender band (%)	
		Female	Male	Female	Male
Commissioning	148	82	66	55.4	44.6
Programming	1,743	787	956	45.2	54.8
Sales/Marketing	151	88	63	58.3	41.7
Support/Admin	1,068	561	507	52.5	47.5
Technical/Engineering	534	119	415	22.3	77.7
Not Allocated	33	18	15	54.5	45.5
Grand Total	3,677	1,655	2,022	45.0	55.0

All staff gender distribution by grade bands: 31 March 2020

Grade band	Total	Gender band (numbers)		Gender band (%)	
		Female	Male	Female	Male
A	1,070	551	519	51.5	48.5
B	2,591	1,605	986	61.9	38.1
C	7,193	3,582	3,611	49.8	50.2
D	7,218	3,109	4,109	43.1	56.9
E	2,319	1,056	1,263	45.5	54.5
F	1,025	459	566	44.8	55.2
SL	333	140	193	42.0	58.0
Not Allocated	43	25	18	58.1	41.9
Grand Total	21,792	10,527	11,265	48.3	51.7

All staff leaver and joiner distribution by gender: 31 March 2020

Category	Total	Gender band (numbers)		Gender band (%)	
		Female	Male	Female	Male
Leavers	2,805	1,535	1,270	54.7	45.3
Joiners	2,785	1,626	1,159	58.4	41.6

All staff leaver distribution by gender and reason for leaving: 31 March 2020

Reason for leaving	Total	Gender band (numbers)		Gender band (%)	
		Female	Male	Female	Male
Voluntary	1,389	697	692	50.2	49.8
Redundancy	326	163	163	50.0	50.0
End FTC	1,020	644	376	63.1	36.9
Other Involuntary	64	28	36	43.8	56.3
Other	*	*	*	*	*
Grand Total	2,805	1,535	1,270	54.7	45.3

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 * Data has been replaced with an asterisk where figures are below sample size.

All staff internal mover distribution by gender: 31 March 2020

Internal move type	Total	Gender band (numbers)		Gender band (%)	
		Female	Male	Female	Male
Attachment	1,086	636	450	58.6	41.4
Promotion	685	316	369	46.1	53.9
Transfer	1,552	876	676	56.4	43.6
Grand Total	3,323	1,828	1,495	55.0	45.0

All staff gender distribution by contract type: 31 March 2020

Contract type	Total	Gender band (numbers)		Gender band (%)	
		Female	Male	Female	Male
Continuing	19,933	9,428	10,505	47.3	52.7
Fixed Term less than 1 yr	1,448	873	575	60.3	39.7
Fixed Term 1 yr +	393	215	178	54.7	45.3
Flexicon	18	11	*	61.1	*
Grand Total	21,792	10,527	11,265	48.3	51.7

All staff gender distribution by length of service: 31 March 2020

Length of service (yrs)	Total	Gender band (numbers)		Gender band (%)	
		Female	Male	Female	Male
<1	2,338	1,329	1,009	56.8	43.2
1-<3	3,741	1,872	1,869	50.0	50.0
3-<5	2,216	1,118	1,098	50.5	49.5
5-<10	3,874	1,911	1,963	49.3	50.7
10+	9,623	4,297	5,326	44.7	55.3
Grand Total	21,792	10,527	11,265	48.3	51.7

Sexual Orientation and Gender Identity
All staff sexual orientation and gender identity distribution by division (numbers): 31 March 2020

Division	Sexual Orientation and Gender Identity (numbers)									
	Total	Bisexual	Gay man	Gay woman/lesbian	Heterosexual/straight	Other	Prefer not to say	N/A	Trans-gender	LGBTQ+
BBC Design & Engineering	3,406	75	124	39	2,593	22	300	253	59	303
Chief Customer Officer Group	530	*	32	*	426	*	42	16	11	54
Content	873	17	23	14	670	*	63	84	17	69
Corporate, Policy & External Affairs	197	*	13	*	153	*	14	13	*	21
Finance & Operations	612	12	14	*	521	*	34	21	16	50
Managing Director Group	1,201	37	45	19	983	*	69	40	29	135
Nations and Regions	6,009	75	211	39	4,143	25	374	1,142	106	440
News and Current Affairs	3,198	64	132	29	1,965	21	286	701	61	294
Radio and Education	1,878	42	75	26	1,273	14	144	304	55	199
UK Public Service	17,904	332	669	182	12,727	94	1,326	2,574	358	1,565
BBC Studios (Sales & Distribution, Branded Services & Management)	900	20	34	*	744	*	70	26	32	87
BBC Studios (TV & Radio Production)	1,231	45	56	12	901	11	124	82	32	152
BBC Studios	2,131	65	90	15	1,645	14	194	108	64	239
World Service Group	1,486	27	38	5	1,003	12	155	246	12	93
Other	271	*	*	*	211	*	16	32	*	19
Other	1,757	28	45	*	1,214	12	171	278	19	112
Grand Total	21,792	425	804	206	15,586	120	1,691	2,960	441	1,916

All staff data reflects UK-based employee contracts only.

Leadership is defined as Band E and above.

Totals for each characteristic differ due to varying disclosure rates.

The percentages for each individual group in the sexual orientation and gender identity tables are calculated as a proportion of the total BBC staff population; the total LGBTQ+ figure is calculated as a proportion of the known population excluding those who have chosen not to declare or where data is missing

* Data has been replaced with an asterisk where figures are below sample size.

Equality Information Report

All staff sexual orientation and gender identity distribution by division (percentage): 31 March 2020

Division	Sexual Orientation and Gender Identity (%)									
	Bisexual	Gay man	Gay woman/lesbian	Heterosexual/straight	Other	Prefer not to say	N/A	Trans-gender	LGBTQ+	
BBC Design & Engineering	2.2	3.6	1.1	76.1	0.6	8.8	7.6	1.7	10.6	
Chief Customer Officer Group	*	6.0	*	80.4	*	7.9	3.1	2.1	11.4	
Content	1.9	2.6	1.6	76.7	*	7.2	9.8	1.9	9.5	
Corporate, Policy & External Affairs	*	6.6	*	77.7	*	7.1	6.6	*	12.4	
Finance & Operations	2.0	2.3	*	85.1	*	5.6	3.3	2.6	9.0	
Managing Director Group	3.1	3.7	1.6	81.8	*	5.7	3.4	2.4	12.3	
Nations and Regions	1.2	3.5	0.6	68.9	0.4	6.2	19.2	1.8	9.8	
News and Current Affairs	2.0	4.1	0.9	61.4	0.7	8.9	22.0	1.9	13.3	
Radio and Education	2.2	4.0	1.4	67.8	0.7	7.7	16.2	2.9	13.9	
UK Public Service	1.9	3.7	1.0	71.1	0.5	7.4	14.4	2.0	11.2	
BBC Studios (Sales & Distribution, Branded Services & Management)	2.2	3.8	*	82.7	*	7.8	2.9	3.6	10.8	
BBC Studios (TV & Radio Production)	3.7	4.5	1.0	73.2	0.9	10.1	6.6	2.6	14.8	
BBC Studios	3.1	4.2	0.7	77.2	0.7	9.1	5.0	3.0	13.0	
World Service Group	1.8	2.6	0.3	67.5	0.8	10.4	16.6	0.8	8.6	
Other	*	*	*	77.9	*	5.9	11.7	*	8.5	
Other	1.6	2.6	*	69.1	0.7	9.7	15.8	1.1	8.6	
Grand Total	2.0	3.7	0.9	71.5	0.6	7.8	13.5	2.0	11.2	

Leadership staff sexual orientation and gender identity distribution by division (numbers): 31 March 2020

Total	Sexual Orientation and Gender Identity (numbers)									
	Total	Bisexual	Gay man	Gay woman/lesbian	Heterosexual/straight	Other	Prefer not to say	N/A	Trans-gender	LGBTQ+
BBC Design & Engineering	500	*	18	*	394	*	43	30	10	41
Chief Customer Officer Group	106	*	*	*	88	*	*	*	*	13
Content	199	*	*	*	153	*	15	23	*	10
Corporate, Policy & External Affairs	54	*	*	*	39	*	*	*	*	*
Finance & Operations	179	*	*	*	152	*	*	*	*	14
Managing Director Group	303	*	14	*	253	*	12	11	*	35
Nations and Regions	682	*	31	*	455	*	45	140	13	54
News and Current Affairs	594	*	18	*	350	*	42	163	14	51
Radio and Education	235	*	15	*	182	*	16	12	*	32
UK Public Service	2,852	34	119	35	2,066	14	190	394	63	255
BBC Studios (Sales & Distribution, Branded Services & Management)	281	*	18	*	229	*	15	14	*	28
BBC Studios (TV & Radio Production)	232	*	18	*	164	*	18	28	*	25
BBC Studios	513	*	36	*	393	*	33	42	11	53
World Service Group	268	*	*	*	182	*	19	52	*	16
Other	44	*	*	*	34	*	*	*	*	*
Other	312	*	10	*	216	*	21	56	*	21
Grand Total	3,677	43	165	41	2,675	17	244	492	77	329

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Leadership is defined as Band E and above.

Totals for each characteristic differ due to varying disclosure rates.

The percentages for each individual group in the sexual orientation and gender identity tables are calculated as a proportion of the total BBC staff population; the total LGBTQ+ figure is calculated as a proportion of the known population excluding those who have chosen not to declare or where data is missing.

* Data has been replaced with an asterisk where figures are below sample size.

Leadership staff sexual orientation and gender identity distribution by division (percentage): 31 March 2020

	Sexual Orientation and Gender Identity (%)								
	Bisexual	Gay man	Gay woman/lesbian	Heterosexual/straight	Other	Prefer not to say	N/A	Trans-gender	LGBTQ+
Total									
BBC Design & Engineering	*	3.6	*	78.8	*	8.6	6.0	2.0	9.6
Chief Customer Officer Group	*	*	*	83.0	*	*	*	*	13.0
Content	*	*	*	76.9	*	7.5	11.6	*	6.2
Corporate, Policy & External Affairs	*	*	*	72.2	*	*	*	*	*
Finance & Operations	*	*	*	84.9	*	*	*	*	8.5
Managing Director Group	*	4.6	*	83.5	*	4.0	3.5	*	12.5
Nations and Regions	*	4.5	*	66.7	*	6.6	20.6	1.9	10.8
News and Current Affairs	*	3.0	*	58.9	*	7.1	27.5	2.4	13.1
Radio and Education	*	6.4	*	77.4	*	6.8	5.1	*	15.5
UK Public Service	1.2	4.2	1.2	72.4	0.5	6.7	13.8	2.2	11.2
BBC Studios (Sales & Distribution, Branded Services & Management)	*	6.4	*	81.5	*	5.3	4.9	*	11.1
BBC Studios (TV & Radio Production)	*	7.8	*	70.7	*	7.8	12.0	*	13.4
BBC Studios	*	7.0	*	76.6	*	6.4	8.2	2.1	12.1
World Service Group	*	*	*	67.9	*	7.1	19.4	*	8.1
Other	*	*	*	77.3	*	*	*	*	*
Other	*	3.2	*	69.2	*	6.7	18.0	*	8.9
Grand Total	1.2	4.5	1.1	72.7	0.5	6.6	13.4	2.1	11.2

All staff sexual orientation and gender identity distribution by job family (numbers): 31 March 2020

