

# House of Commons Digital, Culture, Media and Sport Committee

# BBC Annual Report and Accounts 2017–18: Equal pay at the BBC

Sixth Report of Session 2017–19

Report, together with formal minutes relating to the report

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#### The Digital, Culture, Media and Sport Committee

The Digital, Culture, Media and Sport Committee is appointed by the House of Commons to examine the expenditure, administration and policy of the Department for Digital, Culture, Media and Sport and its associated public bodies.

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Evidence relating to this report is published on the <u>inquiry publications page</u> of the Committee's website.

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## Summary

The Equality Act 2010 states that men and women must be paid the same for doing the same work, like work and work of equal value. The BBC (as a public sector employer) has an even higher level of duty to advance equality of opportunity. The BBC has failed to live up to this duty. Our evidence suggests women within the BBC are working in comparable jobs to men but earning far less.

A more transparent pay structure is needed if the BBC wants to repair its reputation on equal pay. Publication of salaries has helped to improve equality for those earning over £150,000. Similar transparency is now needed across the board. If the BBC wants to encourage women to come forward with equal pay concerns, it must commit to making substantial improvements to its flawed grievance processes.

The BBC's policy of engaging presenters via Personal Service Companies (PSCs) from 2007–2012 has caused life-altering financial and personal consequences for many presenters. As a direct result of the BBC's actions, many presenters are facing liabilities of hundreds of thousands of pounds in unpaid income tax and national insurance contributions (NICs). The BBC's decision to launch a grievance process under the supervision of the Centre for Effective Dispute Resolution (CEDR) marks a welcome step in establishing whether the BBC should bear some liability for unpaid NICs. The BBC must take urgent action to improve the way it deals with taxation of its freelance employees.

The BBC's handling of both equal pay and PSCs has been extremely disappointing. It has failed to properly consult with its staff and has repeatedly failed to take proactive steps, instead relying upon their staff to come forward and raise concerns. This has resulted in a crisis of trust which urgently needs to be addressed by the corporation.

In order to meet its target, the BBC must save another £800 million by 2021–22. We are concerned that, in delivering the next tranche of savings, the BBC may have to compromise on the quality of services provided to the licence fee payer. Taking over licence fee funding for the over-75s is another pressure.

Among the areas that may suffer is the existence of BBC Parliament as a broadcast channel. The channel has a unique importance to Parliament as the only place where the proceedings of the House of Commons and House of Lords can be viewed; this significance must be factored into any decision-making. The BBC has now announced that some proposed changes, including the cutting of summary programmes, have been abandoned. We welcome this change of heart. However, we are concerned about the BBC's unwillingness to commit to safeguarding the broadcast channel beyond the coming year. We set out our recommendations about this in this report, including our belief that the BBC must lay out a new strategy for the BBC Parliament channel.

# 1 Background

- 1. Following the recommendation of our predecessor Committee in August 2016, under new transparency rules agreed in its new Royal Charter, the BBC is required to publish a list of all employees earning over £150,000.¹ In July 2017, this list was published for the first time.² Its publication generated criticism, due to the very small number of women amongst top-earning staff. The BBC's figures for 2016–17 showed that two-thirds of those earning more than £150,000 were men, including the seven highest earners.³ Chris Evans was reported as the BBC's highest-paid 'celebrity', earning £2.2 million that financial year.⁴ The highest-paid female 'celebrity' was Claudia Winkleman, who was paid £450,000-£500,000, around one-fifth of what Evans received.⁵
- 2. The publication sparked further controversy when staff came forward to allege that this pay imbalance, based on sex, was replicated throughout the BBC. BBC Women, a group of 170 female employees, told us that:

[The list] revealed a shocking pay gap between some men and women doing directly comparable jobs [ ... ] it subsequently emerged that women [within the BBC] at all levels, all over the UK as well as abroad, doing jobs on and off air for the BBC [were] similarly affected and this [had] been the case for decades.<sup>6</sup>

#### **Our inquiry**

3. In January 2018 BBC China Editor Carrie Gracie resigned via an open letter detailing alleged pay discrimination at the BBC. She accused the BBC of operating a "secretive and illegal pay culture" that systematically discriminated against women.<sup>7</sup> Her letter stated that:

For BBC women this is not just a matter of one year's salary or two. Taking into account disadvantageous contracts and pension entitlements, it is a gulf that will last a lifetime. Many of the women affected are not highly paid "stars" but hard-working producers on modest salaries.<sup>8</sup>

She asked for the BBC to "admit the problem, apologise, and set in place an equal, fair and transparent pay structure".9

4. Following Carrie Gracie's resignation, we decided to begin an inquiry on pay at the BBC. We received further evidence from the BBC Women group arguing that "the BBC has failed to pay men and women equally for equal work, in breach of the Equality

Department for Culture, Media and Sport, Royal Charter for the continuance of the British Broadcasting Corporation, Cm 9365, December 2016, p 19

<sup>2</sup> BBC, Annex to the BBC Annual Report and Accounts 2016/17: BBC Pay Disclosures, July 2017, p 6–10

<sup>3</sup> Ibid,

<sup>4</sup> Ibid, p 10

<sup>5</sup> Ibid

<sup>6</sup> BBC Women (PAY0003) para 2

<sup>7</sup> National Union of Journalists, Carrie Gracie Open Letter

<sup>8</sup> Ibid

<sup>9</sup> Ibid

Act 2010, over many years".<sup>10</sup> In February 2018 we held an evidence session with Carrie Gracie, the General Secretary of the National Union of Journalists, Michelle Stanistreet, and senior BBC officials, to explore these issues further.

- 5. In the months following this session, it emerged that many BBC presenters had suffered financial hardship after setting up personal service companies (PSCs), at the insistence of the BBC. We received a 'dossier' of anonymous testimonies, cataloguing the damaging impacts that presenters had suffered as a result of the BBC's actions. We held a second evidence session in March 2018 to investigate these issues further. BBC management declined our invitation to give evidence at this session. The corporation cited its "very recent" appearance before the committee (this was, in fact, nearly two months prior) and needing additional time to receive feedback on its proposals for a new on-air framework for presenters. We did not consider these to be convincing reasons, and found the BBC's non-attendance frustrating.
- 6. In September 2018 we held a third evidence session to assess the BBC's Annual Report (published in July) and to take stock of developments on unequal pay during the intervening period. We held the evidence session in Salford and carried out informal meetings and a visit to BBC Studios during the visit.
- 7. It has become established Committee practice to examine the BBC's Annual Report. This year's assessment will take place via this report, alongside our assessment of pay and employment conditions for BBC staff and presenters.
- 8. We received a range of evidence on BBC Pay, including written testimonies from over 40 individuals working for the BBC.<sup>14</sup> A full list of witnesses can be found at the end of this report. We are grateful to everyone who gave evidence to this inquiry, and especially the women and men who spoke to us about their (sometimes very difficult) experiences.

<sup>10</sup> BBC Women (PAY0003), para 1

<sup>11</sup> BBC Presenters (PAY0011)

<sup>12</sup> BBC further supplementary - note on the BBC's position in relation to PSCs (PAY0012)

BBC further supplementary - note on the BBC's position in relation to PSC (PAY0012)

<sup>14</sup> BBC Women (PAY0003), BBC Presenters (PAY0011)

# 2 Equal pay

#### **Equal pay at the BBC**

9. The Equality Act 2010 states that men and women must be paid the same for doing the same work, like work and work of equal value.<sup>15</sup> In addition, section 149 of the Equality Act imposes an even higher level of duty on the BBC (as a public sector employer) to advance equality of opportunity between the sexes.<sup>16</sup> However, we were told by witnesses that the BBC has failed to live up to this duty.<sup>17</sup>

#### 'Equal pay' and 'gender pay'

- 10. Both 'equal pay' and 'the gender pay gap' are terms used to deal with disparities in the amounts of pay that women receive in the workplace. However, these are two distinct issues. Equal pay means that men and women should be paid equally for 'equal work'. The 'gender pay gap', meanwhile, measures the average difference between the earnings of men and women across an organisation. Therefore, an organisation with a small 'gender pay gap' could still be in breach of equal pay legislation and conversely, an organisation with a large 'gender pay gap' may be fulfilling its legal duty under equal pay legislation. The BBC's 7.6% 'gender pay gap' is lower than the national average of 18.4%. However, this does not preclude the existence of equal pay issues for the BBC.
- 11. BBC Women argued that there was a "culture of gender discrimination" at the BBC.<sup>19</sup> We were told that women with similar skills, experience and profile were working in comparable jobs to men, but earning far less.<sup>20</sup> For example, one anonymous presenter told us that:

I found out that the existing male presenter was being paid 50% more than me per programme. When I asked for the pay gap to be corrected the line manager told me "the BBC doesn't do equal pay", and that in raising the issue I was being "aggressive".<sup>21</sup>

12. We were told that the BBC is unwilling to admit that it has an 'equal pay problem' and that it would not discuss equal pay openly with staff during pay revision discussions.<sup>22</sup> For example, BBC Women told us that "the BBC would not speak with us, or publicly about 'equal pay' despite this being the requirement under the law. They referred to 'fair pay' instead".<sup>23</sup> Michelle Stanistreet, General Secretary of the National Union of Journalists, argued that the use of this language was "frustrating" and "[missed] the point about what a lot of this debate is about".<sup>24</sup>

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15
     Equality Act 2010
16
     Ibid, Section 149
     BBC Women (PAY0003), Q 40
17
     BBC, Statutory Gender Pay Gap Report 2018, June 2018, p 3 - 7
18
     BBC Women (PAY0003)
19
20
     Ibid
21
     Ibid
22
     BBC Women (PAY0003)
23
24
     Q 16
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13. We also heard that many BBC women employees have been offered pay rises in response to equal pay complaints, whilst at the same time being told that there were no equal pay issues in their case.<sup>25</sup> BBC Women was concerned that:

Some women with the most egregious cases were offered 'pay revisions' which still fell short of equal pay with the men doing the same jobs and included no back pay or pension rights.<sup>26</sup>

