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**S4C Authority Meeting Minute**

10 November, 2016, S4C, Llanishen, Cardiff

**Meeting No. 403**

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<b>Present:</b>	Huw Jones	(Chairman)
	John Davies	(Member of the Authority)
	Hugh Hesketh Evans	(Member of the Authority)
	Marian Wyn Jones	(Member of the Authority)
	Siân Lewis	(Member of the Authority)
	Elan Closs Stephens	(Member of the Authority)
<b>S4C Staff:</b>	Ian Jones	(Chief Executive)
	Elin Morris	(Director of Corporate and Commercial Policy)
	Gwyn Williams	(Director of Communications)
	Rachel Evans	(Deputy Director of Content and Broadcast)
	Amanda Rees	(Creative Content Director)
	Carys Evans	(Head of Insight)
	Phil Williams	(Secretary to the Authority)
	Bethan C. Williams	(Assistant to the Secretary to the Authority)
<b>Apologies:</b>	Guto Harri	(Member of the Authority)

**1. Welcome and Declaration of interest**

The Chairman welcomed all present to the meeting and asked for any member with an interest in the business of the meeting to declare their interest.

*See the Register of Interests section of the S4C Authority website for general declarations.*

**2. Minutes of meeting 402 (13.10.16) and Matters Arising**

The minutes of meeting number 402 were presented (held on 13.10.16) and the following were noted.

**The Authority approved the minutes.**

**3. Register of Action Points and Decisions and Matters Arising**

The Register of Action Points and Decisions was presented and an update was requested on the following matters arising from the register and minutes:

**Point 6.1 - Pre-purchasing Update**

**[Summary:** IHJ noted that further consideration had been given to the subject of the pre-purchasing process and he intended to wait until a number of series that are in the middle of their broadcasting runs to finish before making any final decisions about their pre-purchasing. AR had met many of the production companies, and had

started the process of giving feedback on the performance of their content. These meetings had met with a positive response.]

#### **Point 5 – Meeting with TAC**

**[Summary:** The meeting with TAC was discussed. IHJ explained that S4C cannot legally compel companies to join TAC. The copyright of the standard agreements was owned by TAC and not S4C.]

#### **Point 7.1.1 – Meeting of the relocation and Co-location Scrutiny Committee**

It was noted that the date of the next meeting of the Scrutiny Committee was subject to the timetable of the TSA negotiation. Officers were aiming to submit a draft to the Authority in December, but it was noted that this seems ambitious.

**[Summary:** It was explained that discussions are continuing on a number of elements of the co-location scheme. There is a specific focus at the moment to discuss the IT provision, including ensuring that the definition of the IT service is clear in terms of the services to be provided by the BBC and what services would continue to be provided by S4C itself.]

#### **Point 9- Appointment of External Auditors**

**[Summary:** In response to a question asking if feedback had been offered to the companies it was explained that we are awaiting the Secretary of State's approval of the appointment. It was noted that a recommendation from the DCMS officers had been included in the Secretary of State's red box this week.]

#### **Point 5 - Membership of the Relocation and Co-location Scrutiny Committee**

**It was noted following the end of MWJ's term as a member of the Authority that this committee currently only has one member, namely JD. Members who were interested in joining this Committee were asked to inform the Chairman.**

#### **Point 16 - Subtitling Tender Contract**

It was noted that the invitation to tender for the new Subtitling contract had been published and it was hoped that financial savings would be achieved during the current financial year.

### **4. Chairman's Report**

The Chairman presented his report and referred specifically to the following issues.

#### **4.1 Meeting with the Secretary of State**

**[Summary:** He referred to the meeting that he, IHJ and PW had had with the Secretary of State, Karen Bradley MP. It was noted that the meeting was warm and constructive and an important opportunity for S4C to introduce itself to the new Secretary of State and to present a number of issues of importance to S4C. The Secretary of State had stated that a letter relating to S4C's lending powers would be sent out soon.]

#### **4.2 Preparing for the Away Day in December**

The Chairman referred to the Away Day in December stating that he was keen for

the Authority to discuss the purpose and structure of the meeting, in accordance with the recommendation from PWC, and to ensure that the Authority had an appropriate opportunity to discuss the vision that will in due course be submitted to the 2017 Review. He was keen to focus the meeting on the Authority's long term vision for S4C.

It was noted that the meeting would also be a timely opportunity for AR and RhaD to present new Content and Digital Strategies.

**[Summary:** It was noted that a number of background papers, including three that had been specially commissioned, would be provided for Members and that these would be provided soon to allow Members the opportunity to consider them in advance.]

A number of papers prepared for the November 2015 Away Day will also be provided again, including those on Identifying the Audience.

It was suggested that it would be useful to present a summary of the outcomes that S4C wishes to obtain from the Review as a starting point for the discussions at the Away Day.

4.3 **It was decided that officers would offer guidance on S4C's hopes for the Review and headlines or "a model to be discussed" of a vision to be presented, together with a summary / bullet points of the document to be presented to the Review.**

4.4 **Quorum Requirements of the Authority's Standing Orders**

The Chairman presented a recommendation regarding a variation to the Authority's quorum requirements following the discussion at the October meeting.

At the October Authority meeting, it was decided that the Quorum provisions of the Standing Orders for the Authority should be considered to ensure that the Authority was able to continue to operate effectively during the current period whilst the number of Authority members was lower than normal.