Job family	Total	Sexual Orientation and Gender Identity (numbers)								
		Bisexual	Gay man	Gay woman/lesbian	Heterosexual/straight	Other	Prefer not to say	N/A	Trans-gender	LGBTQ+
Commissioning	212	*	11	*	165	*	17	12	*	23
Programming	10,415	196	399	85	7,100	58	907	1,670	229	927
Sales/Marketing	795	19	36	*	650	*	49	32	15	77
Support/Admin	4,175	81	147	49	3,429	20	257	192	98	384
Technical/Engineering	5,749	124	197	61	4,095	39	451	782	89	485
Not Allocated	446	*	14	*	147	*	10	272	*	20
Grand Total	21,792	425	804	206	15,586	120	1,691	2,960	441	1,916

All staff sexual orientation and gender identity distribution by job family (percentage): 31 March 2020

Job family	Sexual Orientation and Gender Identity (%)								
	Bisexual	Gay man	Gay woman/lesbian	Heterosexual/straight	Other	Prefer not to say	N/A	Trans-gender	LGBTQ+
Commissioning	*	5.2	*	77.8	*	8.0	5.7	*	12.5
Programming	1.9	3.8	0.8	68.2	0.6	8.7	16.0	2.2	11.8
Sales/Marketing	2.4	4.5	*	81.8	*	6.2	4.0	1.9	10.8
Support/Admin	1.9	3.5	1.2	82.1	0.5	6.2	4.6	2.3	10.3
Technical/Engineering	2.2	3.4	1.1	71.2	0.7	7.8	13.6	1.5	10.7
Not Allocated	*	3.1	*	33.0	*	2.2	61.0	*	12.2
Grand Total	2.0	3.7	0.9	71.5	0.6	7.8	13.6	2.0	11.2

All staff data reflects UK-based employee contracts only.

Leadership is defined as Band E and above.

Totals for each characteristic differ due to varying disclosure rates.

The percentages for each individual group in the sexual orientation and gender identity tables are calculated as a proportion of the total BBC staff population; the total LGBTQ+ figure is calculated as a proportion of the known population excluding those who have chosen not to declare or where data is missing.

* Data has been replaced with an asterisk where figures are below sample size.

Equality Information Report

Leadership staff sexual orientation and gender identity distribution by job family (numbers): 31 March 2020

Job family	Sexual Orientation and Gender Identity (numbers)									
	Total	Bisexual	Gay man	Gay woman/lesbian	Heterosexual/straight	Other	Prefer not to say	N/A	Transgender	LGBTQ+
Commissioning	148	*	*	*	116	*	11	11	*	14
Programming	1,743	21	70	20	1,113	*	131	380	35	148
Sales/Marketing	151	*	*	*	127	*	*	*	*	14
Support/Admin	1,068	14	54	11	877	*	55	53	24	103
Technical/Engineering	534	*	20	*	417	*	43	39	10	43
Not Allocated	33	*	*	*	25	*	*	*	*	*
Grand Total	3,677	43	165	41	2,675	17	244	492	77	329

Leadership staff sexual orientation and gender identity distribution by job family (percentage): 31 March 2020

Job family	Sexual Orientation and Gender Identity (%)									
	Bisexual	Gay man	Gay woman/lesbian	Heterosexual/straight	Other	Prefer not to say	N/A	Transgender	LGBTQ+	
Commissioning	*	*	*	78.4	*	7.4	7.5	*	11.1	
Programming	1.2	4.0	1.1	63.9	*	7.5	21.8	2.0	12.0	
Sales/Marketing	*	*	*	84.1	*	*	*	*	10.0	
Support/Admin	1.3	5.1	1.0	82.1	*	5.1	5.0	2.2	10.7	
Technical/Engineering	*	3.7	*	78.1	*	8.1	7.4	1.9	9.5	
Not Allocated	*	*	*	75.8	*	*	*	*	*	
Grand Total	1.2	4.5	1.1	72.7	0.5	6.6	13.4	2.1	11.2	

All staff sexual orientation and gender identity distribution by grade bands (numbers): 31 March 2020

Grade band	Sexual Orientation and Gender Identity (numbers)									
	Total	Bisexual	Gay man	Gay woman/lesbian	Heterosexual/straight	Other	Prefer not to say	N/A	Transgender	LGBTQ+
A	1,070	35	27	*	639	*	57	295	16	94
B	2,591	75	79	28	1,964	20	205	220	61	244
C	7,193	167	255	65	5,194	41	635	836	146	646
D	7,218	105	278	63	5,100	34	548	1,090	141	603
E	2,319	26	97	25	1,639	12	164	356	43	197
F	1,025	11	44	13	780	*	65	109	23	88
SL	333	*	24	*	256	*	15	27	11	44
Not Allocated	43	*	*	*	14	*	*	27	*	*
Grand Total	21,792	425	804	206	15,586	120	1,691	2,960	441	1,916

All staff sexual orientation and gender identity distribution by grade bands (percentage): 31 March 2020

Grade band	Sexual Orientation and Gender Identity (%)									
	Bisexual	Gay man	Gay woman/lesbian	Heterosexual/straight	Other	Prefer not to say	N/A	Transgender	LGBTQ+	
A	3.3	2.5	*	59.7	*	5.3	27.7	1.5	13.1	
B	2.9	3.0	1.1	75.8	0.8	7.9	8.5	2.4	11.2	
C	2.3	3.5	0.9	72.2	0.6	8.8	11.7	2.0	11.3	
D	1.5	3.9	0.9	70.7	0.5	7.6	14.9	2.0	10.8	
E	1.1	4.2	1.1	70.7	0.5	7.1	15.3	1.9	10.9	
F	1.1	4.3	1.3	76.1	*	6.3	10.6	2.2	10.3	
SL	*	7.2	*	76.9	*	4.5	8.1	3.3	15.1	
Not Allocated	*	*	*	32.6	*	*	62.7	*	*	
Grand Total	2.0	3.7	0.9	71.5	0.6	7.8	13.5	2.0	11.2	

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The percentages for each individual group in the sexual orientation and gender identity tables are calculated as a proportion of the total BBC staff population; the total LGBTQ+ figure is calculated as a proportion of the known population excluding those who have chosen not to declare or where data is missing.

* Data has been replaced with an asterisk where figures are below sample size.

All staff leaver and joiner distribution by sexual orientation and gender identity (numbers): 31 March 2020

Category	Sexual Orientation and Gender Identity (numbers)									
	Total	Bisexual	Gay man	Gay woman/lesbian	Heterosexual/straight	Other	Prefer not to say	N/A	Trans-gender	LGBTQ+
Leavers	2,805	101	94	32	2,024	80	312	162	74	360
Joiners	2,785	139	108	36	2,089	29	334	50	76	375

All staff leaver and joiner distribution by sexual orientation and gender identity (percentage): 31 March 2020

Category	Sexual Orientation and Gender Identity (%)									
	Bisexual	Gay man	Gay woman/lesbian	Heterosexual/straight	Other	Prefer not to say	N/A	Trans-gender	LGBTQ+	
Leavers	3.6	3.4	1.1	72.2	2.9	11.1	5.7	2.6	15.4	
Joiners	5.0	3.9	1.3	75.0	1.0	12.0	1.8	2.7	15.5	

All staff leaver distribution by sexual orientation and gender identity and reason for leaving (numbers): 31 March 2020

Reason for leaving	Sexual Orientation and Gender Identity (numbers)									
	Total	Bisexual	Gay man	Gay woman/lesbian	Heterosexual/straight	Other	Prefer not to say	N/A	Trans-gender	LGBTQ+
Voluntary	1,389	42	44	13	1,046	30	122	92	28	151
Redundancy	326	*	12	*	219	*	30	45	*	37
End FTC	1,020	53	35	12	718	41	152	*	36	166
Other Involuntary	64	*	*	*	36	*	*	15	*	*
Other	*	*	*	*	*	*	*	*	*	*
Grand Total	2,805	101	94	32	2,024	80	312	162	74	360

All staff leaver distribution by sexual orientation and gender identity and reason for leaving (percentage): 31 March 2020

Reason for leaving	Sexual Orientation and Gender Identity (%)									
	Bisexual	Gay man	Gay woman/lesbian	Heterosexual/straight	Other	Prefer not to say	N/A	Trans-gender	LGBTQ+	
Voluntary	3.0	3.2	0.9	75.3	2.2	8.8	6.6	2.0	12.8	
Redundancy	*	3.7	*	67.2	*	9.2	13.8	*	14.7	
End FTC	5.2	3.4	1.2	70.4	4.0	14.9	*	3.5	19.2	
Other Involuntary	*	*	*	56.3	*	*	23.4	*	*	
Other	*	*	*	*	*	*	*	*	*	
Grand Total	3.6	3.4	1.1	72.2	2.9	11.1	5.7	2.6	15.4	

All staff internal mover distribution by sexual orientation and gender identity (numbers): 31 March 2020

Category	Sexual Orientation and Gender Identity (numbers)									
	Total	Bisexual	Gay man	Gay woman/lesbian	Heterosexual/straight	Other	Prefer not to say	N/A	Trans-gender	LGBTQ+
Attachment	1,086	20	34	12	820	*	81	112	20	87
Promotion	685	14	23	11	502	*	50	81	13	61
Transfer	1,552	64	61	18	1,083	19	152	155	33	188
Grand Total	3,323	98	118	41	2,405	30	283	348	66	336

All staff internal mover distribution by sexual orientation and gender identity (percentage): 31 March 2020

Category	Sexual Orientation and Gender Identity (%)									
	Bisexual	Gay man	Gay woman/lesbian	Heterosexual/straight	Other	Prefer not to say	N/A	Trans-gender	LGBTQ+	
Attachment	1.8	3.1	1.1	75.5	*	7.5	10.4	1.8	9.7	
Promotion	2.0	3.4	1.6	73.3	*	7.3	11.8	1.9	11.0	
Transfer	4.1	3.9	1.2	69.8	1.2	9.8	10.0	2.1	15.1	
Grand Total	2.9	3.6	1.2	72.4	0.9	8.5	10.5	2.0	12.5	

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Equality Information Report

All staff sexual orientation and gender identity distribution by contract type (numbers): 31 March 2020

Contract type	Sexual Orientation and Gender Identity (numbers)									
	Total	Bisexual	Gay man	Gay woman/lesbian	Heterosexual/straight	Other	Prefer not to say	N/A	Transgender	LGBTQ+
Continuing	19,933	339	724	186	14,180	103	1,474	2,927	391	1,677
Fixed Term less than 1 yr	1,448	74	64	14	1,100	15	169	12	38	192
Fixed Term 1 yr +	393	12	15	*	293	*	47	18	12	46
Flexicon	18	*	*	*	13	*	*	*	*	*
Grand Total	21,792	425	804	206	15,586	120	1,691	2,960	441	1,916

All staff sexual orientation and gender identity distribution by contract type (percentage): 31 March 2020

Contract type	Sexual Orientation and Gender Identity (%)									
	Bisexual	Gay man	Gay woman/lesbian	Heterosexual/straight	Other	Prefer not to say	N/A	Transgender	LGBTQ+	
Continuing	1.7	3.6	0.9	71.1	0.5	7.4	14.8	2.0	10.8	
Fixed Term less than 1 yr	5.1	4.4	1.0	76.0	1.0	11.7	0.8	2.6	15.1	
Fixed Term 1 yr +	3.1	3.8	*	74.6	*	12.0	4.5	3.1	13.9	
Flexicon	*	*	*	72.2	*	*	*	*	*	
Grand Total	2.0	3.7	0.9	71.5	0.6	7.8	13.5	2.0	11.2	