The group argue that the BBC's actions have left some women "feeling worthless or diminished, ground down by an employer refusing to admit any equal pay liability even where it accepts there are unexplained, and unjustified differences between men and women".<sup>27</sup>

14. Carrie Gracie's case offers an example of this refusal to admit liability. Gracie told us:

[The BBC] has said it was not gender pay discrimination. They have not called it pay discrimination either.<sup>28</sup>

To make this worse, Gracie was told that her lower salary was due to her being "in development" in the China Editor role:

But the thing that is very unacceptable to me—and I don't know why they do this—is they basically said that in those three previous years, 2014, 2015 and 2016, I was in development. It is an insult to add to the original injury. It is unacceptable to talk to your senior women like that. I would never have gone to China on those terms. I asked for equal pay at the very beginning [ ... ] I have said I don't want any more money. I am not a fiscal liability to the BBC.<sup>29</sup>

Gracie told us this was an issue of principle:

They are trying to throw money at me to resolve the problem.  $[ \dots ]$  My problem will be resolved by an acknowledgement that my work was of equal value to the men who I served alongside as an international editor.<sup>30</sup>

- 15. Gracie's grievance settlement was resolved (one day within its 90-day limit); on 29 June 2018, she was given an apology and a payout (which she stated would be donate to charity). In a joint statement with Gracie, Lord Hall acknowledged that her work was "as valuable as those of the other international editors in the same period".<sup>31</sup>
- 16. Despite its eventual resolution, this appeared to us to be a highly distressing and protracted ordeal for Ms Gracie. Other witnesses agreed that the BBC's failure properly to address the equal pay issue had resulted in a loss of trust between the women involved and BBC management.<sup>32</sup> BBC Women was concerned that many women have been deterred from coming forward, due to a lack of faith in BBC management and because of the stress

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25 BBC Women (PAY0003)
26 Ibid
27 BBC Women (EEA0025)
28 Q 9
29 Q 9
30 Q 9
31 Joint statement, 29 June 2018 https://carriegracie.com/news.html
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Q 78, Q 45

and fear involved in challenging their employer.<sup>33</sup> It argued that this has led to many women accepting "ad hoc revisions" that fall short of their right to equal pay.<sup>34</sup> Carrie Gracie told us that there was now a "a toxic work atmosphere" at the BBC.<sup>35</sup> She said that the BBC's response would not "stand as a piece of BBC journalism," stating:

We have standards. It really pains me and hurts me that the corporate machine is not living up to our values. There are 90,000 people in the BBC. We are loyal. We are dedicated. We are responsible. If they honour us with the facts, and give us transparency, we will sort it out. The BBC has not sorted it out for decades, and the current leadership has not sorted it out for five years. As some people may remember, I declared my pay on air in 2009. [...] We are nearly a decade later. Look where we are. This is damaging the credibility of the BBC in a completely unacceptable way.<sup>36</sup>

17. Witnesses raised concerns that it had taken the forced publication of the salaries of those earning over £150,000 for the BBC to take action on pay.<sup>37</sup> Michelle Stanistreet argued that:

The BBC has obviously known about the scale of this problem and the reality of this problem and [ ... ] it has only been under the glare of the public gaze that it has started to act.<sup>38</sup>

We put it to the Director-General of the BBC that he should be able to give a convincing reason for the development of pay disparities of this magnitude, and that the corporation needed to accept corporate responsibility for the fact that mistakes had been made. But Lord Hall could only give us small pieces of the jigsaw, for example that too much responsibility had been devolved to programme editors and divisional directors.<sup>39</sup>

18. We also received concerning accounts of BBC presenters being offered immediate and unexpected pay rises just before the salaries of top earners were publicly announced. <sup>40</sup> For example, a TV news presenter told us that:

Just before the BBC published pay over £150,000, I was called [ ... ] and offered an immediate pay rise. It became apparent that for nearly three years I had been sitting next to a man doing an identical job who was being paid tens of thousands of pounds more.<sup>41</sup>

19. We were highly concerned to hear allegations of equal pay discrimination at the BBC. The experience of former China Editor Carrie Gracie shone a light on this practice. Ms Gracie deserves great credit for using her protracted and distressing ordeal to make points of principle for other women. As a public sector broadcaster, the

<sup>33</sup> BBC Women, evidence to Women and Equalities Committee inquiry into 'Enforcing the Equality Act', (EEA0025)

<sup>34</sup> Ibid

<sup>35</sup> Q 44

<sup>36</sup> Q 15

<sup>37</sup> Q 27, BBC Women (PAY0003)

<sup>38</sup> Q 27

<sup>39</sup> Q 90

<sup>40</sup> BBC Women (PAY0003)

<sup>41</sup> Ibid

institution should be setting an example for other organisations, but its approach to pay has been extremely poor. The corporation was unable to give us a good reason for why or how pay discrimination has been left unchallenged for so long.

- 20. The BBC did not help itself by declining to attend our second evidence session on BBC Pay in March of this year. The DCMS Committee is the corporation's only line of accountability to licence fee payers. As a recipient of public money, the BBC should make itself available when requested, especially on a subject such as pay discrimination, a key issue for the nation.
- 21. While the publication of the salaries of staff earning over £150,000 has gone some way towards improving pay transparency, it is regrettable that it took the forced publication of this list and the resultant publicity to push the BBC into action on a longstanding problem. The BBC's reluctance to tackle this issue has resulted in a loss of trust between staff and management. Unless the BBC takes urgent action, many more women may be deterred from coming forward with equal pay complaints.
- 22. The BBC must take urgent action to remove discriminatory pay practice and its legacy from the organisation. This is necessary to start to rebuild trust between staff and senior management. It should publicly acknowledge that it has a pay discrimination problem and set out a comprehensive series of steps, with dates by which those steps will be met, to resolve the pay discrimination. This should include a deadline by which all grievances will be dealt with. The BBC Board should require the Director General to report progress to them on those steps as discriminatory pay is a serious risk issue that the Board should be overseeing.
- 23. The BBC must ensure that robust and transparent structures are put in place to prevent a recurrence of these issues. Management must work to create an environment where staff feel supported and empowered to come forward with equal pay complaints. Where staff come forward with complaints, management must refrain from using unhelpful terminology and talk about these cases in terms of 'equal pay', rather than using euphemisms such as 'fair pay', 'oversights' and pay 'revisions', in an attempt to avoid the issues at hand. The BBC must comply with its equal pay legal duties and ensure that all managers who make decisions on pay understand those legal duties. Training should be provided by BBC HR to ensure that they do.

#### Pay structures

24. We were told that pay structures at the BBC are currently unfair, opaque and unclear. Witnesses were concerned that responsibility for setting salaries at the BBC had been inappropriately devolved to individual managers or programme editors. For example, Michelle Stanistreet of the National Union of Journalists told us that decentralisation had permitted misuses of managerial discretion and resulted in pay inequalities across the piece. A review carried out by PwC in January 2018 reached similar conclusions, noting that the BBC's pay structure lacked central oversight, clear frameworks and pay market anchors. This lack of central review was evident in Carrie Gracie's case. Despite

<sup>42</sup> Q 67, Q 84, Q 90, Q 168

<sup>43</sup> Q 37

<sup>44</sup> PwC, On-air Review, 30 January 2018

Carrie being one of only four international editors, the BBC maintained that she had been 'inadvertently underpaid' for years. <sup>45</sup> If Carrie Gracie's underpayment was in fact 'inadvertent', it shows a concerning lack of oversight from senior BBC officials.

- 25. The National Union of Journalists argued that "unnecessary secrecy" and a "lack of transparency" have helped to normalise an approach to pay that is both "discriminatory and unlawful".<sup>46</sup> We were told that many BBC employees were "deliberately misled by BBC management over their salary levels, in some cases despite explicitly querying whether they were being paid equally to male comparators".<sup>47</sup>
- 26. The publication of salaries of individuals earning over £150,000 has gone some way to increase transparency amongst high paid staff. However, staff raised concerns that the system still lacks adequate transparency for those earning less than £150,000.<sup>48</sup> For example, BBC Women told us that:

Following the transparency in the pay of managers earning above £150,000 the incoming female Head of News is being paid the same salary as her male predecessor. This transparency is now needed across the board.<sup>49</sup>

27. We were told that the lack of transparency was exacerbated by the BBC's pay scales, which "mask whether more men than women were at the top of the band/grade" and create "lack of clarity about how staff progress within their band/grade".<sup>50</sup> Michelle Stanistreet argued that:

It is important that [ ... ] much greater transparency is achieved with individuals not just knowing what their own salary is within a pay band, but that they can see how they compare with others.<sup>51</sup>

Other witnesses agreed with this recommendation, emphasising the need for the BBC to achieve "full transparency". 52

<sup>45</sup> O 86

<sup>46</sup> National Union of Journalists (PAY0002), para 8

<sup>47</sup> Ibid, para 12

<sup>48</sup> BBC Women (PAY0003)

<sup>49</sup> BBC Women (PAY0003)

<sup>50</sup> National Union of Journalists (PAY0002), para 12

<sup>51</sup> Ibid

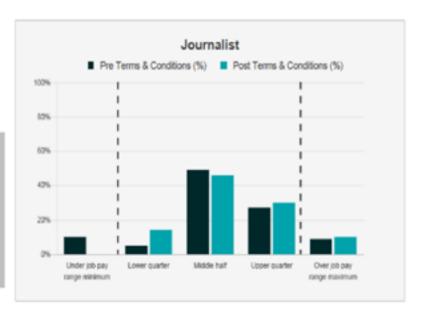
<sup>52</sup> Q 45

#### The BBC's response

The chart compares the current position of employees within the proposed job pay ranges against the future position with the Terms and Conditions proposals applied

If you would like to find out more regarding pay, you can visit the Fairness and Pay page on Gateway or speak to your Team Manager

Note: The chart on the right shows the pay range (of £25,000 to £39,000) represented through the dotted lines and then the proportion of people above, below and within the range. Individuals can establish their position relative to others in an anonymised way.



