



THE AUTHORITY FOR TELEVISION **ON DEMAND**

Minutes of a meeting of the Board of the Authority for Television On Demand Limited (“**ATVOD**”) held at the offices of the BBFC, Tuesday 5 March 2013, 3.30pm

Present:

ATVOD Board:

Ruth Evans – Chair

Daniel Austin

Gidon Freeman

Julia Hornle

Sophie Jones

Ian McBride

Chris Ratcliff

Nigel Walmsley

Paul Whiteing

In attendance:

Pete Johnson – Chief Executive

Nicola Ebdon – Company Secretary (mins)

1. Apologies

1.1 No apologies were received.

2. Declaration of members’ interests

2.1 There were no additional interests declared for inclusion in the published register of interests.

3. Discovery Communications Europe Ltd

3.1 Directors **WELCOMED** Alberto Horta and Geraldine Keane from the New Media Distribution Department at Discovery EMEA to the meeting. Directors **RECEIVED** a presentation on the Discovery business model across Europe and considerations for the future of VOD. Directors **CONSIDERED** the different types of operating systems and how they were likely to change in the future, the key drivers to VOD, the restrictions on use of mobile devices to view VOD content and the protection of children. The Board **DISCUSSED** a number of considerations for the future which arose from the presentation,

including: convergence, measurement, delivery, advertising and market conditions. Directors **THANKED** Alberto Horta and Geraldine Keane for the presentation and for taking the time to engage with the Board.

4. Minutes of the 29 January 2013, matters arising and updated actions

4.1 The Board **APPROVED** the draft minutes of the meeting held on 29 January 2013, subject to some typographical changes.

4.2 The Directors **NOTED** that the majority of actions had been completed. In relation to minute 6.2 it was **NOTED** that the enforcement action approved by the Board had not been taken due to prompt payment being received. In relation to minute 6.3 it was **NOTED** that the CEO had procured legal advice in relation to possible ONS reclassification for a fixed price. In relation to minute 11.1 it was **AGREED** that an offer would be made to the Belgium Regulator to meet with the Board in May or June 2013.

5. Chief Executive's update

5.1 The Board **NOTED** the update on new and withdrawn notifications as provided in the paper.

5.2 The Board **NOTED** progress made with scope investigations as provided in the paper.

5.3 The Board **NOTED** the update on appeals as provided in the paper.

5.4 Directors **NOTED** the update on enforcement action as provided in the paper.

5.5 The Board **NOTED** the update on complaints as provided in the paper. Directors **NOTED** that there had been a significant increase in the number of potentially 'in scope' complaints. It was **NOTED** that the Complaints Committee had met and considered a number of cases. Preliminary views had been made in relation to three services which appeared to be in breach of Rule 11. One of those services appeared to have closed shortly after receipt of the Preliminary View and the other two appeared to have made changes designed to bring them into compliance. Preliminary Views had also been issued with regard to four services which appeared to be in breach of Rule 1, Rule 4 and Rule 11. It was **NOTED** that the Executive were now conducting investigations into breaches of Rule 1, Rule 4 and Rule 11 concurrently in order to minimise the time taken to deal with instances of potential harm. For the same reason, the Complaints Committee had conducted a review of processes used to conduct complaints with a review to streamlining processes to speed up decision making. The Committee **RECOMMENDED**, and following **CONSIDERATION** the Board **AGREED**, to **DELEGATE AUTHORITY** to the Executive to issue preliminary views in relation to Rule 11 breaches which followed a clear precedent. It was **AGREED** that the Complaints Committee would agree clear guidance for the Executive to follow in making such decisions and propose appropriate changes to the complaints procedure, for consultation with the Industry Forum in May, prior to adoption and publication. In making its decision, the Board **NOTED** that this delegated authority was already held by the Executive in relation to potential Rule 1 and Rule 4

breaches and therefore the change would help to align procedures and speed up the decision making process. In addition it was **NOTED** that the Executive were compiling a list of frequently asked questions to help adult industry service providers to comply with Rule 11.