All staff sexual orientation and gender identity distribution by length of service (numbers): 31 March 2020

Length of service (yrs)	Sexual Orientation and Gender Identity (numbers)									
	Total	Bisexual	Gay man	Gay woman/lesbian	Heterosexual/straight	Other	Prefer not to say	N/A	Transgender	LGBTQ+
<1	2,338	106	93	30	1,807	15	262	25	61	292
1-<3	3,741	85	148	42	2,948	25	416	77	68	352
3-<5	2,216	57	97	19	1,776	15	172	80	47	229
5-<10	3,874	63	161	45	3,154	17	300	134	70	346
10+	9,623	114	305	70	5,901	48	541	2,644	195	697
Grand Total	21,792	425	804	206	15,586	120	1,691	2,960	441	1,916

All staff sexual orientation and gender identity distribution by length of service (percentage): 31 March 2020

Length of service (yrs)	Sexual Orientation and Gender Identity (%)									
	Bisexual	Gay man	Gay woman/lesbian	Heterosexual/straight	Other	Prefer not to say	N/A	Transgender	LGBTQ+	
<1	4.5	4.0	1.3	77.3	0.6	11.2	1.1	2.6	14.2	
1-<3	2.3	4.0	1.1	78.8	0.7	11.1	2.1	1.8	10.8	
3-<5	2.6	4.4	0.9	80.1	0.7	7.8	3.6	2.1	11.6	
5-<10	1.6	4.2	1.2	81.4	0.4	7.7	3.5	1.8	10.0	
10+	1.2	3.2	0.7	61.3	0.5	5.6	27.5	2.0	10.8	
Grand Total	2.0	3.7	0.9	71.5	0.6	7.8	13.6	2.0	11.2	

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Religion and Belief

All staff religion and belief distribution (numbers): 31 March 2020

Division	Religion and Belief (numbers)											N/A
	Total	Atheist	Buddhist	Christian	Hindu	Jewish	Muslim	Sikh	Other	None	Prefer not to say	
BBC Design & Engineering	3,406	783	27	798	104	12	95	17	118	1,151	291	10
Chief Customer Officer												
Group	530	123	*	125	*	*	*	*	26	171	61	*
Content	873	138	*	283	*	*	13	12	18	315	73	*
Corporate, Policy & External Affairs	197	35	*	68	*	*	*	*	*	68	13	*
Finance & Operations	612	81	*	244	20	*	13	11	15	183	37	*
Managing Director Group	1,201	192	*	411	22	18	35	39	35	352	83	*
Nations and Regions	6,009	814	18	1,988	27	20	43	23	169	2,425	468	14
News and Current Affairs	3,198	518	11	720	33	62	82	20	85	1,362	304	*
Radio and Education	1,878	307	13	491	11	13	27	*	80	768	156	*
UK Public Service	17,904	2,991	87	5,128	229	149	314	135	554	6,795	1,486	36
BBC Studios (Sales & Distribution, Branded Services & Management)	900	172	*	261	22	16	29	*	32	267	87	*
BBC Studios (TV & Radio Production)	1,231	255	*	306	*	*	*	*	44	455	138	*
BBC Studios	2,131	427	12	567	25	24	38	*	76	722	225	*
World Service Group	1,486	193	27	264	23	16	203	*	51	503	190	12
Other	271	42	*	77	*	*	*	*	10	111	18	*
Other	1,757	235	27	341	26	19	207	*	61	614	208	13
Grand Total	21,792	3,653	126	6,036	280	192	559	148	691	8,131	1,919	57

All staff religion and belief distribution (percentage): 31 March 2020

Division	Religion and Belief (%)											N/A
	Atheist	Buddhist	Christian	Hindu	Jewish	Muslim	Sikh	Other	None	Prefer not to say		
BBC Design & Engineering	23.0	0.8	23.4	3.1	0.4	2.8	0.5	3.5	33.8	8.5	0.2	
Chief Customer Officer Group	23.2	*	23.6	*	*	*	*	4.9	32.3	11.4	*	
Content	15.8	*	32.4	*	*	1.5	1.4	2.1	36.1	8.4	*	
Corporate, Policy & External Affairs	17.8	*	34.5	*	*	*	*	*	34.5	6.6	*	
Finance & Operations	13.2	*	39.9	3.3	*	2.1	1.8	2.5	29.9	6.0	*	
Managing Director Group	16.0	*	34.2	1.8	1.5	2.9	3.2	2.9	29.3	6.9	*	
Nations and Regions	13.5	0.3	33.1	0.4	0.3	0.7	0.4	2.8	40.4	7.8	0.3	
News and Current Affairs	16.2	0.3	22.5	1.0	1.9	2.6	0.6	2.7	42.6	9.6	*	
Radio and Education	16.3	0.7	26.1	0.6	0.7	1.4	*	4.3	40.9	8.3	*	
UK Public Service	16.7	0.5	28.6	1.3	0.8	1.8	0.8	3.1	38.0	8.1	0.3	
BBC Studios (Sales & Distribution, Branded Services & Management)	19.1	*	29.0	2.4	1.8	3.2	*	3.6	29.7	9.7	*	
BBC Studios (TV & Radio Production)	20.7	*	24.9	*	*	*	*	3.6	37.0	11.2	*	
BBC Studios	20.0	0.6	26.6	1.2	1.1	1.8	*	3.6	33.9	10.6	*	
World Service Group	13.0	1.8	17.8	1.5	1.1	13.7	*	3.4	33.8	12.8	0.8	
Other	15.5	*	28.4	*	*	*	*	3.7	41.0	6.6	*	
Other	13.4	1.5	19.4	1.5	1.1	11.8	*	3.5	34.9	11.8	0.8	
Grand Total	16.8	0.6	27.7	1.3	0.9	2.6	0.7	3.2	37.3	8.7	0.2	

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Equality Information Report

Leadership staff religion and belief distribution (numbers): 31 March 2020

Division	Religion and Belief (numbers)											N/A
	Total	Atheist	Buddhist	Christian	Hindu	Jewish	Muslim	Sikh	Other	None	Prefer not to say	
BBC Design & Engineering	500	122	*	129	14	*	*	*	14	158	45	*
Chief Customer Officer												
Group	106	26	*	28	*	*	*	*	*	29	*	*
Content	199	34	*	62	*	*	*	*	*	69	20	*
Corporate, Policy & External Affairs	54	*	*	18	*	*	*	*	*	22	*	*
Finance & Operations	179	25	*	76	*	*	*	*	*	44	18	*
Managing Director Group	303	48	*	120	*	*	*	*	10	87	15	*
Nations and Regions	682	79	*	255	*	*	*	*	11	265	53	*
News and Current Affairs	594	94	*	152	*	11	*	*	10	272	37	*
Radio and Education	235	45	*	79	*	*	*	*	*	65	23	*
UK Public Service	2,852	478	11	919	43	35	32	25	72	1,011	224	*
BBC Studios (Sales & Distribution, Branded Services & Management)	281	58	*	90	*	*	10	*	11	76	22	*
BBC Studios (TV & Radio Production)	232	47	*	53	*	*	*	*	*	95	23	*
BBC Studios	513	105	*	143	*	*	13	*	18	171	45	*
World Service Group	268	35	*	61	*	*	20	*	*	101	28	*
Other	44	*	*	15	*	*	*	*	*	17	*	*
Other	312	41	*	76	*	*	21	*	*	118	31	*
Grand Total	3,677	624	19	1,138	49	48	66	29	99	1,300	300	*

Leadership staff religion and belief distribution (percentage): 31 March 2020

Division	Religion and Belief (%)											N/A
	Atheist	Buddhist	Christian	Hindu	Jewish	Muslim	Sikh	Other	None	Prefer not to say		
BBC Design & Engineering	24.4	*	25.8	2.8	*	*	*	2.8	31.6	9.0	*	
Chief Customer Officer Group	24.5	*	26.4	*	*	*	*	*	27.4	*	*	
Content	17.1	*	31.2	*	*	*	*	*	34.7	10.0	*	
Corporate, Policy & External Affairs	*	*	33.3	*	*	*	*	*	40.7	*	*	
Finance & Operations	14.0	*	42.5	*	*	*	*	*	24.6	9.9	*	
Managing Director Group	15.8	*	39.6	*	*	*	*	3.3	28.7	4.9	*	
Nations and Regions	11.6	*	37.4	*	*	*	*	1.6	38.9	7.8	*	
News and Current Affairs	15.8	*	25.6	*	1.9	*	*	1.7	45.8	6.2	*	
Radio and Education	19.1	*	33.6	*	*	*	*	*	27.7	9.7	*	
UK Public Service	16.8	0.4	32.2	1.5	1.2	1.1	0.9	2.5	35.4	7.9	*	
BBC Studios (Sales & Distribution, Branded Services & Management)	20.6	*	32.0	*	*	3.6	*	3.9	27.0	7.9	*	
BBC Studios (TV & Radio Production)	20.3	*	22.8	*	*	*	*	*	40.9	10.0	*	
BBC Studios	20.5	*	27.9	*	*	2.5	*	3.5	33.3	8.7	*	
World Service Group	13.1	*	22.8	*	*	7.5	*	*	37.7	10.4	*	
Other	*	*	34.1	*	*	*	*	*	38.6	*	*	
Other	13.1	*	24.4	*	*	6.7	*	*	37.8	10.0	*	
Grand Total	17.0	0.5	30.9	1.3	1.3	1.8	0.8	2.7	35.4	8.2	*	

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All staff religion and belief distribution by job family (numbers): 31 March 2020

Job family	Religion and Belief (numbers)											N/A
	Total	Atheist	Buddhist	Christian	Hindu	Jewish	Muslim	Sikh	Other	None	Prefer not to say	
Commissioning	212	49	*	62	*	*	*	*	*	57	23	*
Programming	10,415	1,654	62	2,851	77	102	315	55	319	3,935	1,025	20
Sales/Marketing	795	155	*	215	*	11	*	*	36	287	69	*
Support/Admin	4,175	625	17	1,454	80	51	107	68	135	1,299	327	12
Technical/Engineering	5,749	1,142	38	1,405	109	22	126	22	189	2,220	458	18
Not Allocated	446	28	*	49	*	*	*	*	*	333	17	*
Grand Total	21,792	3,653	126	6,036	280	192	559	148	691	8,131	1,919	57

All staff religion and belief distribution by job family (percentage): 31 March 2020

Job family	Religion and Belief (%)											N/A
	Atheist	Buddhist	Christian	Hindu	Jewish	Muslim	Sikh	Other	None	Prefer not to say		
Commissioning	23.1	*	29.2	*	*	*	*	*	26.9	10.9	*	
Programming	15.9	0.6	27.4	0.7	1.0	3.0	0.5	3.1	37.8	9.8	0.2	
Sales/Marketing	19.5	*	27.0	*	1.4	*	*	4.5	36.1	8.8	*	
Support/Admin	15.0	0.4	34.8	1.9	1.2	2.6	1.6	3.2	31.1	7.9	0.3	
Technical/Engineering	19.9	0.7	24.4	1.9	0.4	2.2	0.4	3.3	38.6	8.0	0.2	
Not Allocated	6.3	*	11.0	*	*	*	*	*	74.7	3.8	*	
Grand Total	16.8	0.6	27.7	1.3	0.9	2.6	0.7	3.2	37.3	8.6	0.3	

