



Meeting of the BBC Audit and Risk Committee

SUMMARY MINUTES

Wednesday 18 March 2026
Broadcasting House, London

ITEMS OF BUSINESS

1. Committee business
 - a) Apologies and conflicts of interest
 - b) Minutes and matters arising from the 20 November ARC
2. Finance, reporting and Group audit
 - a) Annual Report and Accounts - overview
 - b) Accounting matters
 - c) Draft Going Concern and Viability Statement
 - d) Sustainability reporting
 - e) NAO interim audit update
 - f) AQR report on BBC Group audit
3. Board declaration on controls update
 - a) ICFR Implementation Update
 - b) Draft Material Controls Declaration Under P29 of the UK Corporate Governance Code
4. Risk and compliance
 - a) Quarterly risk and compliance report
 - b) Key Supplier Risk Update and Risk Appetite
5. Internal Audit and Assurance
 - a) Quarterly Internal Audit and Assurance report
 - b) Audit and Assurance annual plan 2026/27
 - c) Fair Trading assurance
6. Transformation portfolio report
7. AOB and for noting
 - a) S4C assurance report

ATTENDANCE

Members:

- Chris Jones Non-executive director (Chair)
- Michael Plaut Non-executive director

Board members present:

- Leigh Tavaziva Group Chief Operating Officer
- Bérangère Michel Group Chief Financial Officer

With:

- Balram Veliath Director, QRA
- Claire Rollo National Audit Office, Director
- Bethan Rees National Audit Office, Manager
- Chris Sandford Company Secretary
- Jody Ford Non-executive director, observer
- Rhodri Talfan Davies Executive director, observer
- Holly King Grp. Financial Controller (2,3)
- Danielle Mulder Director, Sustainability (2d)
- Jon Penny Interim Commercial FD (3)
- Gurdip Ryatt Head of Risk (3b,4)
- Rob Skidmore Director, Procurement (4b)
- Peter Tansley Director, Internal Audit (5,6)
- Chris Rowsell Controller, Regulation (item 5c)
- Eddy Datubo Director, Transformation (6)

AUDIT AND RISK COMMITTEE SUMMARY MINUTES – 18 March 2026

1. Minutes and matters arising from the 20 November Audit and Risk Committee

1.1 The minutes were approved and matters arising were noted.

2. Finance, reporting and Group audit

a) Annual Report and Accounts - overview

2.1 The Committee reviewed a paper on the structure and narrative of the Annual Report and Accounts for 2025/26, including deadline for approval of sections by sponsors and those under whose name the sections will appear in the ARA. The need for the drafting and tone to be fair, balanced and understandable was emphasised.

b) Accounting matters

2.2 The Committee discussed an overview of key risks and issues being considered by the Executive in the year end process. Positive work to bring elements of the process forward was noted and welcomed. The handling of property assets, including the financial arrangements for London Broadcasting House was noted, along with work on the treatment of tax issues. The treatment of the East Bank project was discussed and the need to ensure a clear focus on judgements and estimates relating to it was agreed. The paper was noted.

c) Draft Going Concern and Viability Statement

2.3 The draft assessment of going concern and viability was discussed, with an early view of sensitivity and scenario testing presented ahead of discussing the budget at the Board. The update was noted.

d) Sustainability reporting

2.4 The Committee were briefed on changes to reporting requirements for sustainability and net zero matters, including around changes to classification of scope 1 and 2 emissions. The changes were seen as positive and would incentivise the right kind of behaviour, and good collaboration with the industry was noted. The changes were noted and it was agreed there was again a need to ensure a fair and balanced presentation in disclosure in the Annual Report.

e) NAO interim audit update

2.5 The NAO presented an update on the progress of the Group audit, with good progress on key risk areas. It was noted that the risks had not significantly changed and were

broadly similar to prior years, other than the addition of the London property financing arrangements. The NAO's update was noted and good progress was welcomed.

f) AQR report on BBC Group audit

- 2.6 The Committee noted the FRC's Audit Quality Report covering the NAO's audit of the BBC Group. The positive findings of the report were noted, as well as steps to be taken in response. The ARC Chair would offer to meet with the AQR team.

