

<b>Present:</b>	Huw Jones Carol Bell Hugh Hesketh Evans Marian Wyn Jones Siân Lewis Elan Closs Stephens	(Chairman) (Member of the Authority) (Member of the Authority) (Member of the Authority) (Member of the Authority) (Member of the Authority)
<b>S4C Staff:</b>	Ian Jones Dafydd Rhys Elin Morris  Gwyn Williams  David Bryant  Garffild Lloyd Lewis  Phil Williams Bethan C. Williams	(Chief Executive) (Director of Content) (Director of Corporate and Commercial Policy) (Director of Communications and Engagement) (Head of Commercial Development) (item 5) (Director of Relocation and Projects) (item5) (Secretary to the Authority) (Assistant to the Secretary to the Authority)
<b>Also present:</b>	Nigel Beaney Geraint James	Thinkmonkey (item 5) Thinkmonkey (item 5)
<b>Apologies:</b>	John Davies  Guto Harri	(Lead Non-executive Member of the Authority)  (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.*

The Chairman explained that there would be a change in the order of the agenda for the meeting to receive the reports on the activities of the Commercial Group first.

2. **Minutes of meeting 399** (held on 08.06.16)

The minutes of meeting number 399 were presented.

**The Authority approved the minutes.**

## **Matters arising from the Minutes**

**Item 5.3.3 - [Summary:** The viewing of S4C's output on YouTube was discussed and the need to continue to monitor the use of the service over an extended period.]

### **Lending Powers**

It was explained that officers are continuing to discuss with DCMS officers. The DCMS Finance Committee is meeting this month and it is hoped that they will consider S4C's request for clarity regarding the lending powers.

### **The Relationship with the BBC from 2017**

It was explained that discussions with the BBC would continue after the BBC and S4C have published their annual reports.

### **Annual Report and Financial Statement**

It was noted that the Annual Report had been published and laid before Parliament. There was a positive response to the Report and to the overall performance of the service.

### **Current Complaints**

**[Summary:** Members were updated on a current complaint and on the way in which the Committee are dealing with the Complaint.]

### **The Co-location Project with the BBC**

It was noted that the BBC had provided a first draft of the Technical Services Agreement. A progress report will be submitted to the Authority by October.

## **3. Register of Action Points and Decisions**

An update of the Action Points and Decisions Register was presented, and the following issues were specifically addressed.

**The need to record delivery dates against each action point was noted, and to agree the dates at the Authority's meetings.**

**The action point regarding the Young People's Portal should note that the portal will launch by March 2017.**

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

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

## **5. Progress Report - Welsh Lottery**

The Chairman welcomed NB, GJ and DB to the meeting.

EM presented a progress report on the Lottery to the Authority. She explained that the Board and Commercial Group officers had been developing the project for

several years.

**[Summary:** It was explained that the objective of the Welsh Lottery is to launch a national lottery in Wales and the results of the lottery will be announced on S4C every week. The scheme could raise money for good causes over ten years and a possible income for S4C Commercial.

Officers have been working with the William Salisbury Trust and the thorough research has included commissioning experts on lottery schemes. The Commercial Board had recommended at its business meeting yesterday that the plan should continue with the aim of a launch in March 2017.

Clear guidelines are needed in place in order to apply for and in order to allocate lottery funding and the Commercial Board is very aware of the need to manage the risks of the project. In order to ensure regular scrutiny of the scheme, a subcommittee of the Commercial Board will meet regularly to receive progress reports with two members of the Board representing S4C Commercial.

Following discussion the Authority approved the recommendation to continue with the Welsh Lottery scheme.]

**The Authority resolved:**

**(i) That the draft terms of reference of the Committee that allocates grants on behalf of the lottery scheme should be submitted to the Authority for information.**

**(ii) That HHE and EM would develop a risk register for monitoring the progress of the project on behalf of the Commercial Board.**

**(iii) That the Authority would receive a progress report on the Welsh Lottery bi-monthly.**

**It was suggested that the Commercial Board should consider obtaining an 'option' for securing the scheme's broadcast rights after the original 10 year period.**

6. **Commercial Strategy Update**

EM and DB presented an update on the implementation of the Commercial Strategy.

**[Summary:** A wide range of S4C's commercial activities were described including:

- Sales of advertising and sponsorship by Sky Media,
- Merchandise sales such as Cyw,
- Publishing partnerships,
- Equity investments,
- Co-production projects and
- Investments in the Sarasin LLP fund.

Brief reports were given on a number of them including the equity investments. CB explained that a lot of development work had been carried out by the Commercial Board to create and refine the commercial strategy.]

**It was resolved that the Authority would receive a report on the activities of the Commercial Board twice a year, with a summary of each investment or new project to be submitted as required.**

7. **Minutes of the Away day Meeting - 09 June 2016.**

The minutes of the away day meeting (held on 09.06.16) were submitted.