Leadership staff religion and belief distribution by job family (numbers): 31 March 2020

Job family	Religion and Belief (numbers)											N/A
	Total	Atheist	Buddhist	Christian	Hindu	Jewish	Muslim	Sikh	Other	None	Prefer not to say	
Commissioning	148	28	*	44	*	*	*	*	*	43	17	*
Programming	1,743	265	10	501	13	18	32	*	37	709	148	*
Sales/Marketing	151	36	*	41	*	*	*	*	*	50	10	*
Support/Admin	1,068	174	*	392	17	14	22	14	39	313	76	*
Technical/Engineering	534	117	*	149	13	*	*	*	13	174	47	*
Not Allocated	33	*	*	11	*	*	*	*	*	11	2	*
Grand Total	3,677	624	19	1,138	49	48	66	29	99	1,300	300	*

Leadership staff religion and belief distribution by job family (percentage): 31 March 2020

Job family	Religion and Belief (%)											N/A
	Atheist	Buddhist	Christian	Hindu	Jewish	Muslim	Sikh	Other	None	Prefer not to say		
Commissioning	18.9	*	29.7	*	*	*	*	*	29.1	11.4	*	
Programming	15.2	0.6	28.7	0.7	1.0	1.8	*	2.1	40.7	8.5	*	
Sales/Marketing	23.8	*	27.2	*	*	*	*	*	33.1	6.6	*	
Support/Admin	16.3	*	36.7	1.6	1.3	2.1	1.3	3.7	29.3	7.1	*	
Technical/Engineering	21.9	*	27.9	2.4	*	*	*	2.4	32.6	8.9	*	
Not Allocated	*	*	33.3	*	*	*	*	*	33.3	6.1	*	
Grand Total	17.0	0.5	30.9	1.3	1.3	1.8	0.8	2.7	35.4	8.2	*	

All staff religion and belief distribution by grade bands (numbers): 31 March 2020

Grade bands	Religion and Belief (numbers)											N/A
	Total	Atheist	Buddhist	Christian	Hindu	Jewish	Muslim	Sikh	Other	None	Prefer not to say	
A	1,070	139	*	241	10	*	24	*	28	537	73	*
B	2,591	402	*	812	22	20	65	25	89	905	237	*
C	7,193	1,240	54	1,932	89	55	224	48	232	2,616	683	20
D	7,218	1,248	39	1,907	110	66	180	39	242	2,744	622	21
E	2,319	402	16	665	36	23	42	21	66	853	192	*
F	1,025	156	*	349	11	16	20	*	26	350	87	*
SL	333	66	*	124	*	*	*	*	*	97	21	*
Not Allocated	43	*	*	*	*	*	*	*	*	*	*	*
Grand Total	21,792	3,653	126	6,036	280	192	559	148	691	8,131	1,919	57

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Totals for each characteristic differ due to varying disclosure rates.

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Equality Information Report

All staff religion and belief distribution by grade bands (percentage): 31 March 2020

Grade band	Religion and Belief (%)										N/A
	Atheist	Buddhist	Christian	Hindu	Jewish	Muslim	Sikh	Other	None	Prefer not to say	
A	13.0	*	22.5	0.9	*	2.2	*	2.6	50.2	6.8	*
B	15.5	*	31.3	0.8	0.8	2.5	1.0	3.4	34.9	9.1	*
C	17.2	0.8	26.9	1.2	0.8	3.1	0.7	3.2	36.4	9.5	0.2
D	17.3	0.5	26.4	1.5	0.9	2.5	0.5	3.4	38.0	8.6	0.4
E	17.3	0.7	28.7	1.6	1.0	1.8	0.9	2.8	36.8	8.3	*
F	15.2	*	34.0	1.1	1.6	2.0	*	2.5	34.1	8.5	*
SL	19.8	*	37.2	*	*	*	*	*	29.1	6.3	*
Not Allocated	*	*	*	*	*	*	*	*	*	*	*
Grand Total	16.8	0.6	27.7	1.3	0.9	2.6	0.7	3.2	37.3	8.7	0.2

All staff leaver and joiner distribution by religion and belief (numbers): 31 March 2020

Category	Total	Religion and Belief (numbers)										N/A
		Atheist	Buddhist	Christian	Hindu	Jewish	Muslim	Sikh	Other	None	Prefer not to say	
Leavers	2,805	458	17	671	37	24	75	23	234	913	337	16
Joiners	2,785	524	13	641	45	28	86	27	134	848	391	48

All staff leaver and joiner distribution by religion and belief (percentage): 31 March 2020

Category	Total	Religion and Belief (%)										N/A
		Atheist	Buddhist	Christian	Hindu	Jewish	Muslim	Sikh	Other	None	Prefer not to say	
Leavers	2,805	16.3	0.6	23.9	1.3	0.9	2.7	0.8	8.3	32.5	12.0	0.7
Joiners	2,785	18.8	0.5	23.0	1.6	1.0	3.1	1.0	4.8	30.4	14.0	1.8

All staff leaver distribution by religion and belief and reason for leaving (numbers): 31 March 2020

Reason for leaving	Total	Religion and Belief (numbers)										N/A
		Atheist	Buddhist	Christian	Hindu	Jewish	Muslim	Sikh	Other	None	Prefer not to say	
Voluntary	1,389	239	*	339	19	13	25	12	93	499	142	*
Redundancy	326	44	*	97	*	*	13	*	21	107	29	*
End FTC	1,020	165	*	217	13	*	36	*	118	283	158	*
Other Involuntary	64	*	*	17	*	*	*	*	*	24	*	*
Other	*	*	*	*	*	*	*	*	*	*	*	*
Grand Total	2,805	458	17	671	37	24	75	23	234	913	337	16

All staff leaver distribution by religion and belief and reason for leaving (percentage): 31 March 2020

Reason for leaving	Total	Religion and Belief (%)										N/A
		Atheist	Buddhist	Christian	Hindu	Jewish	Muslim	Sikh	Other	None	Prefer not to say	
Voluntary	1,389	17.2	*	24.4	1.4	0.9	1.8	0.9	6.7	35.9	10.2	*
Redundancy	326	13.5	*	29.8	*	*	4.0	*	6.4	32.8	8.9	*
End FTC	1,020	16.2	*	21.3	1.3	*	3.5	*	11.6	27.7	15.5	*
Other Involuntary	64	14.1	*	26.6	*	*	*	*	*	37.5	*	*
Other	*	*	*	*	*	*	*	*	*	*	*	*
Grand Total	2,805	16.3	0.6	23.9	1.3	0.9	2.7	0.8	8.3	32.5	12.0	0.7

All staff internal mover distribution by religion and belief (numbers): 31 March 2020

Internal move type	Total	Religion and Belief (numbers)										N/A
		Atheist	Buddhist	Christian	Hindu	Jewish	Muslim	Sikh	Other	None	Prefer not to say	
Attachment	1,086	190	*	272	13	*	28	10	41	416	96	*
Promotion	685	165	*	131	*	*	13	10	22	267	53	13
Transfer	1,552	280	11	356	23	*	34	14	63	483	185	94
Grand Total	3,323	635	15	759	42	21	75	34	126	1,166	334	116

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All staff internal mover distribution by religion and belief (percentage): 31 March 2020

Internal move type	Religion and Belief (%)										
	Atheist	Buddhist	Christian	Hindu	Jewish	Muslim	Sikh	Other	None	Prefer not to say	N/A
Attachment	17.5	*	25.0	1.2	*	2.6	0.9	3.8	38.3	8.8	*
Promotion	24.1	*	19.1	*	*	1.9	1.5	3.2	39.0	7.7	1.9
Transfer	18.0	0.7	22.9	1.5	*	2.2	0.9	4.1	31.1	11.9	6.1
Grand Total	19.1	0.5	22.8	1.3	0.6	2.3	1.0	3.8	35.1	10.1	3.5

All staff religion and belief distribution by contract type (numbers): 31 March 2020

Contract type	Total	Religion and Belief (numbers)										
		Atheist	Buddhist	Christian	Hindu	Jewish	Muslim	Sikh	Other	None	Prefer not to say	N/A
Continuing	19,933	3,293	116	5,586	260	174	515	130	605	7,566	1,656	32
Fixed Term less than 1 yr	1,448	291	*	356	13	15	30	*	70	443	205	*
Fixed Term 1 yr +	393	65	*	89	*	*	14	*	14	116	57	16
Flexicon	18	*	*	*	*	*	*	*	*	*	*	*
Grand Total	21,792	3,653	126	6,036	280	192	559	148	691	8,131	1,919	57

All staff religion and belief distribution by contract type (percentage): 31 March 2020

Contract type	Religion and Belief (%)										
	Atheist	Buddhist	Christian	Hindu	Jewish	Muslim	Sikh	Other	None	Prefer not to say	N/A
Continuing	16.5	0.6	28.0	1.3	0.9	2.6	0.7	3.0	38.0	8.3	0.2
Fixed Term less than 1 yr	20.1	*	24.6	0.9	1.0	2.1	*	4.8	30.6	14.2	*
Fixed Term 1 yr +	16.5	*	22.6	*	*	3.6	*	3.6	29.5	14.5	4.1
Flexicon	*	*	*	*	*	*	*	*	*	*	*
Grand Total	16.8	0.6	27.7	1.3	0.9	2.6	0.7	3.2	37.3	8.8	0.3

All staff religion and belief distribution by length of service (numbers): 31 March 2020

Length of service (yrs)	Total	Religion and Belief (numbers)										
		Atheist	Buddhist	Christian	Hindu	Jewish	Muslim	Sikh	Other	None	Prefer not to say	N/A
<1	2,338	450	11	557	42	25	71	22	96	723	318	23
1-<3	3,741	741	35	925	62	32	113	28	110	1,171	494	30
3-<5	2,216	439	14	636	45	20	58	26	89	689	199	*
5-<10	3,874	734	18	1,171	58	32	157	21	134	1,250	297	*
10+	9,623	1,289	48	2,747	73	83	160	51	262	4,298	611	*
Grand Total	21,792	3,653	126	6,036	280	192	559	148	691	8,131	1,919	57

All staff religion and belief distribution by length of service (percentage): 31 March 2020

Length of service (yrs)	Religion and Belief (%)										
	Atheist	Buddhist	Christian	Hindu	Jewish	Muslim	Sikh	Other	None	Prefer not to say	N/A
<1	19.2	0.5	23.8	1.8	1.1	3.0	0.9	4.1	30.9	13.6	1.1
1-<3	19.8	0.9	24.7	1.7	0.9	3.0	0.7	2.9	31.3	13.2	0.9
3-<5	19.8	0.6	28.7	2.0	0.9	2.6	1.2	4.0	31.1	9.1	*
5-<10	18.9	0.5	30.2	1.5	0.8	4.1	0.5	3.5	32.3	7.6	*
10+	13.4	0.5	28.5	0.8	0.9	1.7	0.5	2.7	44.7	6.3	*
Grand Total	16.8	0.6	27.7	1.3	0.9	2.6	0.7	3.2	37.3	8.6	0.3