Source: Supplementary evidence submitted by the BBC

- 28. Since our January hearing, the BBC has introduced a reformed pay framework. Under this new 'Career Path Framework' (CPF), staff will receive information on the distribution of salaries within their job family and pay range.<sup>53</sup> The BBC argues that this "will provide a level of transparency for staff on pay that is among the best to be found in the UK".<sup>54</sup> An example of the information that will be given to staff is shown below.
- 29. Individuals will now receive information as to whether they fall within the lower quarter, middle half or upper quarter of their pay band. They can also see the percentage of staff receiving salaries above the maximum of their pay range. However, staff are unable to see the numbers of men and women in each quartile. This means that the new framework will be of no use in helping women compare their salaries to those of their male colleagues doing equal work. We were also told, in confidence, that staff have little faith in the CPF. Staff raised concerns that the system simply acts to defend existing inequalities rather than accurately reflecting the work that people do and value that they add. <sup>56</sup>
- 30. Witnesses also argued that the CPF did not go far enough to provide transparency.<sup>57</sup> Under the CPF staff are only able to see the distribution of salaries with their 'job family'. However, some of our witness wanted all available information to be made available to everyone at the BBC.<sup>58</sup> Michelle Stanistreet argued that this would enable staff to better see "precisely where they are [ ... ] in comparison to everybody else that the BBC employs [ ... .] to see where the progression lies".<sup>59</sup>

<sup>53</sup> BBC Supplementary Evidence (PAY0008)

<sup>54</sup> Ibid

<sup>55</sup> Comments made in confidence to the Committee

<sup>56</sup> Ibid

<sup>57</sup> Q 30, Q 36, Q 45

<sup>58</sup> Q 30, Q 36

<sup>59</sup> Q 30

#### **Next steps**

31. We were told that there was a lack of clarity over the factors that the BBC consider when determining salaries. Fran Unsworth provided some information, telling us that the factors considered included "how often [the programme] [ ... ] is on the air, how interested the audience is and where it appears in prominence in running orders". <sup>60</sup> However, we were offered no clarity on the weight afforded to each of these criteria. Further, some of the factors the BBC considered were deemed unfair, for example BBC Women noted that:

We cannot accept that factors cited by management such as 'audience recognition' can be a justification for glaring inequalities of pay [ ... ] In effect the BBC is saying they selected men for the positions, they are on air and therefore exposed to the BBC's audiences and are now recognised by those audiences so should be paid more.<sup>61</sup>

- 32. However, BBC officials argued that there was a need for differentiation within salary bands. For example, Lord Hall told us that there was a difference in the "scope and the scale" of the international editor roles that justified some difference in salaries.<sup>62</sup> However, he did agree that the differences between those jobs had, in the past, "been too big".<sup>63</sup>
- 33. The BBC pay structure lacks central oversight and allows for too much managerial discretion over salaries. Pay decisions for senior positions appear to be made on an ad hoc basis: someone in the executive team agrees a pay settlement, without consideration of what the decision means for others that sit within that same band. The BBC's insistence that Carrie Gracie's underpayment was 'inadvertent' points towards a concerning lack of oversight from senior BBC officials, particularly as there were only four international news editors at the time. This culture of invidious, opaque decision-making must end. In order to prevent misuses of managerial discretion, the BBC must look at the system by which it makes pay decisions. It must ensure that sufficient oversight takes place, and that decisions are based on transparent, objective criteria rather than on the basis of individual personalities, and that managers making the decisions understand the equal pay legal framework within which they must operate.
- 34. While slight differences in salaries may be warranted when individuals do similar jobs with different responsibility levels, the pay bands at the BBC have historically been too wide. Despite senior executives' assurances to us, a lack of clear pay structures and guidelines has left individuals lacking clarity about why they earn what they do, and the ability to make comparisons with colleagues. The publication of salaries has gone a long way to improve equality for those earning over £150,000. While we recognise that it is not feasible to publish every individual salary at every level, we urge the BBC to introduce greater transparency across the board. In particular, staff at all levels should be able to see the numbers of men and women in each quartile so that women can compare their salaries to those of their male colleagues doing equal work, unless those numbers are so small that they would lead to the individual staff member being obviously identifiable. To satisfy staff concerns about equal pay, all of this information needs to be made available to everyone working at the BBC.

<sup>60</sup> Q 182

<sup>61</sup> BBC Women (PAY0003)

<sup>62</sup> Q 82

<sup>63</sup> Q 82

#### High earners list

- 35. As part of the new transparency rules introduced in 2017, the BBC is required to publish a list of all staff earning over £150,000.<sup>64</sup> When the list was first published in 2017 its significant imbalance between men and women generated large amounts of criticism. The BBC has, however, made some progress with this year's high earners list.<sup>65</sup> The number of women paid more than £200,000 has doubled, while the number of men paid more than £500,000 has fallen.<sup>66</sup> The BBC predicts that further progress will be made this year, and by 2018/19, it anticipates that 40% of the highest earning presenters will be female, up from 25% in 2016/17.<sup>67</sup>
- 36. However, at the highest end of the list, there is still a very significant balance in favour of men. This year, all ten of the highest paid presenters were men, and only two out of the top twenty high earners were women.<sup>68</sup> When we put this to Lord Hall he told us that:

I am targeting the top ten and the top twenty of names to get a proper gender balance there for the future. It takes time when you are dealing with contracts that are over many years to make these sorts of changes, but be in no doubt myself and the team want to get to the point when the top twenty is equally distributed between men and women.<sup>69</sup>

- 37. Many of those earning over £150,000 have also been removed from this year's list, as their shows are now produced by BBC Studios, which, as a commercial arm of the BBC, is not covered by the transparency rules. Senior BBC officials told us that, despite equal pay concerns, BBC Studios should continue to be exempt from these transparency rules. Lord Hall argued that as a commercial organisation BBC Studios must be "treated equally to other independent companies", and therefore not be forced to disclose the salaries of its top paid staff. This however misses the point. It has not been suggested that only BBC Studios should be required to publish the salaries of on-screen performers who earn over £150,000 a year, but that this should apply for all programmes commissioned by the BBC, regardless of who makes them. Ultimately, BBC programmes are made with licence fee payers' money, and it makes little sense to say that the salaries of the presenters of long-running shows like 'Strictly Come Dancing', 'Songs of Praise', or 'Question Time' should be excluded from publication where they qualify, just because they are now made by independent production companies.
- 38. The BBC has made some progress in improving the gender balance of this year's high earners list. However, at the highest end of the list, there is still a very significant balance in favour of men, with all ten top earners being men. This is shocking. The BBC needs to commit to concrete targets to ensure that the pay of its high earners has absolutely no discriminatory element to it. We expect the BBC to set these targets by December 2018 so that next year's annual report can set out measurable progress towards these targets.

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Department for Culture, Media and Sport, Royal Charter for the continuance of the British Broadcasting
Corporation, Cm 9365, December 2016, p 19

BBC, Annual Report and Accounts 2017–19, June 2017, p 102–103
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<sup>67</sup> Ibid, p 101 68 Ibid, p 102–103

<sup>69</sup> BBC Annual Report 2017–18, HC 993, Q 83

<sup>70</sup> Ibid, Q 84

<sup>71</sup> Ibid, Q 84

39. BBC Studios, as a commercial arm of the BBC, is not currently covered by transparency rules. This means that staff employed by BBC Studios do not appear on the high earners list, effectively creating a loophole that means the BBC need not disclose the salaries of its top earning talent. This has done little to improve confidence in the BBC's commitment to non-discriminatory pay. In order to restore its credibility, the BBC must commit to publishing the salaries of BBC Studios staff in their 2018/19 Annual Report, and also those of high-earning presenters of other programmes made for the BBC by independent production companies.

#### **Grievances**

40. We were told that the grievance process at the BBC leaves much to be desired. The BBC has chosen to resolve as many grievances cases as possible through an informal process. Where this informal negotiation fails, cases progress to a formal grievance process. Those who had raised a grievance expressed little confidence in the process itself or in its outcomes.<sup>72</sup> They argued that complaints were often subject to large delays and bureaucratic confusion.<sup>73</sup>

#### Informal grievances

41. Anne Bulford, Deputy Director-General of the BBC, told us that the informal process was "extremely rigorous". However, we were told, in confidence, that BBC staff did not agree with this statement. Some members of staff felt that informal grievances often resulted in much smaller pay increases than could be achieved through a formal grievance process. The BBC itself acknowledged that there were some flaws with the informal resolution process, Anne Bulford told us that:

The speed of getting back to individuals is not always good enough. There has been delay for some people that they found unacceptable, which has got them to the conclusion they need to go through to [formal] grievance in order [ ... ] to get attention to their case.<sup>75</sup>

#### Formal grievances

42. The formal grievance processes can also be subject to large delays. The BBC's Grievance Policy states that formal grievances will be concluded within 90 days, unless exceptional circumstances apply.<sup>76</sup> However, to date, of the 78 formal grievances that the BBC has received, only seven have been resolved, while 68 are left outstanding.<sup>77</sup> Over 15% of formal grievances lodged have failed to meet the 90-day deadline.<sup>78</sup> Carrie Gracie was told that her own grievance request would be expedited, yet the case was not resolved until day 89 of 90.<sup>79</sup> Witnesses expressed concerns over the prevalence and length of these delays. Michelle Stanistreet argued that:

<sup>72</sup> BBC Women, evidence to Women and Equalities Committee inquiry into 'Enforcing the Equality Act' (EEA0025)

<sup>73</sup> BBC Women, evidence to Women and Equalities Committee inquiry into 'Enforcing the Equality Act' (EEA0025), O 59, O 45

<sup>74</sup> BBC Annual Report 2017-18, HC 993, Q 47

<sup>75</sup> Ibid, Q 73

<sup>76</sup> BBC, BBC Grievance Policy, April 2018, page 2

<sup>77</sup> Three grievances are currently on hold.

