From the Director-General
12 July 2019

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

Dear Ms Hillier,

Thank you for your letter regarding the BBC’s response to the Public Accounts Committee’s report on Renewing the EastEnders set.

I note that you request further information on the E20 project. As we said in our response, the project is overseen by the Board, with specific detailed assurance by the Audit and Risk Committee, and we continue to believe this is the right approach. Alongside the regular Board-level reporting on the Critical Projects Portfolio which we have agreed to share, the Audit and Risk Committee takes a detailed quarterly report on the E20 project, which includes information on timescales, budget, contingency, risks and benefits. The NAO has full access to this reporting.

Our initial response to your recommendations was agreed by the Audit and Risk Committee on behalf of the Board and, should we amend this approach, I would want to engage with the Committee again to agree our position. I will do so and write back to you in due course.

With regard to recommendation 2, updating the committee on the processes to ensure the right skills are in place for all of the BBC’s critical projects, the BBC had committed to responding fully in July 2019, in line with the committee’s request in the Renewing the EastEnders set report. I’ve included our full response, fulfilling this agreement.

You’ll see that following the publication of the NAO and PAC reports, the BBC’s Programme Management Office (PMO) undertook a thorough
examination into the current resourcing status of our Critical Projects Portfolio. Subsequent to this, the PMO is developing an action plan to address the common risk themes identified.

I hope this response assures you that action has been taken to address your specific concerns.

Best wishes,

Lord Hall of Birkenhead
Director-General

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BBC Response to Public Account Committee’s
Eighty-Seventh Report of Session 2017-19

This document is a response to Recommendation 2 of the Public Accounts Committee’s (PAC) report, ‘Renewing the EastEnders Set’ (Eighty-Seventh Report of Session 2017-19)¹

**Recommendation 2:** By July 2019, the BBC should develop, and update us on, processes to make sure the right skills are in place from the outset for all of its critical projects.

Having the key skills in place and in sufficient quantity is crucial for the delivery of critical projects. Critical projects enter the Critical Projects Portfolio (CPP) after an Investment Case has been approved and are then subject to ongoing planned assurance by the corporate Programme Management Office (PMO) through an approval plan agreed with the Programme Sponsor in order to safeguard their benefits outcomes. This plan includes monthly risk-based performance reporting to the Board, periodic Set Up for Success, health-check and gate reviews and routine Delivery Confidence Assessments.

The skills profile and resource capacity are routinely reviewed within this assurance regime and form a key part of the formal monthly project reporting and review meetings with the PMO.

In addition to the assurance safeguarding role the PMO also supports the following development and resourcing processes aimed at ensuring the right skills are available throughout the project lifecycle:

- Recruitment process: Strengthening the recruitment process to ensure that interviews are competency and experienced based
- Competency Framework: This is developed to enable individuals to assess and further develop their expertise against the Association for Project Management’s core skill requirements
- Training: Providing centralised training and development on core project skills such as project planning, benefits management, risk management, etc. as part of the BBC Project Management Community of Practice
- Sourcing of candidates: Providing a range of services to assist projects in recruiting to key roles including one-off appointments and leadership for the BBC’s Project Management Apprenticeship Scheme

Following the NAO’s report, ‘E20: renewing the EastEnders set’² and the Public Accounts Committee’s report, ‘Renewing the EastEnders set’³, the PMO undertook a thorough examination in May/June 2019 into the current resourcing status of CPP projects. This review concluded; that the critical projects have access to sufficient capability and capacity for their current phase of delivery including access to specialised subject matter experts, there are currently no projects reporting any significant concerns with respect to resources and this is consistent with their overall RAG statuses

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¹ Published 20 March 2019
³ [https://publications.parliament.uk/pa/cm201719/cmselect/cmpublicacc/1737/173702.htm](https://publications.parliament.uk/pa/cm201719/cmselect/cmpublicacc/1737/173702.htm)
as assessed by the PMO and reported to the Board, and that whilst some projects note an element of risk in resourcing moving forward these risks are well understood with appropriate mitigation plans either in place or proposed.

Based on the insight drawn from this exercise the PMO is developing an action plan to address common risk themes across the CPP. These typically centre on challenges in retaining and/or recruiting staff and prevailing market conditions.