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Equality Information Report

School Type

All staff socio-economic background (school type) distribution: 31 March 2020

Division	Total	School Type (numbers)			School Type (%)		
		A state-run or state-funded school – non-selective	A state-run or state-funded school – selective on academic, faith or other ground	Independent or fee-paying school	A state-run or state-funded school – non-selective	A state-run or state-funded school – selective on academic, faith or other ground	Independent or fee-paying school
BBC Design & Engineering	2,020	1,188	576	256	58.8	28.5	12.7
Chief Customer Officer Group	351	174	110	67	49.6	31.3	19.1
Content	538	298	148	92	55.4	27.5	17.1
Corporate, Policy & External Affairs	139	66	47	26	47.5	33.8	18.7
Finance & Operations	417	259	112	46	62.1	26.9	11.0
Managing Director Group	873	488	248	137	55.9	28.4	15.7
Nations and Regions	3,183	1,929	885	369	60.6	27.8	11.6
News and Current Affairs	1,452	739	384	329	50.9	26.4	22.7
Radio and Education	1,103	587	303	213	53.2	27.5	19.3
UK Public Service	10,076	5,728	2,813	1,535	56.8	27.9	15.3
BBC Studios (Sales & Distribution, Branded Services & Management)	578	288	168	122	49.8	29.1	21.1
BBC Studios (TV & Radio Production)	764	407	190	167	53.3	24.9	21.8
BBC Studios	1,342	695	358	289	51.8	26.7	21.5
World Service Group	453	231	123	99	51.0	27.2	21.8
Other	175	99	53	23	56.6	30.3	13.1
Other	628	330	176	122	52.5	28.0	19.5
Grand Total	12,046	6,753	3,347	1,946	56.1	27.8	16.1

Leadership staff socio-economic background (school type) distribution: 31 March 2020

Division	Total	School Type (numbers)			School Type (%)		
		A state-run or state-funded school – non-selective	A state-run or state-funded school – selective on academic, faith or other ground	Independent or fee-paying school	A state-run or state-funded school – non-selective	A state-run or state-funded school – selective on academic, faith or other ground	Independent or fee-paying school
BBC Design & Engineering	314	190	71	53	60.5	22.6	16.9
Chief Customer Officer Group	81	38	22	21	46.9	27.2	25.9
Content	130	67	35	28	51.5	26.9	21.6
Corporate, Policy & External Affairs	40	20	*	11	50.0	*	27.5
Finance & Operations	122	76	32	14	62.3	26.2	11.5
Managing Director Group	216	116	49	51	53.7	22.7	23.6
Nations and Regions	400	235	112	53	58.8	28.0	13.2
News and Current Affairs	271	123	54	94	45.4	19.9	34.7
Radio and Education	182	93	42	47	51.1	23.1	25.8
UK Public Service	1,756	958	426	372	54.6	24.3	21.1
BBC Studios (Sales & Distribution, Branded Services & Management)	180	76	46	58	42.2	25.6	32.2
BBC Studios (TV & Radio Production)	142	66	31	45	46.5	21.8	31.7
BBC Studios	322	142	77	103	44.1	23.9	32.0
World Service Group	101	46	24	31	45.5	23.8	30.7
Other	27	19	*	*	70.4	*	*
Other	128	65	29	34	50.8	22.7	26.5
Grand Total	2,206	1,165	532	509	52.8	24.1	23.1

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All staff socio-economic background (school type) distribution by job family: 31 March 2020

Job family	Total	School Type (numbers)			School Type (%)		
		A state-run or state-funded school – non-selective	A state-run or state-funded school – selective on academic, faith or other ground	Independent or fee-paying school	A state-run or state-funded school – non-selective	A state-run or state-funded school – selective on academic, faith or other ground	Independent or fee-paying school
Commissioning	147	78	37	32	53.1	25.2	21.7
Programming	5,362	2,956	1,419	987	55.1	26.5	18.4
Sales/Marketing	526	273	151	102	51.9	28.7	19.4
Support/Admin	2,807	1,558	824	425	55.5	29.4	15.1
Technical/Engineering	3,135	1,861	893	381	59.4	28.5	12.1
Not Allocated	69	27	23	19	39.1	33.3	27.6
Grand Total	12,046	6,753	3,347	1,946	56.1	27.8	16.1

Leadership staff socio-economic background (school type) distribution by job family: 31 March 2020

Job family	Total	School Type (numbers)			School Type (%)		
		A state-run or state-funded school – non-selective	A state-run or state-funded school – selective on academic, faith or other ground	Independent or fee-paying school	A state-run or state-funded school – non-selective	A state-run or state-funded school – selective on academic, faith or other ground	Independent or fee-paying school
Commissioning	100	52	24	24	52.0	24.0	24.0
Programming	912	475	207	230	52.1	22.7	25.2
Sales/Marketing	104	53	24	27	51.0	23.1	25.9
Support/Admin	738	381	192	165	51.6	26.0	22.4
Technical/Engineering	332	197	80	55	59.3	24.1	16.6
Not Allocated	20	*	*	*	*	*	*
Grand Total	2,206	1,165	532	509	52.8	24.1	23.1

All staff socio-economic background (school type) distribution by grade bands: 31 March 2020

Grade band	Total	School Type (numbers)			School Type (%)		
		A state-run or state-funded school – non-selective	A state-run or state-funded school – selective on academic, faith or other ground	Independent or fee-paying school	A state-run or state-funded school – non-selective	A state-run or state-funded school – selective on academic, faith or other ground	Independent or fee-paying school
A	518	284	173	61	54.8	33.4	11.8
B	1,560	871	490	199	55.8	31.4	12.8
C	3,839	2,214	1,096	529	57.7	28.5	13.8
D	3,916	2,218	1,053	645	56.6	26.9	16.5
E	1,309	722	315	272	55.2	24.1	20.7
F	657	331	157	169	50.4	23.9	25.7
SL	240	112	60	68	46.7	25.0	28.3
Not Allocated	*	*	*	*	*	*	*
Grand Total	12,046	6,753	3,347	1,946	56.1	27.8	16.1

All staff leaver and joiner distribution by socio-economic background (school type): 31 March 2020

Category	Total	School Type (numbers)			School Type (%)		
		A state-run or state-funded school – non-selective	A state-run or state-funded school – selective on academic, faith or other ground	Independent or fee-paying school	A state-run or state-funded school – non-selective	A state-run or state-funded school – selective on academic, faith or other ground	Independent or fee-paying school
Leavers	1,721	977	470	274	56.8	27.3	15.9
Joiners	1,824	911	641	272	49.9	35.1	15.0

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Equality Information Report

All staff leaver distribution by socio-economic background (school type) and reason for leaving: 31 March 2020

Reason for leaving	Total	School Type (numbers)			School Type (%)		
		A state-run or state-funded school – non-selective	A state-run or state-funded school – selective on academic, faith or other ground	Independent or fee-paying school	A state-run or state-funded school – non-selective	A state-run or state-funded school – selective on academic, faith or other ground	Independent or fee-paying school
Voluntary	795	433	217	145	54.5	27.3	18.2
Redundancy	203	119	54	30	58.6	26.6	14.8
End FTC	687	407	189	91	59.2	27.5	13.3
Other Involuntary	33	16	10	*	48.5	30.3	*
Other	*	*	*	*	*	*	*
Grand Total	1,721	977	470	274	56.8	27.3	15.9

All staff internal mover distribution by socio-economic background (school type): 31 March 2020

Internal move type	Total	School Type (numbers)			School Type (%)		
		A state-run or state-funded school – non-selective	A state-run or state-funded school – selective on academic, faith or other ground	Independent or fee-paying school	A state-run or state-funded school – non-selective	A state-run or state-funded school – selective on academic, faith or other ground	Independent or fee-paying school
Attachment	606	361	136	109	59.6	22.4	18.0
Promotion	382	230	108	44	60.2	28.3	11.5
Transfer	887	461	286	140	52.0	32.2	15.8
Grand Total	1,875	1,052	530	293	56.1	28.3	15.6

All staff socio-economic background (school type) distribution by contract type: 31 March 2020

Contract type	Total	School Type (numbers)			School Type (%)		
		A state-run or state-funded school – non-selective	A state-run or state-funded school – selective on academic, faith or other ground	Independent or fee-paying school	A state-run or state-funded school – non-selective	A state-run or state-funded school – selective on academic, faith or other ground	Independent or fee-paying school
Continuing	10,841	6,176	2,922	1,743	57.0	27.0	16.0
Fixed Term less than 1 yr	948	459	333	156	48.4	35.1	16.5
Fixed Term 1 yr +	252	115	91	46	45.6	36.1	18.3
Flexicon	*	*	*	*	*	*	*
Grand Total	12,046	6,753	3,347	1,946	56.1	27.8	16.1

All staff socio-economic background (school type) distribution by length of service: 31 March 2020

Length of service (yrs)	Total	School Type (numbers)			School Type (%)		
		A state-run or state-funded school – non-selective	A state-run or state-funded school – selective on academic, faith or other ground	Independent or fee-paying school	A state-run or state-funded school – non-selective	A state-run or state-funded school – selective on academic, faith or other ground	Independent or fee-paying school
<1	1,543	760	545	238	49.3	35.3	15.4
1-<3	2,402	1,296	744	362	54.0	31.0	15.0
3-<5	1,035	646	249	140	62.4	24.1	13.5
5-<10	2,100	1,256	495	349	59.8	23.6	16.6
10+	4,966	2,795	1,314	857	56.3	26.5	17.2
Grand Total	12,046	6,753	3,347	1,946	56.1	27.8	16.1

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Parental Degree

All staff socio-economic background (parental degree) distribution: 31 March 2020

Division	Total	Parental Degree (numbers)		Parental Degree (%)	
		Yes	No	Yes	No
BBC Design & Engineering	2,221	1,200	1,021	54.0	46.0
Chief Customer Officer Group	387	224	163	57.9	42.1
Content	537	258	279	48.0	52.0
Corporate, Policy & External Affairs	150	87	63	58.0	42.0
Finance & Operations	423	192	231	45.4	54.6
Managing Director Group	906	456	450	50.3	49.7
Nations and Regions	3,105	1,484	1,621	47.8	52.2
News and Current Affairs	1,600	897	703	56.1	43.9
Radio and Education	1,117	628	489	56.2	43.8
UK Public Service	10,446	5,426	5,020	51.9	48.1
BBC Studios (Sales & Distribution, Branded Services & Management)	636	368	268	57.9	42.1
BBC Studios (TV & Radio Production)	781	447	334	57.2	42.8
BBC Studios	1,417	815	602	57.5	42.5
World Service Group	722	455	267	63.0	37.0
Other	169	83	86	49.1	50.9
Other	891	538	353	60.4	39.6
Grand Total	12,754	6,779	5,975	53.2	46.8

Leadership staff socio-economic background (parental degree) distribution: 31 March 2020