- 5.6 The Board **NOTED** the update on Access Services as provided in the paper.
- 5.7 The Board **NOTED** the update on European works as provided in the paper. It was **NOTED** that in accordance with the European Works plan, in January all service providers were informed of ATVOD's intention to issue in July a demand for information on the provision of European Works on ODPS during 2012. Directors **NOTED** the update on discussions with DCMS in relation to the European Commission's call for Euro works data provided by service providers to be audited/validated.
- 5.8 The Board **NOTED** the update on the Scope Working Party as provided in the paper.
- 5.9 The Board **NOTED** the update on the Communications Review and Lords Communications Committee Inquiry into Media Convergence as provided in the paper. Directors **CONSIDERED** the evidence provided to the Committee by the ATVOD Chair and CEO and by the Creative Industries Minister Ed Vaizey. The Board **DISCUSSED** the proposed policy implications for ATVOD arising from the evidence and **AGREED** that ATVODs current policy position on these issues remained valid. It was **AGREED** that the Board would review any impact on regulation once the White Paper was published.
- 5.10 The Board **NOTED** the update on ParentPort as provided in the paper.
- 5.11 Directors **NOTED** the update in relation to recruitment as provided in the paper.
- 5.12 The Board **NOTED** the update on public relations as provided in the paper and **DISCUSSED** some of the meetings further. Directors **CONSIDERED** how to progress its engagement on child protection with interested parties.

6. Financial report

- 6.1 Directors **CONSIDERED** the Management Accounts for December 2012 and January 2013 and **NOTED** that the aged debtors report raised no concerns, that there had been good budgetary control throughout the year and that a proposal to build up a reserve to cover wind-up costs and unexpected legal costs had been included in the 2013/14 fees consultation.
- 6.2 Directors **NOTED** planned action to be taken by the CEO with regard to the ONS consideration of whether ATVOD should be reclassified as a public body.

7. Draft Corporate Plan

- 7.1 Directors **CONSIDERED** a paper which proposed a draft Corporate Plan for 2013/14 and outlined initial results of the stakeholder survey which had closed on 1 March 2013. The

Board **AGREED** the content of the Corporate Plan as presented and **DELEGATED AUTHORITY** to the Chair and Deputy Chair to approve the Plan. In consideration of the initial results of the stakeholder survey Directors **AGREED** that:

- the response rate was high enough to provide a meaningful measurement and therefore should be used to measure service standards on an on-going basis;
- the results should be further analysed to identify a challenging target for improving service against each service standard set;
- as only a few stakeholders representing consumers and “other key stakeholders” had responded to the survey, the draft services standards should be amended to ensure they could be measured meaningfully in line with the questions asked in the survey; and
- the stakeholder survey covered other issues not included in the draft service standards and therefore consideration should be given to amending the standards to cover additional issues, if appropriate.

7.2 Directors **AGREED** that the CEO should conduct further analysis of the stakeholder survey results and propose a range of service standards and appropriate measures which will challenge ATVOD to improve, for inclusion in the Corporate Plan. Consideration would also be given to how the survey might be improved for future years The Board **NOTED** that once updated the Plan would be sent to the Industry Forum for comment ahead of publication.

8. Risk Register

8.1 Directors **NOTED** the content of the current risk register and **AGREED** that further review should be undertaken by Paul Whiteing and brought back to the Board for consideration.

9. Any other business

9.1 It was **NOTED** that the Chair would be visiting the ATVOD offices on 8 March 2013.

9.2 Directors **NOTED** that the process of appraisal (review of performance against objectives and setting appropriate objectives for 2013/14) would be conducted during May and June 2013 with all Directors and the Chair.

9.3 The Board **CONSIDERED** and **AGREED** a recommendation made by the Chair to re-appoint Julia Hornle for a second term of one year, until 31 March 2014, unless terminated early in accordance with ATVOD’s Articles of Association. The Board expressed their gratitude to Julia for agreeing to be re-appointed. It was **NOTED** that the Board had agreed to re-consider its size and composition later in 2013 ahead of consideration of reappointment of other Directors in September 2013. It was **NOTED** that consideration was being given to streamlining the work of the Complaints and Scope Committee’s.

9.4 Directors **NOTED** that Nicola Ebdon had resigned as Company Secretary to move to a full time role. The Board gave their thanks to Nicola and wished her well for the future.