<sup>78</sup> BBC Annual Report 2017–18, HC 993, Q 50

<sup>79</sup> Q7

One of the big problems [is]... the sheer length of time that many of these complaints take. Sometimes it goes far beyond the 90 days and 90 days is [already] a really long period of time [...] the pressure and stress on the individuals involved cannot be overestimated.<sup>80</sup>

43. We heard that the process from informal complaint to grievance and then to appeal could take over a year, with some cases still unresolved after that length of time.<sup>81</sup> The stress caused by the process has deterred many women from seeking redress.<sup>82</sup> Anne Bulford told us that delays occurred because:

Some of these cases are very complex, go back over a long period and involve looking for comparators and checking the history of people named as comparators back through different parts of the BBC over a long period.<sup>83</sup>

In order to reduce these delays, BBC officials told us that they were considering appointing full-time hearing managers to deal with grievances (rather than following the current practice of asking senior staff members to handle grievances alongside their day job).<sup>84</sup> Anne Bulford said "We have just over 200 cases that are in informal resolution stage. Of those, 70 or so we have done the work; we are in conversations with people about what the result of that is."<sup>85</sup> It was of concern to us that the BBC so readily admitted to having 70 employees awaiting a confirmed outcome. Further, the tone of the Deputy Director-General (for instance, her use of the term "conversations") seemed overly relaxed.

44. Witnesses raised concerns over the methodology and the independence of the grievance process itself.<sup>86</sup> The BBC's grievance hearing panels comprise a BBC hearing manager (who is separate from the business area the complainant works in) and an independent appointment from the company Croner. In the event of a dispute between the two members of the panel, the Croner representative receives the casting vote.<sup>87</sup> However, we were told in confidence that BBC women did not feel that Croner was acting impartially. Carrie Gracie told us that:

[Grievances] don't work because we don't trust them. The grievance handling just has to change. We have to have independent managers in charge of grievances. All the money that has been wasted, this is money that could be spent on saving jobs, saving programmes and making good programmes.<sup>88</sup>

45. Further, BBC Women was concerned that, despite it being a right under the law to name salary comparators of her choosing during a grievance case, <sup>89</sup> the BBC has either "resisted any discussion of comparators, talking instead of cohort" or "it has sought

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80 Ibid, Q 59
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<sup>81</sup> BBC Women, evidence to Women and Equalities Committee inquiry into 'Enforcing the Equality Act' (EEA0025)

<sup>82</sup> BBC Women, evidence to Women and Equalities Committee inquiry into 'Enforcing the Equality Act' (EEA0025)

<sup>83</sup> BBC Annual Report 2017–18, HC 993, Q 50

<sup>84</sup> Ibid, Q 51

<sup>85</sup> Ibid, 48

<sup>86</sup> Q 45, comments made in confidence to the Committee

<sup>87</sup> BBC Annual Report 2017–18, HC 993, Q 50

<sup>88</sup> Q 45

<sup>89</sup> BBC Women, evidence to Women and Equalities Committee inquiry into 'Enforcing the Equality Act' (EEA0025)

to introduce other comparators". <sup>90</sup> The BBC's grievance process also fails to include independent job evaluation. We heard that these flaws have deterred many women from coming forward with equal pay complaints. <sup>91</sup>

- 46. The grievance process—both formal and informal—at the BBC leaves much to be desired. Complaints are often subject to long delays and bureaucratic confusion. We understand the good reasons for resolving grievances informally where possible. However, informality is no excuse for a lack of rigour. Informal grievances must be an internally assured process involving individual managers, HR and, where appropriate, legal advice. We were surprised to hear that 70 informal cases are currently unresolved, with what the BBC called "the work" done, but with no result. In order to make the informal grievance process worthwhile, BBC women need to have confidence that it will produce similar results to those that could be achieved through formal grievance. Where women choose to progress with informal complaints, the BBC must commit to dealing with cases efficiently and thoroughly.
- 47. Those grievances that do make it to formal processes also seem to become mired in delay. At the time of writing this report, just seven of 78 formal grievances received by the BBC had been resolved. Over 15% of formal grievances lodged have failed to meet the 90-day deadline. These rates are unacceptable. Staff going through these procedures are currently spending unnecessarily long periods enduring anxiety about outcomes.
- 48. We heard about further shortcomings that must be urgently resolved, for example that the failure to acknowledge named comparators ignores employees' legal rights. Managers must change their approach to this.
- 49. Delays and confusion mean that BBC stafflack confidence in the process itself and in its outcomes. For women who are trying to secure redress for past inequities this is particularly damaging. Many women will continue to be deterred from bringing their complaints forward unless the grievance process is made less bureaucratic, more efficient and more independent.
- 50. The BBC must act urgently to restore confidence in its grievance processes. In order to do this, the corporation must commit to upholding the independence of the process, by placing independent managers in charge of grievances. They should act swiftly to speed up the complaints process by appointing full-time hearing managers. The BBC should state publicly how many grievance cases are still awaiting resolution, and how many of these are claims regarding a lack of equal pay, rather than waiting for FOI requests or Committee inquiries. The BBC should also commit to have completed the grievance process for all existing cases, including making any financial settlements that may be owed, within the next six months.

#### Communication

51. We noticed some common themes across equal pay and the use of PSCs, and thought it worth highlighting these. Staff raised concerns over the BBC's internal communications

<sup>91</sup> BBC Women, evidence to Women and Equalities Committee inquiry into 'Enforcing the Equality Act' (EEA0025)

structures during our sessions on both PSCs and equal pay. We were told that when it comes to these types of issues, the BBC's communications were "laughable". One presenter told us that

The changes made to my pay have never been preceded by an explanatory email, phone call—or warning. I only discover the changes in my tax status and pay through the amount that hits my account.<sup>93</sup>

- 52. The BBC has continually relied upon on staff to come forward and bring these issues to their attention, rather than being proactive. Paul Lewis, the BBC presenter, told us that "It is sad to us that it took [BBC presenters coming forward] to arouse the BBC to say what it was saying late last night about an inquiry". Similarly, Michelle Stanistreet noted that "It has only been under the glare of the public gaze that [the BBC] has started to act" on equal pay issues. 95
- 53. Many staff also felt that they had no one to turn to when it came to raising concerns within the organisation. Liz Kershaw told us that:

"There is nobody to go to [ ... .] Your producer is not interested. If you went to your line manager, executive producer or head of station [they would say] "I don't deal in money" [ ... .] HR, you do not belong to them, they do not want to know". 96

54. The BBC has failed to act on both equal pay and PSCs, launching remedial measures only after receiving both media and public pressure. The corporation has continually relied on individuals who work for them to come forward and bring these issues to their attention. In the future the BBC must operate proactively, rather than waiting for media pressure to push them into action. The BBC must improve internal communications and ensure that its HR service is sufficiently well-resourced that it is available to everyone, so that it can help presenters to raise these kinds of issues.

#### **BBC** reviews

55. The BBC has conducted two reviews to investigate differences in pay between men and women doing equal work. In October 2017 the BBC published its Equal Pay Audit, the review concluded that "high-level job role data" showed no evidence of "systemic gender discrimination" at the BBC.<sup>97</sup> An additional evaluation was carried out for on-air staff in January 2018 which concluded that there was "no evidence of gender bias in pay decision making" but did recognise that "the BBC's approach to setting pay [ ... ] historically has been far from perfect".<sup>98</sup>

<sup>92</sup> Q 290

<sup>93</sup> BBC Presenters (PAY0011)

<sup>94</sup> Q 252

<sup>95</sup> Q 27

<sup>96</sup> Q 265 [Liz Kershaw]

<sup>97</sup> BBC, Equal Pay Audit Report, October 2017, p 1

<sup>98</sup> PwC, On-air Review, January 2018, p 3

- 56. Despite staff concerns over the independence, methodology and conclusions of these reviews, the BBC stands by the conclusions of its equal pay audit and insists that "there is no systemic gender discrimination in the way the BBC pays its staff".<sup>99</sup> It does however acknowledge that "there are issues for the BBC to address".<sup>100</sup>
- 57. However, BBC employees told us that they lacked confidence in the outcomes of both these reviews. We were told that staff "don't trust [these] reports. We don't trust management". Staff criticised both reviews for failing to consult staff adequately. For example, BBC Women noted a lack of trust in the BBC's review of On-Air Talent, stating that:

From the outset we asked to be consulted about its scope, terms of reference and methodology but the BBC went ahead without our input or involvement. Only [ ... ] six months into the process [ ... ] did the BBC agree—not to consult us but to have 'listening sessions' with all women involved. 102

- 58. We were told informally by people within the BBC that presenters questioned the conclusions, validity and methodology of the Deloitte review, which investigated the BBC's use of PSCs. They also questioned whether presenters were ever consulted. The review may therefore present only a partial view of BBC practices regarding on-air talent engagement.
- 59. The BBC has failed adequately to consult their staff during its reviews into both equal pay and Personal Service Companies. By failing to involve those individuals directly affected, the BBC's reviews have also failed to gain the buy-in and confidence of staff. Reviews without staff engagement will not result in impactful conclusions.
- 60. The individuals affected by these reviews need to be consulted from the outset and throughout. In order to gain the buy-in of staff, all reviews should be truly independent, with staff and recognised Trades Unions shaping their scope, terms of reference and methodology.