Division	Total	Parental Degree (numbers)		Parental Degree (%)	
		Yes	No	Yes	No
BBC Design & Engineering	351	203	148	57.8	42.2
Chief Customer Officer Group	88	47	41	53.4	46.6
Content	132	67	65	50.8	49.2
Corporate, Policy & External Affairs	42	21	21	50.0	50.0
Finance & Operations	135	67	68	49.6	50.4
Managing Director Group	232	126	106	54.3	45.7
Nations and Regions	406	191	215	47.0	53.0
News and Current Affairs	301	183	118	60.8	39.2
Radio and Education	187	99	88	52.9	47.1
UK Public Service	1,874	1,004	870	53.6	46.4
BBC Studios (Sales & Distribution, Branded Services & Management)	208	123	85	59.1	40.9
BBC Studios (TV & Radio Production)	148	83	65	56.1	43.9
BBC Studios	356	206	150	57.9	42.1
World Service Group	144	92	52	63.9	36.1
Other	26	11	15	42.3	57.7
Other	170	103	67	60.6	39.4
Grand Total	2,400	1,313	1,087	54.7	45.3

All staff socio-economic background (parental degree) distribution by job family: 31 March 2020

Job family	Total	Parental Degree (numbers)		Parental Degree (%)	
		Yes	No	Yes	No
Commissioning	150	76	74	50.7	49.3
Programming	5,674	3,121	2,553	55.0	45.0
Sales/Marketing	561	337	224	60.1	39.9
Support/Admin	2,963	1,474	1,489	49.7	50.3
Technical/Engineering	3,328	1,714	1,614	51.5	48.5
Not Allocated	78	57	21	73.1	26.9
Grand Total	12,754	6,779	5,975	53.2	46.8

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Leadership staff socio-economic background (parental degree) distribution by job family: 31 March 2020

Job family	Total	Parental Degree (numbers)		Parental Degree (%)	
		Yes	No	Yes	No
Commissioning	103	54	49	52.4	47.6
Programming	989	542	447	54.8	45.2
Sales/Marketing	112	60	52	53.6	46.4
Support/Admin	810	446	364	55.1	44.9
Technical/Engineering	366	200	166	54.6	45.4
Not Allocated	20	11	*	55.0	*
Grand Total	2,400	1,313	1,087	54.7	45.3

All staff socio-economic background (parental degree) distribution by grade bands: 31 March 2020

Grade band	Total	Parental Degree (numbers)		Parental Degree (%)	
		Yes	No	Yes	No
A	524	272	252	51.9	48.1
B	1,581	779	802	49.3	50.7
C	4,069	2,170	1,899	53.3	46.7
D	4,172	2,237	1,935	53.6	46.4
E	1,428	787	641	55.1	44.9
F	712	374	338	52.5	47.5
SL	260	152	108	58.5	41.5
Not Allocated	*	*	*	*	*
Grand Total	12,754	6,779	5,975	53.2	46.8

All staff leaver and joiner distribution by socio-economic background (parental degree): 31 March 2020

Category	Total	Parental Degree (numbers)		Parental Degree (%)	
		Yes	No	Yes	No
Leavers	1,841	1,045	796	56.8	43.2
Joiners	1,938	815	1,123	42.1	57.9

All staff leaver distribution by socio-economic background (parental degree) and reason for leaving: 31 March 2020

Reason for leaving	Total	Parental Degree (numbers)		Parental Degree (%)	
		Yes	No	Yes	No
Voluntary	877	529	348	60.3	39.7
Redundancy	212	93	119	43.9	56.1
End FTC	714	407	307	57.0	43.0
Other Involuntary	34	15	19	44.1	55.9
Other	*	*	*	*	*
Grand Total	1,841	1,045	796	56.8	43.2

All staff internal mover distribution by socio-economic background (parental degree): 31 March 2020

Internal move type	Total	Parental Degree (numbers)		Parental Degree (%)	
		Yes	No	Yes	No
Attachment	639	338	301	52.9	47.1
Promotion	410	238	172	58.0	42.0
Transfer	929	527	402	56.7	43.3
Grand Total	1,978	1,103	875	55.8	44.2

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All staff socio-economic background (parental degree) distribution by contract type: 31 March 2020

Contract type	Total	Parental Degree (numbers)		Parental Degree (%)	
		Yes	No	Yes	No
Continuing	11,507	6,040	5,467	52.5	47.5
Fixed Term less than 1 yr	994	589	405	59.3	40.7
Fixed Term 1 yr +	248	147	101	59.3	40.7
Flexicon	*	*	*	*	*
Grand Total	12,754	6,779	5,975	53.2	46.8

All staff socio-economic background (parental degree) distribution by length of service: 31 March 2020

Length of service (yrs)	Total	Parental Degree (numbers)		Parental Degree (%)	
		Yes	No	Yes	No
<1	1,645	963	682	58.5	41.5
1-<3	2,563	1,466	1,097	57.2	42.8
3-<5	1,121	603	518	53.8	46.2
5-<10	2,252	1,234	1,018	54.8	45.2
10+	5,173	2,513	2,660	48.6	51.4
Grand Total	12,754	6,779	5,975	53.2	46.8

Parental Occupation
All staff socio-economic background (parental occupation) distribution: 31 March 2020

Division	Total	Parental Occupation (numbers)			Parental Occupation (%)		
		Higher managerial and professional occupations	Intermediate occupations	Routine and manual occupations	Higher managerial and professional occupations	Intermediate occupations	Routine and manual occupations
BBC Design & Engineering	2,277	1,381	275	621	60.6	12.1	27.3
Chief Customer Officer Group	380	239	54	87	62.9	14.2	22.9
Content	547	331	68	148	60.5	12.4	27.1
Corporate, Policy & External Affairs	149	104	17	28	69.8	11.4	18.8
Finance & Operations	439	241	53	145	54.9	12.1	33.0
Managing Director Group	906	494	150	262	54.5	16.6	28.9
Nations and Regions	3,146	1,781	423	942	56.6	13.4	30.0
News and Current Affairs	1,589	1,046	197	346	65.8	12.4	21.8
Radio and Education	1,114	700	152	262	62.8	13.6	23.6
UK Public Service	10,547	6,317	1,389	2,841	59.9	13.2	26.9
BBC Studios (Sales & Distribution, Branded Services & Management)	638	432	87	119	67.7	13.6	18.7
BBC Studios (TV & Radio Production)	775	490	104	181	63.2	13.4	23.4
BBC Studios	1,413	922	191	300	65.3	13.5	21.2
World Service Group	718	524	63	131	73.0	8.8	18.2
Other	174	102	21	51	58.6	12.1	29.3
Other	892	626	84	182	70.2	9.4	20.4
Grand Total	12,852	7,865	1,664	3,323	61.2	12.9	25.9

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Leadership staff socio-economic background (parental occupation) distribution: 31 March 2020

Division	Total	Parental Occupation (numbers)			Parental Occupation (%)		
		Higher managerial and professional occupations	Intermediate occupations	Routine and manual occupations	Higher managerial and professional occupations	Intermediate occupations	Routine and manual occupations
BBC Design & Engineering	351	233	46	72	66.4	13.1	20.5
Chief Customer Officer Group	86	57	10	19	66.3	11.6	22.1
Content	131	76	17	38	58.0	13.0	29.0
Corporate, Policy & External Affairs	39	28	*	11	66.7	*	26.2
Finance & Operations	136	81	17	38	59.6	12.5	27.9
Managing Director Group	230	132	44	54	57.4	19.1	23.5
Nations and Regions	403	237	49	117	58.8	12.2	29.0
News and Current Affairs	293	198	35	60	67.6	11.9	20.5
Radio and Education	187	107	27	53	57.2	14.4	28.4
UK Public Service	1,859	1,149	248	462	61.8	13.3	24.9
BBC Studios (Sales & Distribution, Branded Services & Management)	205	145	23	37	70.7	11.2	18.1
BBC Studios (TV & Radio Production)	143	96	14	33	67.1	9.8	23.1
BBC Studios	348	241	37	70	69.3	10.6	20.1
World Service Group	143	109	15	19	76.2	10.5	13.3
Other	16	16	*	*	57.1	*	*
Other	171	125	19	27	73.1	11.1	15.8
Grand Total	2,378	1,515	304	559	63.7	12.8	23.5

All staff socio-economic background (parental occupation) distribution by job family: 31 March 2020

Job family	Total	Parental Occupation (numbers)			Parental Occupation (%)		
		Higher managerial and professional occupations	Intermediate occupations	Routine and manual occupations	Higher managerial and professional occupations	Intermediate occupations	Routine and manual occupations
Commissioning	151	91	14	46	60.3	9.3	30.4
Programming	5,677	3,627	714	1,336	63.9	12.6	23.5
Sales/Marketing	565	367	69	129	65.0	12.2	22.8
Support/Admin	2,969	1,712	427	830	57.7	14.4	27.9
Technical/Engineering	3,416	2,006	434	976	58.7	12.7	28.6
Not Allocated	74	62	*	*	83.8	*	*
Grand Total	12,852	7,865	1,664	3,323	61.2	12.9	25.9

Leadership staff socio-economic background (parental occupation) distribution by job family: 31 March 2020

Job family	Total	Parental Occupation (numbers)			Parental Occupation (%)		
		Higher managerial and professional occupations	Intermediate occupations	Routine and manual occupations	Higher managerial and professional occupations	Intermediate occupations	Routine and manual occupations
Commissioning	105	62	10	33	59.0	9.5	31.5
Programming	971	611	124	236	62.9	12.8	24.3
Sales/Marketing	114	78	13	23	68.4	11.4	20.2
Support/Admin	798	511	107	180	64.0	13.4	22.6
Technical/Engineering	371	234	50	87	63.1	13.5	23.4
Not Allocated	19	19	*	*	100.0	*	*
Grand Total	2,378	1,515	304	559	63.7	12.8	23.5

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All staff socio-economic background (parental occupation) distribution by grade bands: 31 March 2020

Grade band	Total	Parental Occupation (numbers)			Parental Occupation (%)		
		Higher managerial and professional occupations	Intermediate occupations	Routine and manual occupations	Higher managerial and professional occupations	Intermediate occupations	Routine and manual occupations
A	513	298	76	139	58.1	14.8	27.1
B	1,597	910	252	435	57.0	15.8	27.2
C	4,129	2,531	509	1,089	61.3	12.3	26.4
D	4,228	2,604	523	1,101	61.6	12.4	26.0
E	1,418	896	171	351	63.2	12.1	24.7
F	709	454	95	160	64.0	13.4	22.6
SL	251	165	38	48	65.7	15.1	19.2
Not Allocated	*	*	*	*	*	*	*
Grand Total	12,852	7,865	1,664	3,323	61.2	12.9	25.9

All staff leaver and joiner distribution by socio-economic background (parental occupation): 31 March 2020

Category	Total	Parental Occupation (numbers)			Parental Occupation (%)		
		Higher managerial and professional occupations	Intermediate occupations	Routine and manual occupations	Higher managerial and professional occupations	Intermediate occupations	Routine and manual occupations
Leavers	1,847	1,145	221	481	62.0	12.0	26.0
Joiners	1,959	1,246	266	447	63.6	13.6	22.8

All staff leaver distribution by socio-economic background (parental occupation) and reason for leaving: 31 March 2020

Reason for leaving	Total	Parental Occupation (numbers)			Parental Occupation (%)		
		Higher managerial and professional occupations	Intermediate occupations	Routine and manual occupations	Higher managerial and professional occupations	Intermediate occupations	Routine and manual occupations
Voluntary	893	568	106	219	63.6	11.9	24.5
Redundancy	210	117	29	64	55.7	13.8	30.5
End FTC	707	440	83	184	62.2	11.7	26.1
Other Involuntary	34	19	*	13	55.9	*	38.2
Other	*	*	*	*	*	*	*
Grand Total	1,847	1,145	221	481	62.0	12.0	26.0

