

**MINUTES OF THE MEETING OF  
THE JOINT STEERING GROUP (“JSG”) HELD  
ON 20 JUNE 2007 AT RIVERSIDE HOUSE**

**Present:**

Philip Graf (PG)	Chair – Ofcom
Diane Coyle (DC)	BBC Trust
Christopher Woolard (CW)	BBC Trust
Jeremy Peat (JP)	BBC Trust
Tim Suter (TS)	Ofcom

**In attendance:**

[Withheld from published minutes – other Ofcom Colleague]

**By invitation:**

Mark Caines (MC)	Ofcom
Gareth Davies (GD)	Ofcom
[Withheld from published minutes – other Ofcom Colleague]	
[Withheld from published minutes – other BBC Trust Colleague]	
[Withheld from published minutes – other Ofcom Colleague]	
Charles Jenne (CJ)	Ofcom
[Withheld from published minutes – other Ofcom Colleague]	
[Withheld from published minutes – other BBC Trust Colleague]	

**Apologies:**

Peter Culham (PC)	Ofcom
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**1. Minutes**

The minutes from the meetings of 24 April 2007 and 17 May 2007 were agreed as an accurate record, subject to clarification of item 1 in the minutes of the meeting held on 17 May 2007, dealing with costs of an average MIA and estimate for the HDTV MIA.

**2. Matters Arising – Budget/Cost Estimates**

JSG was reminded of discussions between the Ofcom Finance team and the BBC Trust officials (the “Trust”) on MIA budgets. The agreed budget for this year was based on 4.5 MIAs with an average direct cost of [Withheld from published minutes] per MIA, plus programme management costs and overheads. The figure of [Withheld from published minutes] was somewhat above the [Withheld from published minutes] estimate provided in September 2006. This reflected the fact that, as discussed at previous JSGs, the outturn costs for the iPlayer MIA and the agreed budget for HDTV were above the estimates provided in September 2006. The Trust requested that they be supplied with additional information on the main cost drivers, with reference to a typical MIA.

PG undertook to consider what additional information could be provided to the Trust before the next meeting. Additionally, PG assured the Trust that all efforts were being made to manage costs appropriately on a continuing basis.

**3. Conflicts of Interest**

No conflicts of interest were declared.

**4. HDTV (Update)**

[Withheld from published minutes] provided an update on the consumer research for the MIA, noting that Ofcom had planned to carry out three different types of consumer research: a survey of 400 HDTV subscribers; a diary study of 10 HDTV subscribers to provide a sense-check on the survey results; and a survey of a representative sample of the UK population. It

was noted that Ofcom was proceeding with the first two of these research elements, but had de-commissioned the third. The third element was not taken forward, as it overlapped with the consumer research carried out by the Trust Unit. As such, Ofcom would also draw on the Trust Unit's consumer research.

[Withheld from published minutes] gave an overview of the approach to analysing the counterfactuals. It was noted that the Ofcom team would seek to draw on BBC management's modelling in reaching a view on the possible counterfactuals, and that Ofcom would consider the market impacts under different scenarios – a central case (based on the BBC's modelling), and higher and lower cases. It was agreed that the Ofcom and Trust Unit teams would continue to liaise on the subject of the counterfactual.

Costs: The meeting was reassured by Ofcom that work remained within budget for the HDTV MIA. There would be a further update of performance against budget at the next JSG meeting.

It was agreed that the Ofcom team would bring a paper to the next JSG meeting on the products and services likely to be affected by the BBC's proposed HDTV channel.

#### **5. JSG constitution – proposal to amend Annex 6 to the MoU – Paper JSG 9(07)**

The meeting considered and briefly discussed the proposed amendments to Annex 6 of the JSG constitution which had been circulated prior to the meeting.

It was noted that a formal approval was required from the BBC Trust Board as part of an ongoing wider exercise and the JSG would be notified as soon as approval had been given.

It was agreed that Ofcom and BBC Trust would 'hold back' until formal approval had been given by the Trust Board and then make arrangements for signature and web publication.

#### **6. Future MIAs – identity & timing**

The meeting was advised of a number of potential PVTs which could take place toward the end of 2007, although these would depend on the timing of applications from the BBC management.

It was noted that future MIAs on the horizon included [Withheld from published minutes]. The timing of other MIAs was less certain.

#### **7. Schedule of future meetings/arrangements – Paper JSG 10(07)**

A schedule of forthcoming meetings, previously circulated, was noted and the meeting discussed the various options.

Following discussions regarding approval of the HDTV MIA, JSG agreed that the meeting arranged for Wednesday, 19 September 2007 be rescheduled for Monday 17 September 2007 and members attendance at this meeting would be by telephone. Time of the meeting to be decided in due course.

The meeting was reminded that JSG was expected to switch its chairmanship from Ofcom to the BBC Trust. It was agreed that due to some of the anticipated MIAs in the pipeline, the switch of chairmanship and place of meetings would not take place till March 2008. It was requested that the joint Ofcom/BBC Secretariat department put in place a procedure to monitor the alternating procedures from the first or second quarter of 2008. MH to liaise with [Withheld from published minutes – other Ofcom Colleague].

#### **7. Any other business**

It was noted that the Trust was in the process of publishing the minutes of the meetings held in 2006 on the Trust website.

**8. Date of Next Meeting**

The date and timing of the next JSG meeting would be advised in due course.