The current Standing Orders state that the quorum for Authority meetings is 4 members, and the Terms of Reference of the Authority's Committees (excluding the Commercial Board) indicate that the quorum for the Authority's committee meetings is 2 members (excluding the Chair, who is an observer at Committee meetings).

With CB's term having expired, MWJ's term expiring in November and AE's seat already empty, the Authority membership will reduce to 6 members. In addition, we do not know how long ECS will be able to remain as a member of the Authority in her capacity as the BBC Trust Member.

With the number of Members likely to reduce to such a level where it may be difficult to hold the Authority's meetings, the Chairman recommended that it would be prudent to consider relaxing the Authority's quorum requirements until new members are appointed and have assumed their duties. It would not be feasible to change the requirements for a quorum at the committees, as the current requirement is two members.

**The Authority approved the following recommendation:**

**(i) That the requirements of clause number 4.13 of the Authority's Standing Orders should be varied to reduce the Authority's quorum number of 4**

**members to 3 members until new members have been appointed and have assumed their duties;**  
**(ii) That the matter be reviewed following the appointment of new members; and**  
**(iii) That the quorum requirements of the Authority's Committees or the Commercial Board should not be changed.**

#### 4.5 **Membership Term**

The Chairman noted that this was MWJ's last meeting as a Member of the Authority, since her term ends this month. The Chairman thanked her on behalf of the Authority and the officers for her important contribution - as a member and as a committee Chair - for her work for the Authority over the past four years. He noted that her thorough knowledge in the fields of broadcasting and public bodies as well as her passion for S4C's work had been an asset during a very important period for the channel.

MWJ thanked Members and the officers and indicated that she had really enjoyed being a Member of the S4C Authority and wished the channel well in the coming period.

#### 5. **Chief Executive's Report**

The Chief Executive presented his report and referred specifically to the following matters.

##### 5.1 **Canolfan yr Egin**

**[Summary:** It was noted that Carmarthenshire County Council had confirmed a planning permission application for Yr Egin. University officials continue to discuss a grant application with Welsh Government officials, and they expect to receive a response soon.]

##### 5.2 **Commercial Projects**

**[Summary:** Reference was made to the preparations for launching a new project as set out in the Chief Executive's papers. It was noted that the preparatory work was proceeding well but that a decision had been taken not to make an announcement for the time being. It is therefore proposed to announce the scheme in the new year.]

##### 5.3 **Meetings with politicians**

IHJ referred to his recent meetings with politicians, and pointed out that cross-party support for S4C's work was clearly visible. He was asked whether some elected members were not supportive. IHJ explained that all the members he had met were supportive of the work of S4C. The Authority noted its thanks for IHJ's work with the politicians.

#### 6. **Content and Analysis Report, Quarter 2 2016/17**

**[Summary:** AR and CE presented the Content and Insight Report for Quarter 2 2016/17 and there was a discussion of the findings and the recent provision. Officers are continuing to monitor the situation and considering the evolution of the public narrative to explain the viewing patterns. There was a discussion about the challenges that S4C faces in defining the target audiences. The range of the rural provision was discussed and the importance of ensuring that it appeals to the

contemporary country society. It was suggested that it would be beneficial to note the performance of the daily cornerstones of the schedule (such as PYC, Heno and Newyddion) separately in the Insight Report to give a picture of the performance of the core provision during peak hours. CE will consider how to achieve this in the next quarterly report.]

7. **Communication Report, Quarter 2 2016/17**

**[Summary:** GW presented the Communication Report for Quarter 2 2016/17. He referred to the experiment of broadcasting the gigs from Maes B on S4C's website and Facebook on Ochr 1. He explained that the figures compared favourably with other elements of S4C's online provision. S4C's stand at the National Eisteddfod was packed for the event held with Ian Gwyn Hughes and Osian Roberts, and it was noted that the audience appreciated the attention given to both by S4C. There was a discussion about the monthly emails from S4C that promote the channel's output.]

**It was decided that IHJ would provide a progress report to the Authority at its meeting in January 2017. The report will provide an update on issues including the following:**

- i. Providing a regular email to viewers - purpose and frequency;**
- ii. Developing the viewer database;**
- iii. The New website;**
- iv. Customising / login.**

8. **Financial Report, Quarter 2 2016/17**

**[Summary:** SW presented the Quarter 2 Financial report 2016/17. There was a discussion about the Llanishen Estate and the latest advice on a planning application.]

**Balances to be carried forward**

SW was asked whether the pattern in terms of the balances to be carried forward and the stock levels were similar to previous years, and she explained that the pattern and the amounts it was proposed to carry forward followed a fairly static pattern. SW was thanked for her presentation.

9. **Presenting the draft Minutes from the Authority's Committee meetings**

The minutes of the meeting of the Audit, Risk Management, Personnel and Remuneration Committee held on 28th September were presented to the Authority for information. It was noted that a verbal report had been submitted to the Authority's meeting in October.

10. **Discussion of the last month's programmes**

**[Summary:** There was a short discussion on some of the programmes and series broadcast recently.]

11. **Viewers' Hotline Report**

The viewers' Hotline report was presented for information.

12. **Complaints and Compliance Report**

No complaints were received from the Hotline to be presented for the Authority's attention.

13. **Any other business**

No other matters were discussed.

**Date of next meeting:**

Thursday, 12 January, 2017