<sup>99</sup> BBC Supplementary Evidence (PAY0008)

<sup>100</sup> BBC Supplementary Evidence (PAY0008)

<sup>101</sup> Q 45

<sup>102</sup> BBC Women (PAY0003)

# 3 Personal Service Companies

#### The BBC's use of Personal Service Companies

- 61. Personal Service Companies (PSCs) are used as a vehicle to promote the work of an individual or small group of individuals. They are owned and operated by that individual or small group of individuals as a limited company. Legislation (known as IR35) has existed since 2000 to make sure that individuals providing their services through PSCs pay broadly similar PAYE and national insurance contributions (NICs) as they would pay if they were employed directly by their clients.
- 62. Prior to the introduction of the IR35 rules it was possible to circumvent tax requirements by setting up a PSC. By paying corporation tax at 20% and taking a wage, plus dividends from the company, individuals could take an annual income of up to £42,385 without paying any income tax or NICs. Other tax savings were also possible because: companies had greater scope for deducting expenses than employees; dividends could be shared with a spouse; and higher rates of income tax could be avoided by retaining profits within the company.
- 63. The BBC told us that it followed a policy from between 2007 and 2012 to engage presenters via PSCs "where contracts were likely to exceed 6 months in duration or be worth over £10k in value". <sup>103</sup> In 2012, the BBC had 6,123 contracts with PSCs, this included 124 'on-air talents' earning more than £150,000 who were paid through PSCs. <sup>104</sup>
- 64. The BBC insisted that it used PSCs to "retain the creative benefits of a flexible workforce without exposing the licence fee payer to additional risk in areas where a lack of specific HMRC guidance made employment status complex to establish". However, Jolyon Maugham, the tax QC, told us in evidence that there was "a whole raft of advantages" of employing staff using PSCs. For example, using contractors in this way discharged the BBC from any PAYE obligations, enabling it to make large savings in Employers' NICs.
- 65. The BBC would have been able to make further savings, as where an employee is engaged through an intermediary the BBC no longer has an obligation to offer any type of employment rights or workers' rights to reflect a worker's desire for flexible working. <sup>107</sup> Therefore, individuals employed through a PSC have no entitlement to sick pay, holiday pay, maternity leave, pension rights or other benefits, because their contract is with the PSC not the BBC itself.
- 66. Until April 2017, responsibility for complying with tax requirements was the responsibility of the PSC itself, not the BBC. By insisting on the interposition of a Personal Service Company, the BBC could ensure that, if HMRC was to find that an individual was an employee of the BBC, the tax liability would fall on the PSC, rather than the BBC. Jolyon Maugham told us that:

If you look at it purely legally [ ... ] if you are not concerned with the moral quality or the reputational consequence of your actions, then you

<sup>103</sup> BBC further supplementary note on the BBC's position in relation to PSCs (PAY0012)

<sup>104</sup> Deloitte, Review of BBC Freelancer Engagement Model, October 2012, p 19

<sup>105</sup> BBC further supplementary note on the BBC's position in relation to PSCs (PAY0012)

<sup>106</sup> Q 318

<sup>107</sup> Ibid

always insist upon the interposition of a Personal Service Company. If you bring into that equation what corporate social responsibility looks like, what reputational concerns look like, then the equation gets a little more complex. 108

67. While Deloitte's 2012 review of the BBC's Freelance Engagement Model found no evidence to suggest the BBC had engaged with PSCs with an aim of avoiding tax or NICs, it did acknowledge that engaging with PSCs could "generate suspicions of complicity with tax avoidance". Jolyon Maugham told us that the BBC's use of PSCs meant that "the Exchequer has undoubtedly lost out", probably costing HMRC "tens of millions [of pounds]". The pounds of the BBC's Incomplete the B

#### Impact on individuals

68. Witnesses emphasised that PSCs "[left] people adrift when it comes to sick leave and holidays and maternity pay [ ... .] [but] also put people in a very insecure position of work". The BBC presenter Kirsty Lang explained the effect that this had had on her, telling us that:

Not long after I went freelance my stepdaughter died suddenly. I was unable to take bereavement leave. In fact, I went back and did my first show even before her funeral, because I had to get some money in. Then two years after that I was diagnosed with cancer. I had surgery, radiotherapy, chemotherapy, hormone therapy. I worked the whole way through.<sup>112</sup>

69. We received a further dossier of evidence from BBC presenters cataloguing the damaging impacts that these contracts had on individuals. We heard accounts of staff suffering from severe stress, mental health deterioration and financial hardships as a direct result of being pressured to set up PSCs. One individual told us that "my mental health deterioration is absolutely linked to the increased stress of working for the BBC", while another presenter noted that:

The way the BBC has employed me has meant I have lost out on a life-changing sum of money, but it is the emotional cost which is more concerning. I have suffered life-altering levels of stress and worry which affect me daily and have had a deeply detrimental effect on my family, my children, my health and my wellbeing.<sup>115</sup>

#### **Conduct of the BBC**

70. The 2012 Deloitte review found that the BBC operated a "fairly strict policy" of engaging certain categories of on-air talent through PSCs from 2007–2012.<sup>116</sup> However,

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108 Q 320
109 Deloitte, Review of BBC Freelancer Engagement Model, October 2012, p 8
110 Q 323
111 Q77 [Michelle Stanistreet]
112 Q 262
113 BBC Presenters (PAY0011)
114 Ibid
115 Ibid
116 Deloitte, Review of BBC Freelancer Engagement Model, October 2012, p 7
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we heard from many presenters who felt that this policy had been enforced too strictly.<sup>117</sup> Many witnesses told us that they had felt compelled to set up a PSC.<sup>118</sup> For example, Paul Lewis told us that "people certainly felt that they had no choice but to agree to form a PSC" as if you did not do it you did not work".<sup>119</sup> BBC presenters Liz Kershaw and Stuart Linnell both told us that they worked for months without pay after refusing to set up a PSC.<sup>120</sup> Several presenters were also incorrectly told by the BBC that contracting via a PSC was a requirement of HMRC.<sup>121</sup>

- 71. The Deloitte review found "no evidence of any pressure to move staff to PSC arrangements". However, some of the evidence that we received contradicted this finding. We received multiple testimonies from individuals claiming that they had been forced off staff contracts and made to set up PSCs. For example, one presenter told us that "I was forced off a BBC staff contract in order to be allowed to pursue a presenting career". These staff would have then lost all the rights that came with their staff contracts including pension contributions, sick pay, holiday pay and maternity pay.
- 72. Deloitte also noted that many of those with PSCs wanted to remain as freelance staff and "did not want to work on staff contracts". However, we were told that many of those staff affected would like "to become staff employees, with the benefits that then follow". We heard that many presenters were not offered the choice to have a staff contract. This is despite an acknowledgement from Deloitte that some individuals engaged through PSC's "appear to have the characteristics of "staff" and might be expected to be engaged as employees". 127
- 73. HMRC is now in the process of investigating many current and former BBC presenters over claims that they paid incorrect taxes while contracted via a PSC. Some presenters are facing liabilities of hundreds of thousands of pounds in unpaid income tax and NICs. Since we launched our inquiry into this issue, the BBC has committed to set up "a fair and independent process" under the supervision of the Centre for Effective Dispute Resolution (CEDR). We were told that this "process will assess whether it is appropriate or reasonable, given the responsibility to the licence fee payer, for the BBC to make any contribution towards historic demands for Employers' National Insurance Contributions". However, the BBC noted that there will be a very high hurdle for individuals to meet as public money is concerned. 129
- 74. The National Audit Office is currently investigating the BBC's relationship with PSCs. The investigation is examining: why issues with the BBC's engagement with PSCs

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Q 255, Q 260, BBC Presenters (PAY0011)
    Q 255, Q 260, BBC Presenters (PAY0011)
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    Q 255
120 Q 260
    Q 273, BBC Employees (PAY0010), Liz Kershaw (PAY0009)
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122 Deloitte, Review of BBC Freelancer Engagement Model, October 2012, p 41
123 BBC Presenters (PAY0011)
124 Deloitte Review
125 Q 279 [Stuart Linnell]
126 BBC Presenters (PAY0011), 262, BBC Presenters Group
127 Deloitte, Review of BBC Freelancer Engagement Model, October 2012, p 9
128 BBC and Personal Service Companies, BBC Press Release, March 2018
129 Ibid
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have arisen now; what the scale of these issues is; how the BBC has managed engagements with PSCs in the past; and how the BBC and HMRC have interacted with one another on this subject.<sup>130</sup> The investigation is due to conclude later in the autumn.

#### Tax reform changes

- 75. In April 2017, responsibility for complying with tax requirements shifted from the PSC itself to the BBC. As a result of the changes, the BBC decided to stop contracting with freelance staff via PSCs. Many people that were previously employed via a PSC were given new contracts under which they were deemed to be "employed for tax purposes". This meant that, although that PAYE and National Insurance contributions were deducted at source, individuals still receive no entitlement to pension contributions, holiday leave or sick pay.
- 76. We were told that the transition to these contracts was "done in such a cack-handed way that many people have been faced with financial difficulties such as double taxation, no pay, and threats of no work". <sup>131</sup> Individuals raised concerns that they have no idea what their take home pay will be at the end of each month, as it is impossible for them to tell how much NIC and PAYE will be deducted from each month's pay check. <sup>132</sup> One presenter told us that:

I'm expecting my first baby this month. As a single income household, it's been incredibly important that I budget carefully to be able to afford 6 months' maternity leave. However, the BBC's incompetent and haphazard handling of my pay under IR35 over the past year has made it impossible for me to assess my financial situation, and plan and budget for my leave.<sup>133</sup>

- 77. The imposition of personal service companies falls short of the standards that we expect from any responsible employer and especially from the BBC. The corporation should be held to high standards due to its prominence in public life and its public funding. Yet the BBC's 2007–2012 policy of engaging presenters via PSCs has caused "life-altering" financial and emotional consequences for many presenters. The imposition was for purposes that suited the BBC, but not necessarily the interests of its employees. As a direct result of the corporation's actions, many presenters are facing liabilities of hundreds of thousands of pounds in unpaid income tax and national insurance contributions. We have seen strong evidence that the BBC made presenters feel that a PSC was a mandatory condition of work. This is a disgrace.
- 78. The BBC's decision to launch a process under the supervision of the Centre for Effective Dispute Resolution (CEDR) marks a welcome step forward. However, it is regrettable that it took presenters coming forward to this Committee to force the BBC into action. Once again, the BBC seems content to ignore a problem until it is brought into the public eye.
- 79. Many individuals who were previously employed via a PSC are now classed by the BBC as "employed for tax purposes". The way that these contracts have been administered has left individuals with no certainty or consistency as to what their take home pay will

<sup>130</sup> https://www.nao.org.uk/work-in-progress/the-bbcs-engagement-with-personal-service-companies/

<sup>131</sup> Q 252

<sup>132</sup> BBC Presenters (PAY0011)

<sup>133</sup> Ibid

be at the end of each month. This state of affairs cannot continue and the BBC must work with the presenters affected to find a satisfactory solution. Freelance presenters should be engaged as an employee if they are providing services to the BBC unless they are doing so genuinely as someone in business on their own account providing services to numbers of clients including the BBC. As an employee they must then be afforded the rights and protections, including tax rules, that follow. In cases where it is clear that people were coerced into setting up a PSC in order to carry on working for the BBC, and face substantial claims for outstanding tax as a result, then the BBC should offer those individuals compensation for their losses.