3. Board declaration on controls update

a) Internal Controls over Financial Reporting "ICFR" Implementation Update

- 3.1 The Committee noted an update on implementation of new ICFR rules, with good work and collaboration happening across the Group to focus on areas of highest risk. A deep dive session with Committee members would to be arranged at the right time, to look at controls overall. It was agreed that the Committee's oversight of the project to enhance and test key financial controls should be referred to specifically in the Annual Report for 2025/26. The Committee also noted the importance of relativity of any shortfalls of ICFR controls against those in other areas of the business.

b) Draft Board Material Controls Declaration Under P29 of the UK Corporate Governance Code

- 3.2 The Committee also reviewed a draft material controls declaration for the 2027 Annual report, in line with the updated provision 29 in the FRC's Corporate Governance Code. The draft was being presented at an early stage ahead of 2027 reporting requirements. It was agreed the Board would be updated again on the new requirements, process and their role in terms of making a declaration on the adequacy of controls. This would be scheduled for the autumn. It was agreed the next ARC meeting would review the position on remaining risk appetites and agree how the progress of the project would be reported in 2026. The Committee also noted the need to be clear about relativity between those risks which were more binary and those which were more difficult to measure.

4. Risk and compliance

a) Quarterly risk and compliance report

- 4.1 The risk report for the last quarter was reviewed, noting that a separate ad hoc session had been held on cyber and tech reliance risks. The latest position in terms of market risks was also noted, including the development of a new approach to YouTube, recently launched. Ongoing oversight of staff safety risks in the Middle East was noted.

Impartiality risk tracking would be undertaken by the Editorial Standards Committee. The report was noted.

b) Key Supplier Risk Update and Risk Appetite

- 4.2 The Committee discussed a deep dive on procurement and key supplier risk appetite. The current risk appetite was noted. It was agreed to take stock again later in the year, following further assessment of the supplier map, to establish if the appetite level could or should be higher and the likely costs and resource of doing so. An update on progress would come back to the Committee later in the year, after a check-in point on the review work in September.

5. Internal audit and assurance

a) Quarterly Internal Audit and Assurance report

- 5.1 The Committee reviewed the quarterly report and the findings of audits during the period. Responses from management on audits where significant improvement was found to be required would come to the next meeting. The position in relation to overdue actions was noted, along with progress against the 2025/26 plan. The report was noted.

b) Audit and Assurance annual plan 2026/27

- 5.2 The Internal Audit annual plan for 2026/27 was discussed, having been developed in discussion with key stakeholders, noting a small reduction in overall number of audits, but increased focus on editorial areas and also a number of complex tech audits to be undertaken. The plan was approved subject to the points raised in discussion. Further Executive Committee oversight and input into the plan would be considered as the year progressed.

c) Fair Trading assurance

- 5.3 The Committee noted an update on work to undertake the annual fair trading assurance, now led by the Internal Audit team. Work was ongoing to test the design and operation of controls. The Committee agreed an outline plan for disclosure, to include a short report in the Committee's section of the Annual Report, with a fuller report provided to ARC for review. There would also be the publication of a consolidated set of documents under the requirements of the trading and separation rules. Ofcom were understood to be content with the use of IA rather than a third party and the Chair had met with their team to discuss the matter with them.

6. Transformation portfolio report

- 6.1 The Transformation portfolio report was noted. Work was underway to design the next phase savings programme and the Committee noted the process by which this would be assessed for inclusion on the portfolio. The move of the sustainability project into BAU was noted.

7. AOB and for noting

a) S4C assurance report

- 7.1 The bi-annual assurance report from S4C was noted.
- 7.2 There were no other items of business.