



British Broadcasting Corporation  
Broadcasting House, London W1A 1AA

From the Director-General

1 March 2024

Dame Meg Hillier MP  
Chair, Public Accounts Committee  
House of Commons  
London SW1A 0AA

Dear Chair,

Thank you for the opportunity to give evidence to your Committee on the BBC's Across the UK programme on Monday 19 February. We promised to respond to a number of points in writing which I attach to this letter.

As outlined in the session we're pleased with our progress in delivering Across the UK to date. We remain on-track to deliver the original ambitions of the programme and significant change within the BBC, in addition to growing regional creative clusters in partnership with other commissioners and local partners.

We welcome the NAO's review and have already implemented several changes following their report. We remain committed to delivering the remainder of the programme but, as you are aware, will have to do so in the context of increasing financial challenges within and outside the organisation.

If the Committee requires any further information on our responses within then please do not hesitate to get in touch.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'T. Davie'.

**Tim Davie**  
**Director-General**

encl.



## **1. IR35 (Q12)**

Mr Grant requested specific information on the type of questions we may ask to determine if a presenter is self-employed and whether it is necessary for us to ask about the work that presenters do for other engagers.

For background there are three limbs to the employment status test, as set out in case law, which we follow to determine the nature of employment.

Firstly, we consider whether a personal service is being carried out and whether there is a mutuality of obligation. The courts have determined this applies in the vast majority of all presenter contracts.

Secondly, we have to consider the level of control a presenter has over their work. This includes considering the level of discretion they may have over how their work is undertaken, where it is undertaken and when. A framework of control has been considered by courts to exist for all presenters to a larger or lesser degree. For example, even Kaye Adams was considered to have modest control over how she did her work.

Finally, we consider any other factors and the “business in their own account” test. This is where we ask about the work that presenters do for other engagers. We appreciate it can be invasive, but we need to be able to demonstrate, in the case of a PAYE audit, that we have considered this point robustly otherwise the BBC will be liable for PAYE and NIC on their fees.

We generally undertake our own research into an individual’s external work – as normally much of their activity is publicly known. Any request we make for further information from an individual is requested on a voluntary basis and normally on cases where we are concerned that we will be unable to demonstrate that the individual is in “business in their own account”. If someone is not willing to share this information then they will likely be paid via the payroll.

Requesting this information is not a legal requirement per se, but it is underpinned by case law, and if we cannot satisfy ourselves that someone has a business then we have a legal/statutory requirement to apply PAYE and NIC.

## **2. BBC Concert Orchestra (Q37)**

The Committee requested a timeline to be provided of the decision not to relocate the BBC Concert Orchestra (BBC CO) outside of London.

A key driver of the planned move originally was that the BBC CO was given notice to vacate its rehearsal and management base at the Watford Colosseum at the end of its lease and was therefore required to find a new base. Nottingham was identified as the preferred base for the BBC CO due to low levels of orchestral provision in the East Midlands and interest from partners. There was also further support from Arts Council England for this proposed move.

The BBC explored several options for the move to Nottingham, but could not secure a long-term move with suitable accommodation at an affordable cost. Subsequently, the BBC’s Classical Review considered changes to the scope and operations of the BBC’s Performing Groups and it was decided to amend the BBC’s plans and for the BBC CO to remain headquartered in London at the new BBC Music Studios in East Bank, with an ambitious partnership with Nottingham for outreach and performances in the city and the East Midlands.

A full timeline is as follows:

- BBC announced in **March 2021** that we would move an orchestra outside the M25.
- The new Director of the BBC CO took up post in **September 2021** and was tasked with moving the BBC CO outside the M25. Nottingham was identified as the preferred location.
- From **October 2021** a series of full orchestra meetings let musicians, management and production voice their thoughts about the move, supported by an all-day workshop in December 2021 with a self-selected working group of musicians and staff to develop examples of future activity in a relocated CO.
- The BBC published the recommendations from its Classical Review in **May 2022**, with emphasis on learning, opening up the sector and working in partnership.
- A full CO relocation proposal was developed through 2022 with partners in Nottingham and presented internally within the BBC in **January 2023**. Due to value for money, affordability and external factors outside of our control we were unable to progress the full relocation proposal.
- In **March 2023**, the BBC published its new Classical Strategy, which responded to the recommendations from the 2022 Review, within which it was confirmed the BBC CO would remain headquartered in London at East Bank.
- Following the publication of the Strategy, a residency-based model was then developed with partners and in consultation with staff.
- The Nottingham Universities partnership was agreed and announced in **June 2023**, and launched in **September 2023**.
- A formal change request to remove the BBC CO move from the scope of Across the UK was agreed in **September 2023**, alongside the formal launch of the Nottingham activity.