# 4 BBC Annual Report 2017/18: Wider issues

#### **Finances**

- 80. Since 2010, when the licence fee was frozen, and the BBC was required to assume responsibility for funding the World Service, subsidising rural broadband and supporting S4C and local television, the funding for its services for UK audiences has fallen in real terms by 18%.<sup>134</sup> Over this period, ITV's income has grown by more than 30% and Sky's by 90% in real terms.<sup>135</sup> The Annual Report highlights a great number of savings accomplished by the BBC. £1.6 billion of savings were recorded over the last Charter period and an additional £244 million of annual savings have been delivered since then.<sup>136</sup> However, to meet its target, the BBC must save another £800m by 2021/22.<sup>137</sup>
- 81. In order to meet its savings targets, the BBC has reduced overheads to 6% of total costs and states that "the proportion of the licence fee we spend on administration is at a record low, while the proportion we spend on content is at a record high".<sup>138</sup> It notes that "The BBC is now operating at, or near to, the frontier for efficiency".<sup>139</sup> However, Lord Hall told us that:

The easier savings have been made. I think it is getting harder for people to see the savings and we have to talk about changes in the nature of the services we offer. 140

82. The BBC has accomplished a great number of savings over the current and previous Charter periods. However, in order to meet its target, it must save another £800m by 2021/22. The BBC accepts that the easier savings have been made and believes that the organisation is now operating at, or near to, the frontier of efficiency. We are concerned that, in delivering the next tranche of savings, the BBC may have to compromise on the quality of services provided to the licence fee payer.

#### Licence fees

83. The Secretary of State for Digital, Culture, Media and Sport sets the level of the TV licence fee, as well as any concessions and payment plans. The licence fee is now £150.50 and will rise with inflation each year. A licence is required for each household where television programmes are watched as they are broadcast, irrespective of the signal method (terrestrial, satellite, cable or online) or the receiving device (TV, computer, mobile phone, tablet or games console). Since 2016, a licence has also been required to watch BBC iPlayer. A licence is not required, however, if a television is only used to watch DVDs, play video games or to watch other channels' catch-up services.

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    134 BBC, Annual Plan 2018/19 March 2018, p 25
    135 Ibid
    136 BBC, Annual Report and Accounts 2018/19
    137 Oral evidence taken on 11 September 2018, HC 993, Q 2
    138 BBC, Annual Plan 2018/19, March 2018, p 4
    139 Ibid
    140 Oral evidence taken on 11 September 2018, HC 993, Q 3
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84. In 2017–18, the BBC received £655.3 million in licence fee income from households with someone aged 75 or over. TV licences have historically been free for such households and this funding has been provided by the Department for Work and Pensions. The obligation for the BBC to take over the funding for free TV licences for the over-75s has been phased in from April 2018, reducing licence fee income by around £200 million in 2018–19. The BBC has previously estimated that this will cost the organisation £725 million by 2020–21. However, Anne Bulford told us that this figure is likely to grow due to the ageing profile of the population and inflation. We were told that the BBC has not currently decided how this will be funded nor whether the current arrangement for over-75s will remain. Lard Hall stated that:

[The arrangement for over-75s] could be the same [ ... ] It could be reformed. There is a whole load of options and we are not in the position at the moment to say, in all honesty, what the right option would be [ ... ] we have to have a proper public consultation about all of that and what we do. $^{145}$ 

85. The obligation to take over licence fee funding for over-75s is likely to cost the BBC over £725 million in revenue by 2020-21. At a time when the BBC's finances are already constricted, this is likely to place a great deal of financial pressure on the organisation. We are concerned that, despite the BBC Board having had over a year to consult on this issue, they seem to have made very little progress. The BBC must start immediate consultation with those who will be affected by the change and must commit to including detailed plans of its proposed actions in next year's annual report.

#### **Netflix and Amazon**

86. The BBC and other broadcasters now face competition from large companies such as Netflix and Amazon which have substantial programme budgets and significant resources. This in turn is driving up the costs of some genres, such as drama, at a time when the BBC's income is falling. Lord Hall argued that in this climate the BBC must focus "on what we really do well, which is UK content, dramas about big UK issues, finding new talent or giving existing talent its voice to do things it might not otherwise do". We were told that, while 'The Crown' cost Netflix £100 million for 20 episodes and was viewed by 14% of UK adults, for the same price the BBC has been able to produce 13 different series of dramas and reach over 75% of the UK population. 147

87. BBC's online platform 'iPlayer' is also continuing to grow steadily. iPlayer now has 15 million people actively signed in each month and overall in 2017 total requests were up by 11%. In comparison 8.15 million households reported that they subscribe to Netflix, 4.27 million to Amazon Video, and 1.5 million to Now TV. These figures have grown substantially since 2016, representing growth of 25% for Netflix, 41% for Amazon Video

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141 BBC, Annual Report and Accounts 2018/19
142 Ibid
143 Oral evidence taken on 11 September 2018, HC 993, Q 6
144 Ibid, Q 9
145 Ibid, Q 9
146 Oral evidence taken on 11 September 2018, HC 993, Q 5
147 Ibid, Q 5
148 BBC, Annual Report and Accounts 2018/19, p 13
149 OFCOM, Response to Channel 4 Corporation's Statement of Media Content Policy 2017/18, p 10
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and 40% for Now TV. While these growth figures are much higher than the 11% growth in iPlayer requests, they are not directly comparable since they start from a lower base. The BBC Annual Plan noted that in order to keep pace with these global players "iPlayer needs to change [  $\dots$  ] This year will see further improvements for iPlayer, including enhancements to the user experience, more personalisation, more live content". 152

- 88. The BBC and Channel 4 have come together to demand new legislation to safeguard the prominence of content from public service broadcasters (PSBs). Alex Mahon, Chief Executive of Channel 4, explained to us that currently "providers of these streaming sticks or set-top boxes also provide their own content offerings, which of course come front and centre, this is all unregulated with no proviso for PSB at all". Both organisations have suggested that the first page of the user interface on any of these platforms should have a prominent position for the players of the PSBs (BBC, Channel 4 and ITV) so that there is guaranteed prominence in these environments for users. 154
- 89. The BBC and other broadcasters now face competition from large companies such as Netflix and Amazon which have substantial programme budgets and significant resources. The arrival of streaming sticks and set-top boxes have altered the television market, leaving a large section of the market unregulated with no proviso for the PSBs. In order to compete with the growing profiles of these global media companies, the BBC must focus on what it does best and deliver unique British content. To keep pace with global players, it must push forward with introducing improvements for iPlayer, enhancing its offerings, user experience, and personalisation levels. In order to ensure the continued survival of PSBs, the Government must to commit to introducing legislation that secures the prominence of public sector broadcasters on streaming sticks and set-top boxes.

#### **BBC Parliament**

90. BBC Parliament remains the only UK television channel dedicated to the coverage of Parliament. It is the only place where the proceedings of the House of Commons and House of Lords can be viewed on a conventional terrestrial television channel, free at the point of use. In July 2018 the BBC announced changes to its coverage of Parliament and politics, including changes to the BBC Parliament channel.<sup>155</sup> The press release stated that BBC Parliament:

Will still broadcast live and replayed coverage of Parliament and the devolved parliaments and assemblies, but will no longer make bespoke programmes and will not air in the weeks when the UK Parliament or the devolved Parliaments and assemblies are not sitting.<sup>156</sup>

91. The key driver of the change is the £80 million of cuts being faced by BBC News, as part of the BBC's wider spending reductions.<sup>157</sup> As part of this press release, the BBC

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150 Ibid
151 Ibid
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<sup>152</sup> BBC, Annual Plan 2018/19, March 2018, p 6

<sup>153</sup> Alex Mahon, speech to Parliament on the importance of PSB prominence, June 2018

<sup>154</sup> Ibid

<sup>155</sup> BBC, BBC announces changes to political programming, July 2018

<sup>156</sup> Ibid

<sup>157</sup> Ibid

also noted that UK Parliament, the devolved assemblies and chambers are increasingly livestreaming their proceedings and that "the BBC will signpost these livestreams alongside our journalism". <sup>158</sup>

- 92. When questioned on the issue, Lord Hall refused to confirm that BBC Parliament would remain as a broadcast channel.<sup>159</sup> He noted that although the BBC would like BBC Parliament to be maintained as a broadcast digital service "there may be a time in the future when everything goes [online only], when we want to migrate [BBC Parliament] to [online only]". While the BBC did note that this would not would not happen within the next year, it refused to give any assurances beyond this period.<sup>160</sup>
- 93. Parliament provides BBC Parliament and all other media with broadcast coverage from all chambers and committees, paying for cameras, microphones and operational staff. The BBC tends to lead subsequent coverage, both editorially and financially. Once a decision has been made by the BBC (for example, to cover a select committee session), UK and international media tend to follow, and the fee charged by Parliament is shared among all interested parties. Over the past year only one other media organisation (Bloomberg) on one occasion has felt able to pay outright for a select committee to be covered.<sup>161</sup>
- 94. The importance of BBC Parliament's work leads us to believe that the BBC must lay out a new strategy for the BBC Parliament channel, developed in collaboration with both Houses, including via their domestic committees. The best mechanism towards achieving this would be the creation of a working group which could consult both Houses in order to develop a new vision of the service.
- 95. A supplementary submission of evidence from the BBC received just before this report was published indicated that the decision about bespoke programmes was still up for discussion. It stated: "Having reflected on this over the summer, we now believe that the edited daily and weekly summary programmes should continue as they provide important reflection and clarity for audiences." 162
- 96. We were concerned to hear about the possibility of BBC Parliament moving to an online only service. The channel remains the only UK television channel dedicated to the coverage of Parliament. It has a unique importance to Parliament as the only place where the proceedings of the House of Commons and House of Lords can be viewed as a conventional terrestrial television channel, free at the point of use.
- 97. The BBC's unwillingness to commit to safeguarding the broadcast channel beyond the coming year is troubling. More than 60% of BBC Parliament's viewers are over 55, and we are deeply concerned that any move towards an online channel would cause a significant number of people to be disconnected from access to Parliament. Beyond this indication of demographics, we found that the BBC had little detailed information about the channel. The BBC must lay out a new strategy for the BBC Parliament channel. This will require careful thought about how this important service can continue to be delivered as a broadcast channel. This thinking should be done via collaboration between the BBC and both Houses, including their domestic committees.