All staff internal mover distribution by socio-economic background (parental occupation) and reason for leaving: 31 March 2020

Internal move type	Total	Parental Occupation (numbers)			Parental Occupation (%)		
		Higher managerial and professional occupations	Intermediate occupations	Routine and manual occupations	Higher managerial and professional occupations	Intermediate occupations	Routine and manual occupations
Attachment	645	394	105	146	61.1	16.3	22.6
Promotion	420	270	51	99	64.3	12.1	23.6
Transfer	943	610	141	192	64.7	15.0	20.3
Grand Total	2,008	1,274	297	437	63.4	14.8	21.8

All staff socio-economic background (parental occupation) distribution by contract type: 31 March 2020

Contract type	Total	Parental Occupation (numbers)			Parental Occupation (%)		
		Higher managerial and professional occupations	Intermediate occupations	Routine and manual occupations	Higher managerial and professional occupations	Intermediate occupations	Routine and manual occupations
Continuing	11,586	7,058	1,484	3,044	60.9	12.8	26.3
Fixed Term less than 1 yr	1,004	644	146	214	64.1	14.5	21.4
Fixed Term 1 yr +	257	161	34	62	62.6	13.2	24.2
Flexicon	*	*	*	*	*	*	*
Grand Total	12,852	7,865	1,664	3,323	61.2	12.9	25.9

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All staff socio-economic background (parental occupation) distribution by length of service: 31 March 2020

Length of service (yrs)	Parental Occupation (numbers)			Parental Occupation (%)			
	Total	Higher managerial and professional occupations	Intermediate occupations	Routine and manual occupations	Higher managerial and professional occupations	Intermediate occupations	Routine and manual occupations
<1	1,664	1,077	229	358	64.7	13.8	21.5
1-<3	2,580	1,693	303	584	65.6	11.7	22.7
3-<5	1,150	696	147	307	60.5	12.8	26.7
5-<10	2,267	1,410	287	570	62.2	12.7	25.1
10+	5,191	2,989	698	1,504	57.6	13.4	29.0
Grand Total	12,852	7,865	1,664	3,323	61.2	12.9	25.9

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Freelance (reporting is shown separately for our staff and freelancers)

Percentages for gender, age and religion and belief data in this section are calculated as a proportion of the total freelancer population. For all other characteristics, where some freelancers have chosen not to provide data, percentages are calculated as a proportion of the known population who declared a response for that characteristic. This aligns with the methodology used in the BBC's Diversity and Inclusion Strategy 2016-2020.

Freelance age distribution by division: 31 March 2020

Division	Total	Age band (numbers)						Age band (%)					
		<20	20-29	30-39	40-49	50-59	60+	<20	20-29	30-39	40-49	50-59	60+
BBC Design & Engineering	46	*	*	12	10	*	13	*	*	26.1	21.7	*	28.3
Chief Customer Officer Group	488	*	100	170	127	63	24	*	20.5	34.8	26.0	12.9	5.0
Content	699	*	205	190	168	106	27	*	29.3	27.2	24.0	15.2	3.9
Corporate, Policy & External Affairs	48	*	*	12	12	*	11	*	*	25.0	25.0	*	22.9
Finance & Operations	35	*	*	12	*	*	*	*	*	34.3	*	*	*
Managing Director Group	189	*	14	16	51	64	44	*	7.4	8.5	27.0	33.9	23.2
Nations and Regions	3,286	52	919	627	652	571	465	1.6	28.0	19.1	19.8	17.4	14.1
News and Current Affairs	1,378	*	348	355	296	245	130	*	25.3	25.8	21.5	17.8	9.3
Radio and Education	1,724	*	539	392	370	273	141	*	31.3	22.7	21.5	15.8	8.2
UK Public Service	7,893	72	2,140	1,786	1,691	1,347	857	0.9	27.1	22.6	21.4	17.1	10.9
BBC Studios (Sales & Distribution, Branded Services & Management)	319	*	58	101	98	50	11	*	18.2	31.7	30.7	15.7	3.4
BBC Studios (TV & Radio Production)	6,166	38	1,535	1,621	1,480	1,013	479	0.6	24.9	26.3	24.0	16.4	7.8
BBC Studios	6,485	39	1,593	1,722	1,578	1,063	490	0.6	24.6	26.6	24.3	16.4	7.5
World Service Group	510	*	101	155	116	85	53	*	19.8	30.4	22.7	16.7	10.4
Other	265	*	49	43	78	56	35	*	18.5	16.2	29.4	21.1	13.3
Other	775	*	150	198	194	141	88	*	19.4	25.5	25.0	18.2	11.4
Grand Total	15,153	115	3,883	3,706	3,463	2,551	1,435	0.8	25.6	24.5	22.9	16.8	9.4

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Freelance disability distribution by division: 31 March 2020

Division	Disability (numbers)			Disability (%)	
	Total	Disabled	Not Disabled	Disabled	Not Disabled
BBC Design & Engineering	38	*	37	*	97.4
Chief Customer Officer Group	328	12	316	3.7	96.3
Content	513	43	470	8.4	91.6
Corporate, Policy & External Affairs	35	*	34	*	97.1
Finance & Operations	32	*	28	*	87.5
Managing Director Group	139	*	132	*	95.0
Nations and Regions	2,410	179	2,231	7.4	92.6
News and Current Affairs	994	72	922	7.2	92.8
Radio and Education	1,175	102	1,073	8.7	91.3
UK Public Service	5,664	421	5,243	7.4	92.6
BBC Studios (Sales & Distribution, Branded Services & Management)	262	31	231	11.8	88.2
BBC Studios (TV & Radio Production)	3,800	250	3,550	6.6	93.4
BBC Studios	4,062	281	3,781	6.9	93.1
World Service Group	414	22	392	5.3	94.7
Other	152	10	142	6.6	93.4
Other	566	32	534	5.7	94.3
Grand Total	10,292	734	9,558	7.1	92.9

Freelance ethnicity distribution by division (numbers): 31 March 2020

Division	Total	Ethnicity band (numbers)						
		BAME	Asian	Black	Mixed Ethnicity	Other BAME	White British	Other White Back-ground
BBC Design & Engineering	37	*	*	*	*	*	32	*
Chief Customer Officer Group	406	51	13	19	15	*	313	42
Content	579	112	32	31	39	10	427	40
Corporate, Policy & External Affairs	41	*	*	*	*	*	35	*
Finance & Operations	31	*	*	*	*	*	29	*
Managing Director Group	126	15	*	*	*	*	107	*
Nations and Regions	2,603	225	80	75	60	10	2,173	205
News and Current Affairs	987	170	53	45	48	24	692	125
Radio and Education	1,382	146	49	41	49	*	1,163	73
UK Public Service	6,192	727	239	217	215	56	4,971	494
BBC Studios (Sales & Distribution, Branded Services & Management)	293	37	11	11	14	*	234	22
BBC Studios (TV & Radio Production)	5,105	419	100	130	165	24	4,359	327
BBC Studios	5,398	456	111	141	179	25	4,593	349
World Service Group	425	236	51	52	25	108	149	40
Other	205	23	*	*	*	*	167	15
Other	630	259	56	59	31	113	316	55
Grand Total	12,220	1,442	406	417	425	194	9,880	898

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Freelance ethnicity distribution by division (percentage): 31 March 2020

Division	Ethnicity band (%)						Other White Background
	BAME	Asian	Black	Mixed Ethnicity	Other BAME	White British	
BBC Design & Engineering	*	*	*	*	*	86.5	*
Chief Customer Officer Group	12.6	3.2	4.7	3.7	*	77.1	10.3
Content	19.3	5.5	5.4	6.7	1.7	73.8	6.9
Corporate, Policy & External Affairs	*	*	*	*	*	85.4	*
Finance & Operations	*	*	*	*	*	93.5	*
Managing Director Group	11.9	*	*	*	*	84.9	*
Nations and Regions	8.6	3.1	2.9	2.3	0.4	83.5	7.9
News and Current Affairs	17.2	5.4	4.6	4.9	2.4	70.1	12.7
Radio and Education	10.6	3.5	3.0	3.5	*	84.2	5.2
UK Public Service	11.7	3.9	3.5	3.5	0.9	80.3	8.0
BBC Studios (Sales & Distribution, Branded Services & Management)	12.6	3.8	3.8	4.8	*	79.9	7.5
BBC Studios (TV & Radio Production)	8.2	2.0	2.5	3.2	0.5	85.4	6.4
BBC Studios	8.4	2.1	2.6	3.3	0.5	85.1	6.5
World Service Group	55.5	12.0	12.2	5.9	25.4	35.1	9.4
Other	11.2	*	*	*	*	81.5	7.3
Other	41.1	8.9	9.4	4.9	17.9	50.2	8.7
Grand Total	11.8	3.3	3.4	3.5	1.6	80.9	7.3

Freelance gender distribution by division: 31 March 2020

Division	Gender band (numbers)		Gender band (%)		
	Total	Female	Male	Female	
BBC Design & Engineering	46	*	37	*	80.4
Chief Customer Officer Group	488	210	278	43.0	57.0
Content	699	257	442	36.8	63.2
Corporate, Policy & External Affairs	48	36	12	75.0	25.0
Finance & Operations	35	25	10	71.4	28.6
Managing Director Group	189	93	96	49.2	50.8
Nations and Regions	3,286	1,332	1,954	40.5	59.5
News and Current Affairs	1,378	645	733	46.8	53.2
Radio and Education	1,724	875	849	50.8	49.2
UK Public Service	7,893	3,482	4,411	44.1	55.9
BBC Studios (Sales & Distribution, Branded Services & Management)	319	127	192	39.8	60.2
BBC Studios (TV & Radio Production)	6,166	2,700	3,466	43.8	56.2
BBC Studios	6,485	2,827	3,658	43.6	56.4
World Service Group	510	268	242	52.5	47.5
Other	265	79	186	29.8	70.2
Other	775	347	428	44.8	55.2
Grand Total	15,153	6,656	8,497	43.9	56.1

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Equality Information Report

Freelance sexual orientation and gender identity distribution by division (numbers): 31 March 2020

Division	Sexual Orientation and Gender Identity (numbers)									
	Total	Bisexual	Gay man	Gay woman/lesbian	Heterosexual/straight	Other	Prefer not to say	N/A	Trans-gender	LGBTQ+
BBC Design & Engineering	46	*	*	*	26	*	10	*	*	*
Chief Customer Officer Group	488	*	14	*	315	25	68	56	*	52
Content	699	19	16	*	434	46	82	94	15	96
Corporate, Policy & External Affairs	48	*	*	*	28	*	*	*	*	12
Finance & Operations	35	*	*	*	27	*	*	*	*	*
Managing Director Group	189	*	*	*	86	13	24	57	*	23
Nations and Regions	3,286	76	76	26	2,026	153	335	594	58	380
News and Current Affairs	1,378	42	42	10	658	88	204	334	28	205
Radio and Education	1,724	47	53	15	1,014	91	224	280	26	227
UK Public Service	7,893	195	209	67	4,614	426	951	1,431	134	1,003
BBC Studios (Sales & Distribution, Branded Services & Management)	319	*	17	*	206	26	36	19	*	66
BBC Studios (TV & Radio Production)	6,166	128	184	64	3,752	298	976	764	94	742
BBC Studios	6,485	137	201	70	3,958	324	1,012	783	103	808
World Service Group	510	12	*	*	310	34	88	59	*	61
Other	265	*	*	*	166	*	37	49	*	15
Other	775	13	*	*	476	39	125	108	11	76
Grand Total	15,153	345	417	144	9,048	789	2,088	2,322	248	1,887