### **3. Evaluation Methodology (Q53)**

As discussed in the evidence session, we believe we have set out a clear evaluation framework as part of our baseline business case with clear input measures and metrics. The baseline year for all evaluation measures is FY2019/20.

We were clear at the programme outset that the full audience and economic evaluation framework would be confirmed in Phase 2 of the programme, as the measures and metrics were complex in their design but also dependent on programming moved during Phase 1.

A summary of the evaluation methodology, including measure, metric, measurement frequency and status, is included overleaf.

Measure	Category	Metric	Deadline	Measurement Frequency	Status
BBC production and capital investment	Audience value (input)	£700m cumulative value	Dec 2027	Monthly	On Track
TV Network Expenditure	Audience value (input)	60% of network spend	Dec 2027	Monthly	On Track
Audio Network Expenditure	Audience value (input)	50% of network spend	Mar 2028	Monthly	Behind Plan (but with agreed additional plans to address)
News story teams	Audience value (input)	At least 50% of teams outside London	Dec 2027	Monthly	Achieved
Drama and Comedy commissions	Audience value (input)	At least 100 new and returning titles	Dec 2025	Monthly	Achieved
Reduce audience perception gap between regions	Audience value (output)	Statistically significant reduction in regional perception gap	Dec 2027	Annual	In Progress (methodology agreed and measurement in progress)
Delivery of Regional MOUs (West Midlands and North East)	Creative value (input)	Number of titles moved (W Mids) £25m of production spend by 2027 (NE)	Dec 2027	Quarterly	On Track (achieved in W Mids)
Growth of regional clusters	Creative value (Output)	Quantify BBC impact on growth of regional clusters	Dec 2027	Periodic	On Track
Growth of BBC employment across the UK	Economic value (Input)	Move c.400 roles outside of London	Dec 2027	Monthly	On Track

BBC Apprentices	Economic value (Input)	Support 1,000 apprentices in any year across the UK (80% outside of London for early careers, 51% for staff)	Dec 2025	Monthly	Behind Target (currently on track against FY23/24 plan for overall numbers, but currently below 80% target)
BBC Apprentice Hub	Economic value (Input)	Support 400 apprentices in West Midlands	Mar 2028	Monthly	Behind Target (demand led)
Economic Impact of ATUK investment (GVA)	Economic value (Output)	£850m additional economic benefit from ATUK investment	Mar 2028	Annual	In Progress (methodology agreed and measurement in progress)

For clarity, measurement of economic inputs for GVA measurement has been modified to every 6 months as a result of streamlining internal processes. The BBC also has commissioned external economic analysis of its impact in Digbeth and the West Midlands.

#### 4. Local Hires (Q76)

As requested by the committee, please see below for the latest analysis of new recruits joining the BBC as a result of the Across the UK programme by staff grade:

Staff Grade	% of Local Recruits
B	4.7
C	37.3
D	40.3
E	14.2
F	2.6
SL	0.9

#### 5. Apprenticeships (Q78)

In 2021 the BBC set out plans to hit workplace diversity and inclusion targets of 50% of staff to be women; 20% to be BAME; and 12% to identify as disabled. We subsequently added a further target of 25% of staff to come from a lower socio-economic background.

As of February 2024, we are meeting and surpassing all of these targets with the exception of our SED target where we are currently at 23% as opposed to a target of 25%. Our current diversity data among apprentices is as follows:

Metric	Target	Status
Female	50%	55%
BAME	20%	24%
Disabled	12%	16%
SED	25%	23%