<sup>158</sup> Ibid

<sup>159</sup> Oral evidence taken on 11 September 2018, HC 993, Q 21

<sup>160</sup> Ibid, Q 21

<sup>161</sup> Parliamentary Broadcasting Unit, House of Commons

<sup>162</sup> BBC Supplementary Written Evidence (BAR0001)

In order to do this, the corporation should commit to establishing a working group, aiming to report back to both Houses with a new vision of the service. This should be done swiftly, and certainly by the end of this calendar year. The group should supply more detailed information on the viewing figures for the channel, and projected savings scenarios.

98. Since we took evidence in Salford in September, we have had assurances that changes to BBC Parliament announced earlier this summer may be dropped or amended. The BBC had stated that daily and weekly summary programmes on BBC Parliament may be cut. In supplementary evidence to us the BBC states that it now believes that these programmes should continue as they provide 'important reflection and clarity' for audiences. We welcome this change of heart. We are also pleased that the Speaker's lectures will continue to be broadcast by BBC Parliament.

## Conclusions and recommendations

#### **Equal pay**

- 1. We were highly concerned to hear allegations of equal pay discrimination at the BBC. The experience of former China Editor Carrie Gracie shone a light on this practice. Ms Gracie deserves great credit for using her protracted and distressing ordeal to make points of principle for other women. As a public sector broadcaster, the institution should be setting an example for other organisations, but its approach to pay has been extremely poor. The corporation was unable to give use a good reason for why or how pay discrimination has been left unchallenged for so long. (Paragraph 19)
- 2. The BBC did not help itself by declining to attend our second evidence session on BBC Pay in March of this year. The DCMS Committee is the corporation's only line of accountability to licence fee payers. As a recipient of public money, the BBC should make itself available when requested, especially on a subject such as pay discrimination, a key issue for the nation. (Paragraph 20)
- 3. While the publication of the salaries of staff earning over £150,000 has gone some way towards improving pay transparency, it is regrettable that it took the forced publication of this list and the resultant publicity to push the BBC into action on a longstanding problem. The BBC's reluctance to tackle this issue has resulted in a loss of trust between staff and management. Unless the BBC takes urgent action, many more women may be deterred from coming forward with equal pay complaints. (Paragraph 21)
- 4. The BBC must take urgent action to remove discriminatory pay practice and its legacy from the organisation. This is necessary to start to rebuild trust between staff and senior management. It should publicly acknowledge that it has a pay discrimination problem and set out a comprehensive series of steps, with dates by which those steps will be met, to resolve the pay discrimination. This should include a deadline by which all grievances will be dealt with. The BBC Board should require the Director General to report progress to them on those steps as discriminatory pay is a serious risk issue that the Board should be overseeing. (Paragraph 22)
- 5. The BBC must ensure that robust and transparent structures are put in place to prevent a recurrence of these issues. Management must work to create an environment where staff feel supported and empowered to come forward with equal pay complaints. Where staff come forward with complaints, management must refrain from using unhelpful terminology and talk about these cases in terms of 'equal pay', rather than using euphemisms such as 'fair pay', 'oversights' and pay 'revisions', in an attempt to avoid the issues at hand. The BBC must comply with its equal pay legal duties and ensure that all managers who make decisions on pay understand those legal duties. Training should be provided by BBC HR to ensure that they do. (Paragraph 23)
- 6. The BBC pay structure lacks central oversight and allows for too much managerial discretion over salaries. Pay decisions for senior positions appear to be made on an ad hoc basis: someone in the executive team agrees a pay settlement, without

consideration of what the decision means for others that sit within that same band. The BBC's insistence that Carrie Gracie's underpayment was 'inadvertent' points towards a concerning lack of oversight from senior BBC officials, particularly as there were only four international news editors at the time. This culture of invidious, opaque decision-making must end. In order to prevent misuses of managerial discretion, the BBC must look at the system by which it makes pay decisions. It must ensure that sufficient oversight takes place, and that decisions are based on transparent, objective criteria rather than on the basis of individual personalities, and that managers making the decisions understand the equal pay legal framework within which they must operate. (Paragraph 33)

- 7. While slight differences in salaries may be warranted when individuals do similar jobs with different responsibility levels, the pay bands at the BBC have historically been too wide. Despite senior executives' assurances to us, a lack of clear pay structures and guidelines has left individuals lacking clarity about why they earn what they do, and the ability to make comparisons with colleagues. The publication of salaries has gone a long way to improve equality for those earning over £150,000. While we recognise that it is not feasible to publish every individual salary at every level, we urge the BBC to introduce greater transparency across the board. In particular, staff at all levels should be able to see the numbers of men and women in each quartile so that women can compare their salaries to those of their male colleagues doing equal work, unless those numbers are so small that they would lead to the individual staff member being obviously identifiable. To satisfy staff concerns about equal pay, all of this information needs to be made available to everyone working at the BBC. (Paragraph 34)
- 8. The BBC has made some progress in improving the gender balance of this year's high earners list. However, at the highest end of the list, there is still a very significant balance in favour of men, with all ten top earners being men. This is shocking. However, at the highest end of the list, there is still a very significant balance in favour of men, with all ten top earners being men. This is shocking. The BBC needs to commit to concrete targets to ensure that the pay of its high earners has absolutely no discriminatory element to it. We expect the BBC to set these targets by December 2018 so that next year's annual report can set out measurable progress towards these targets. (Paragraph 38)
- 9. BBC Studios, as a commercial arm of the BBC, is not currently covered by transparency rules. This means that staff employed by BBC Studios do not appear on the high earners list, effectively creating a loophole that means the BBC need not disclose the salaries of its top earning talent. This has done little to improve confidence in the BBC's commitment to non-discriminatory pay. In order to restore its credibility, the BBC must commit to publishing the salaries of BBC Studios staff in their 2018/19 Annual Report, and also those of high-earning presenters of other programmes made for the BBC by independent production companies. (Paragraph 39)
- 10. The grievance process—both formal and informal—at the BBC leaves much to be desired. Complaints are often subject to long delays and bureaucratic confusion. We understand the good reasons for resolving grievances informally where possible. However, informality is no excuse for a lack of rigour. Informal grievances must be an internally assured process involving individual managers, HR and, where

appropriate, legal advice. We were surprised to hear that 70 informal cases are currently unresolved, with what the BBC called "the work" done, but with no result. In order to make the informal grievance process worthwhile, BBC women need to have confidence that it will produce similar results to those that could be achieved through formal grievance. Where women choose to progress with informal complaints, the BBC must commit to dealing with cases efficiently and thoroughly. (Paragraph 46)

- 11. Those grievances that do make it to formal processes also seem to become mired in delay. At the time of writing this report, just seven of 78 formal grievances received by the BBC had been resolved. Over 15% of formal grievances lodged have failed to meet the 90-day deadline. These rates are unacceptable. Staff going through these procedures are currently spending unnecessarily long periods enduring anxiety about outcomes. (Paragraph 47)
- 12. We heard about further shortcomings that must be urgently resolved, for example that the failure to acknowledge named comparators ignores employees' legal rights. Managers must change their approach to this. (Paragraph 48)
- 13. Delays and confusion mean that BBC staff lack confidence in the process itself and in its outcomes. For women who are trying to secure redress for past inequities this is particularly damaging. Many women will continue to be deterred from bringing their complaints forward unless the grievance process is made less bureaucratic, more efficient and more independent. (Paragraph 49)
- 14. The BBC must act urgently to restore confidence in its grievance processes. In order to do this, the corporation must commit to upholding the independence of the process, by placing independent managers in charge of grievances. They should act swiftly to speed up the complaints process by appointing full-time hearing managers. The BBC should state publicly how many grievance cases are still awaiting resolution, and how many of these are claims regarding a lack of equal pay, rather than waiting for FOI requests or Committee inquiries. The BBC should also commit to have completed the grievance process for all existing cases, including making any financial settlements that may be owed, within the next six months. (Paragraph 50)
- 15. The BBC has failed to act on both equal pay and PSCs, launching remedial measures only after receiving both media and public pressure. The corporation has continually relied on individuals who work for them to come forward and bring these issues to their attention. In the future the BBC must operate proactively, rather than waiting for media pressure to push them into action. The BBC must improve internal communications and ensure that its HR service is sufficiently well-resourced that it is available to everyone, so that it can help presenters to raise these kinds of issues. (Paragraph 54)
- 16. The BBC has failed adequately to consult their staff during its reviews into both equal pay and Personal Service Companies. By failing to involve those individuals directly affected, the BBC's reviews have also failed to gain the buy-in and confidence of staff. Reviews without staff engagement will not result in impactful conclusions. (Paragraph 59)