Freelance sexual orientation and gender identity distribution by division (percentage): 31 March 2020

Division	Sexual Orientation and Gender Identity (%)									
	Bisexual	Gay man	Gay woman/lesbian	Heterosexual/straight	Other	Prefer not to say	N/A	Trans-gender	LGBTQ+	
BBC Design & Engineering	*	*	*	56.5	*	21.7	*	*	16.1	
Chief Customer Officer Group	*	2.9	*	64.5	5.1	13.9	11.5	*	14.3	
Content	2.7	2.3	*	62.1	6.6	11.7	13.4	2.1	18.3	
Corporate, Policy & External Affairs	*	*	*	58.3	*	*	*	*	30.8	
Finance & Operations	*	*	*	77.1	*	*	*	*	10.0	
Managing Director Group	*	*	*	45.5	6.9	12.7	30.2	*	21.3	
Nations and Regions	2.3	2.3	0.8	61.7	4.7	10.2	18.1	1.8	16.1	
News and Current Affairs	3.0	3.0	0.7	47.8	6.4	14.8	24.2	2.0	24.2	
Radio and Education	2.7	3.1	0.9	58.8	5.3	13.0	16.2	1.5	18.5	
UK Public Service	2.5	2.6	0.8	58.5	5.4	12.0	18.1	1.7	18.1	
BBC Studios (Sales & Distribution, Branded Services & Management)	*	5.3	*	64.6	8.2	11.2	6.0	*	24.7	
BBC Studios (TV & Radio Production)	2.1	3.0	1.0	60.8	4.8	15.9	12.4	1.5	16.7	
BBC Studios	2.1	3.1	1.1	61.0	5.0	15.6	12.1	1.6	17.2	
World Service Group	2.4	*	*	60.8	6.7	17.3	11.6	*	16.7	
Other	*	*	*	62.6	*	14.0	18.5	*	8.3	
Other	1.7	*	*	61.4	5.0	16.1	13.9	1.4	13.9	
Grand Total	2.3	2.8	1.0	59.7	5.2	13.8	15.3	1.6	17.5	

All staff data reflects UK-based employee contracts only.

Leadership is defined as Band E and above.

Totals for each characteristic differ due to varying disclosure rates.

The percentages for each individual group in the sexual orientation and gender identity tables are calculated as a proportion of the total BBC staff population; the total LGBTQ+ figure is calculated as a proportion of the known population excluding those who have chosen not to declare or where data is missing

* Data has been replaced with an asterisk where figures are below sample size.

Freelance religion and belief distribution (numbers): 31 March 2020

Division	Religion and Belief (numbers)											N/A
	Total	Atheist	Buddhist	Christian	Hindu	Jewish	Muslim	Sikh	Other	None	Prefer not to say	
BBC Design & Engineering Chief Customer Officer	46	*	*	*	*	*	*	*	*	11	*	*
Group	488	55	*	71	*	*	*	*	100	137	64	56
Content	699	60	*	103	*	*	10	*	147	168	98	95
Corporate, Policy & External Affairs	48	*	*	*	*	*	*	*	12	10	*	*
Finance & Operations	35	*	*	*	*	*	*	*	17	*	*	*
Managing Director Group	189	13	*	28	*	*	*	*	32	33	21	56
Nations and Regions	3,286	182	*	529	*	*	22	*	815	756	366	589
News and Current Affairs	1,378	125	*	129	*	*	13	*	281	273	207	328
Radio and Education	1,724	174	*	239	*	10	*	10	342	437	214	278
UK Public Service	7,893	620	21	1,115	24	32	55	34	1,755	1,833	985	1,419
BBC Studios (Sales & Distribution, Branded Services & Management)	319	32	*	17	*	*	*	*	96	102	49	18
BBC Studios (TV & Radio Production)	6,166	646	27	881	*	37	19	18	1,119	1,738	916	758
BBC Studios	6,485	678	27	898	8	39	19	20	1,215	1,840	965	776
World Service Group	510	47	*	48	*	*	41	*	130	94	89	56
Other	265	25	*	54	*	*	*	*	34	59	43	47
Other	775	72	*	102	*	*	41	*	164	153	132	103
Grand Total	15,153	1,370	51	2,115	34	74	115	54	3,134	3,826	2,082	2,298

Freelance religion and belief distribution (percentage): 31 March 2020

Division	Religion and Belief (%)											N/A
	Atheist	Buddhist	Christian	Hindu	Jewish	Muslim	Sikh	Other	None	Prefer not to say		
BBC Design & Engineering Chief Customer Officer	*	*	*	*	*	*	*	*	*	23.9	*	*
Group	11.3	*	14.5	*	*	*	*	*	20.5	28.1	13.1	11.5
Content	8.6	*	14.7	*	*	1.4	*	*	21.0	24.0	14.0	13.7
Corporate, Policy & External Affairs	*	*	*	*	*	*	*	*	25.0	20.8	*	*
Finance & Operations	*	*	*	*	*	*	*	*	48.6	*	*	*
Managing Director Group	6.9	*	14.8	*	*	*	*	*	16.9	17.5	11.1	29.6
Nations and Regions	5.5	*	16.1	*	*	0.7	*	*	24.8	23.0	11.1	17.9
News and Current Affairs	9.1	*	9.4	*	*	0.9	*	*	20.4	19.8	15.0	23.8
Radio and Education	10.1	*	13.9	*	0.6	*	0.6	19.8	25.3	12.4	16.2	
UK Public Service	7.9	0.3	14.1	0.3	0.4	0.7	0.4	22.2	23.2	12.5	18.0	
BBC Studios (Sales & Distribution, Branded Services & Management)	10.0	*	5.3	*	*	*	*	30.1	32.0	15.4	5.7	
BBC Studios (TV & Radio Production)	10.5	0.4	14.3	*	0.6	0.3	0.3	18.1	28.2	14.9	12.3	
BBC Studios	10.5	0.4	13.8	0.1	0.6	0.3	0.3	18.7	28.4	14.9	12.0	
World Service Group	9.2	*	9.4	*	*	8.0	*	25.5	18.4	17.5	11.0	
Other	9.4	*	20.4	*	*	*	*	12.8	22.3	16.2	17.7	
Other	9.3	*	13.2	*	*	5.3	*	21.2	19.7	17.0	13.2	
Grand Total	9.0	0.3	14.0	0.2	0.5	0.8	0.4	20.7	25.2	13.7	15.2	

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Equality Information Report

Freelance socio-economic background (school type) distribution: 31 March 2020

Division	Total	School Type (numbers)			School Type (%)		
		A state-run or state-funded school – non-selective	A state-run or state-funded school – selective on academic, faith or other ground	Independent or fee-paying school	A state-run or state-funded school – non-selective	A state-run or state-funded school – selective on academic, faith or other ground	Independent or fee-paying school
BBC Design & Engineering	19	14	*	*	73.7	*	*
Chief Customer Officer Group	211	165	21	25	78.2	10.0	11.8
Content	354	253	43	58	71.5	12.1	16.4
Corporate, Policy & External Affairs	24	14	*	*	58.3	*	*
Finance & Operations	29	24	*	*	82.8	*	*
Managing Director Group	79	49	10	20	62.0	12.7	25.3
Nations and Regions	1,666	1,298	165	203	77.9	9.9	12.2
News and Current Affairs	581	416	42	123	71.6	7.2	21.2
Radio and Education	812	634	70	108	78.1	8.6	13.3
UK Public Service	3,775	2,867	358	550	75.9	9.5	14.6
BBC Studios (Sales & Distribution, Branded Services & Management)	199	152	15	32	76.4	7.5	16.1
BBC Studios (TV & Radio Production)	2,434	1,812	198	424	74.4	8.1	17.5
BBC Studios	2,633	1,964	213	456	74.6	8.1	17.3
World Service Group	156	98	22	36	62.8	14.1	23.1
Other	68	48	11	*	70.6	16.2	*
Other	224	146	33	45	65.2	14.7	20.1
Grand Total	6,632	4,977	604	1,051	75.0	9.1	15.9

Freelance socio-economic background (parental degree) distribution: 31 March 2020

Division	Total	Parental Degree (numbers)		Parental Degree (%)	
		Yes	No	Yes	No
BBC Design & Engineering	18	10	*	55.6	*
Chief Customer Officer Group	213	99	114	46.5	53.5
Content	355	192	163	54.1	45.9
Corporate, Policy & External Affairs	24	10	14	41.7	58.3
Finance & Operations	29	12	17	41.4	58.6
Managing Director Group	76	37	39	48.7	51.3
Nations and Regions	1,609	804	805	50.0	50.0
News and Current Affairs	656	394	262	60.1	39.9
Radio and Education	795	418	377	52.6	47.4
UK Public Service	3,775	1,976	1,799	52.3	47.7
BBC Studios (Sales & Distribution, Branded Services & Management)	208	124	84	59.6	40.4
BBC Studios (TV & Radio Production)	2,380	1,260	1,120	52.9	47.1
BBC Studios	2,588	1,384	1,204	53.5	46.5
World Service Group	260	162	98	62.3	37.7
Other	63	37	26	58.7	41.3
Other	323	199	124	61.6	38.4
Grand Total	6,686	3,559	3,127	53.2	46.8

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Freelance socio-economic background (parental occupation) distribution: 31 March 2020

Division	Parental Occupation (numbers)			Parental Occupation (%)			
	Total	Higher managerial and professional occupations	Intermediate occupations	Routine and manual occupations	Higher managerial and professional occupations	Intermediate occupations	Routine and manual occupations
BBC Design & Engineering	20	12	*	*	60.0	*	*
Chief Customer Officer Group	218	137	21	60	62.8	9.6	27.6
Content	352	222	53	77	63.1	15.1	21.8
Corporate, Policy & External Affairs	24	12	*	*	50.0	*	*
Finance & Operations	29	18	*	*	62.1	*	*
Managing Director Group	75	52	*	14	69.3	*	18.7
Nations and Regions	1,652	1,000	193	459	60.5	11.7	27.8
News and Current Affairs	637	440	68	129	69.1	10.7	20.2
Radio and Education	797	480	93	224	60.2	11.7	28.1
UK Public Service	3,804	2,373	446	985	62.4	11.7	25.9
BBC Studios (Sales & Distribution, Branded Services & Management)	209	144	20	45	68.9	9.6	21.5
BBC Studios (TV & Radio Production)	2,377	1,521	267	589	64.0	11.2	24.8
BBC Studios	2,586	1,665	287	634	64.4	11.1	24.5
World Service Group	258	193	20	45	74.8	7.8	17.4
Other	63	43	*	11	68.3	*	17.4
Other	321	236	29	56	73.5	9.0	17.5
Grand Total	6,711	4,274	762	1,675	63.7	11.4	24.9

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