17. The individuals affected by these reviews need to be consulted from the outset and throughout. In order to gain the buy-in of staff, all reviews should be truly independent, with staff and recognised Trades Unions shaping their scope, terms of reference and methodology. (Paragraph 60)

#### **Personal Service Companies**

- 18. The imposition of personal service companies falls short of the standards that we expect from any responsible employer and especially from the BBC. The corporation should be held to high standards due to its prominence in public life and its public funding. Yet the BBC's 2007–2012 policy of engaging presenters via PSCs has caused "life-altering" financial and emotional consequences for many presenters. The imposition was for purposes that suited the BBC, but not necessarily the interests of its employees. As a direct result of the corporation's actions, many presenters are facing liabilities of hundreds of thousands of pounds in unpaid income tax and national insurance contributions. We have seen strong evidence that the BBC made presenters feel that a PSC was a mandatory condition of work. This is a disgrace. (Paragraph 77)
- 19. The BBC's decision to launch a process under the supervision of the Centre for Effective Dispute Resolution (CEDR) marks a welcome step forward. However, it is regrettable that it took presenters coming forward to this Committee to force the BBC into action. Once again, the BBC seems content to ignore a problem until it is brought into the public eye. (Paragraph 78)
- 20. Many individuals who were previously employed via a PSC are now classed by the BBC as "employed for tax purposes". The way that these contracts have been administered has left individuals with no certainty or consistency as to what their take home pay will be at the end of each month. This state of affairs cannot continue and the BBC must work with the presenters affected to find a satisfactory solution. Freelance presenters should be engaged as an employee if they are providing services to the BBC unless they are doing so genuinely as someone in business on their own account providing services to numbers of clients including the BBC. As an employee they must then be afforded the rights and protections, including tax rules, that follow. In cases where it is clear that people were coerced into setting up a PSC in order to carry on working for the BBC, and face substantial claims for outstanding tax as a result, then the BBC should offer those individuals compensation for their losses. (Paragraph 79)

#### BBC Annual Report 2017/18: Wider issues

21. The BBC has accomplished a great number of savings over the current and previous Charter periods. However, in order to meet its target, it must save another £800m by 2021/22. The BBC accepts that the easier savings have been made and believes that the organisation is now operating at, or near to, the frontier of efficiency. We are concerned that, in delivering the next tranche of savings, the BBC may have to compromise on the quality of services provided to the licence fee payer. (Paragraph 82)

- 22. The obligation to take over licence fee funding for over-75s is likely to cost the BBC over £725 million in revenue by 2020–21. At a time when the BBC's finances are already constricted, this is likely to place a great deal of financial pressure on the organisation. We are concerned that, despite the BBC Board having had over a year to consult on this issue, they seem to have made very little progress. The BBC must start immediate consultation with those who will be affected by the change and must commit to including detailed plans of its proposed actions in next year's annual report. (Paragraph 85)
- 23. The BBC and other broadcasters now face competition from large companies such as Netflix and Amazon which have substantial programme budgets and significant resources. The arrival of streaming sticks and set-top boxes have altered the television market, leaving a large section of the market unregulated with no proviso for the PSBs. In order to compete with the growing profiles of these global media companies, the BBC must focus on what it does best and deliver unique British content. To keep pace with global players, it must push forward with introducing improvements for iPlayer, enhancing its offerings, user experience, and personalisation levels. In order to ensure the continued survival of PSBs, the Government must to commit to introducing legislation that secures the prominence of public sector broadcasters on streaming sticks and set-top boxes. (Paragraph 89)
- 24. The BBC must lay out a new strategy for the BBC Parliament channel, developed in collaboration with both Houses, including via their domestic committees. The best mechanism towards achieving this would be the creation of a working group which could consult both Houses in order to develop a new vision of the service. (Paragraph 94)
- 25. We were concerned to hear about the possibility of BBC Parliament moving to an online only service. The channel remains the only UK television channel dedicated to the coverage of Parliament. It has a unique importance to Parliament as the only place where the proceedings of the House of Commons and House of Lords can be viewed as a conventional terrestrial television channel, free at the point of use. (Paragraph 96)
- 26. The BBC's unwillingness to commit to safeguarding the broadcast channel beyond the coming year is troubling. More than 60% of BBC Parliament's viewers are over 55, and we are deeply concerned that any move towards an online channel would cause a significant number of people to be disconnected from access to Parliament. Beyond this indication of demographics, we found that the BBC had little detailed information about the channel. The BBC must lay out a new strategy for the BBC Parliament channel. This will require careful thought about how this important service can continue to be delivered as a broadcast channel. This thinking should be done via collaboration between the BBC and both Houses, including their domestic committees. In order to do this, the corporation should commit to establishing a working group, aiming to report back to both Houses with a new vision of the service. This should be done swiftly, and certainly by the end of this calendar year. The group should supply more granular information on the viewing figures for the channel, and projected savings scenarios. (Paragraph 97)
- 27. Since we took evidence in Salford in September, we have had assurances that changes to BBC Parliament announced earlier this summer may be dropped or amended. The

BBC had stated that daily and weekly summary programmes on BBC Parliament may be cut. In supplementary evidence to us the BBC states that it now believes that these programmes should continue as they provide 'important reflection and clarity' for audiences. We welcome this change of heart. We are also pleased that the Speaker's lectures will continue to be broadcast by BBC Parliament. (Paragraph 98)

# Formal minutes

#### **Tuesday 23 October 2018**

Damian Collins, in the Chair

Julie Elliott Brendan O'Hara

Simon Hart Rebecca Pow

Julian Knight Jo Stevens

Ian Lucas Giles Watling

Draft Report (BBC Annual Report and Accounts 2017-18: Equal Pay at the BBC), proposed by the Chairman, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 98 read and agreed to.

Summary agreed to.

*Resolved*, That the Report be the Sixth Report of the Committee to the House.

*Ordered*, That the Chair make the Report to the House.

*Ordered*, That embargoed copies of the Report be made available, in accordance with the provisions of Standing Order No.134.

[Adjourned till Wednesday 24 October 2018 at 2.00 p.m.

### Witnesses

#### **BBC Annual Report and Accounts 2017–18**

The following witnesses gave evidence for the inquiry on BBC Annual Report and Accounts 2017–18. Transcripts can be viewed on the <u>inquiry publications page</u> of the Committee's website.

#### **Tuesday 11 September 2018** Question number

**Lord Hall**, Director General, BBC, and **Anne Bulford OBE**, Deputy Director General, BBC

Q1-101

#### **BBC Pay**

The following witnesses gave evidence for the inquiry on BBC pay. Transcripts can be viewed on the inquiry publications page of the Committee's website

#### Wednesday 31 January 2018

**Carrie Grace**, Journalist, and **Michelle Stanistreet**, General Secretary, National Union of Journalists

Q1-80

**Lord Hall**, Director General, BBC; **Sir David Clementi**, Chairman, BBC Board; **Anne Bulford**, Deputy Director General, BBC; and **Fran Unsworth**, Director of BBC News and Current Affairs

Q81-251

#### **Tuesday 20 March 2018**

**Liz Kershaw**, Radio Broadcaster with BBC 6 Music; **Kirsty Lang**, BBC Journalist and Broadcaster; **Paul Lewis**, BBC Journalist and Broadcaster, and **Stuart Linnell MBE**, Radio Broadcaster with BBC Northampton

Q252-316

Jolyon Maugham QC, tax lawyer, Devereux Chambers

Q317-339

## Published written evidence

#### **BBC Annual Report and Accounts 2017–18**

The following written evidence was received and can be viewed on the <u>inquiry publications</u> page of the Committee's website.

BAR numbers are generated by the evidence processing system and so may not be complete.

1 BBC Supplementary written evidence (BAR0001)

#### **BBC Pay**

The following written evidence was received and can be viewed on the <u>inquiry publications</u> page of the Committee's website.

PAY numbers are generated by the evidence processing system and so may not be complete.

- 1 BBC employees (PAY0010)
- 2 BBC further supplementary BBC's response to Committee's questions (PAY0014)
- BBC further supplementary note on the BBC's position in relation to PSCs (PAY0012)
- 4 BBC presenters (PAY0011)
- 5 BBC supplementary evidence (PAY0008)
- 6 BBC Women (PAY0003)
- 7 Cass Business School (PAY0005)
- 8 Letter from the Chair to Lord Hall, Director-General, BBC, 27 April 2018 (PAY0013)
- 9 Liz Kershaw (PAY0009)
- 10 Mr Andy White (PAY0004)
- 11 National Union of Journalists (PAY0002)
- Professor Jill Rubery, Director, Work and Equalities Institute, Alliance Manchester Business School (PAY0007)

# List of Reports from the Committee during the current Parliament

All publications from the Committee are available on the <u>publications page</u> of the Committee's website. The reference number of the Government's response to each Report is printed in brackets after the HC printing number.

#### **Session 2017–19**

First Report	Appointment of the Chair of Ofcom	HC 508
Second Report	The potential impact of Brexit on the creative industries, tourism and the digital single market	HC 365 (HC 1141)
Third Report	Appointment of the Chair of the Charity Commission	HC 509 (HC 908)
Fourth Report	Combatting doping in sport	HC 366 (HC 1050)
Fifth Report	Disinformation and 'fake news': Interim Report	HC 363 (HC 1630)
First Special Report	Appointment of the Chair of the Charity Commission: Government Response to the Committee's Third Report of Session 2017–19	HC 908
Second Special Report	Combatting doping in sport: Government Response to the Committee's Fourth Report of Session 2017–19	HC 1050
Third Special Report	Failure of a witness to answer an Order of the Committee: conduct of Mr Dominic Cummings	HC 1115
Fourth Special Report	The potential impact of Brexit on the creative industries, tourism and the digital single market: Government Response to the Committee's Second Report of Session 2017–19	HC 1141
Fifth Special Report	Disinformation and 'fake news': Government Response to the Committee's Fifth Report of Session 2017–19	HC 1630