**[Summary:** The Authority approved the minutes incorporating minor amendments.]

**Developing S4C's vision**

**[Summary:** As part of delivering S4C's vision, a pre-purchasing agreement scheme is proposed to offer stability. It was noted that 55% of the content budget would still be available for commissioning outside the pre-purchasing scheme. Reference was also made to the debate about S4C's role and impact in terms of economic development and the creation and maintenance of jobs.]

**It was also decided that there was a need to ensure an effective process of discussion and feedback following broadcast - between senior officers and commissioners, and between commissioners and producers - about the contribution of each programme to achieving the objectives of the Content Strategy and how the performance compare to the original commissioning objectives.**

**Officers were asked to consider an appropriate method of informing the Authority of how this procedure was being implemented.**

**It was noted that the Content Committee should consider how to monitor this achievement, with particular regard to which elements of the output from the pre-purchasing agreements exhibit ambition or contribute to S4C's highlights and what percentage of such output is supplied by agreements outside of the pre-purchasing scheme.**

8. **Performance Measures**

It was noted that the intention is to submit recommendations on how to measure and report on composite viewing (on-line and TV) in October.

The results of the Identifying the Audience project held in 2015 were raised and the question asked how the commissioning team will use the project's findings in the development and implementation of the content strategy.

It was noted that there will be a need to demonstrate how the project's findings influence the content strategy and how the impact of the project in raising awareness and the audience's use of the service can be measured. In discussing a strategy for the future, the project's conclusions (e.g. lightening up the provision, reaching out to specific audience groups), and the actions taken as result of them, would be expected to be tracked and to be the subject of feedback.

It was also noted that the development of an understanding of the needs of the audience will be useful in preparing S4C's narrative for the 2017 Review.

9. **Content Strategy Performance Assessment 2016-17**

**DRh presented an assessment of the Content Strategy's performance during 2016-17.**

**[Summary:** Some issues arising from the assessment were discussed, including audience viewing patterns, the effect of a specific slot on performance and the advantages and disadvantages of targeting programmes at one particular region.

He explained that rugby will return to Saturday night in the Autumn.]

This was the last meeting when DRh will be presenting a report to the Authority. He was thanked by the Chairman on behalf of the Authority for his tireless service to S4C over the last four years and for generating a schedule that he could be proud of.

DRh thanked the Authority for the opportunity and support he had received from them, and noted that he was honoured to be S4C's Content Director. He wished the Authority and the service well for the future.

10. **Chairman's Report**

The Chairman presented his report and noted that many of the topics in his report were to be discussed in the rest of the meeting's agenda.

11. **Update on the Relocation Project / Canolfan yr Egin**

GLL presented an update regarding the plans to relocate to Canolfan yr Egin in Carmarthen.

**[Summary:** GLL explained that a planning application was being developed by UWTSO and the architects to present to the Council. He was asked about S4C's branding on the building and explained that S4C's brand will be very visible. Technical assessments had been carried out on the site and no issues had been identified to affect the project.]

**Financing the Egin scheme**

**[Summary:** There was a discussion about the funding situation for the Egin scheme. It was agreed that a progress report should be submitted to the Authority in due course.]

**Relocation - Consultation process with staff**

**[Summary:** GLL explained that BECTU had decided to undertake a separate process for their members. S4C intends to have individual discussions with each of the 55 staff affected by the scheme. They will be expected to commit to relocation or not by March 2017.]

12. **Report from the Content Committee meeting held on 30 June**

MWJ presented a report from the latest meeting of the Content Committee held on 30 June.

The Committee was given the opportunity for a presentation and a discussion with Helen Prosser from the National Centre for Learning Welsh, to consider the provision for Welsh Learners; and subsequently, to consider S4C's Film Policy and the performance of Pobol y Cwm.

**Provision for Welsh Learners, including a presentation by Helen Prosser, from the National Centre for Learning Welsh**

Among the issues discussed were the findings from research held last year into the views of learners about the service for Welsh learners Dal Ati.

Helen Prosser, the Strategic Director of the National Centre for Learning Welsh,

presented information about the role and priorities of the new centre and their hopes for cooperating with S4C and other partners in the future.

### **S4C's Film Policy**

**[Summary:** A discussion paper was presented by DRh and GML and there was a lively discussion on the role of film within the Content Strategy.]

### **Pobol y Cwm**

**[Summary:** A presentation was given on the performance of Pobol y Cwm and the plans and priorities of the new production team were noted.]

It was explained that the Content Committee had been considering how to refine their methods of scrutinising the performance of the service and it was noted that the Committee's work programme would be adapted to enable the Committee to receive and scrutinise the quarterly Insight and Content report before it is presented to the Authority.

**It was decided that the quarterly Insight and Content Report should be submitted to the Committee prior to its submission to the Authority.**

#### 13. **Financial Report - Quarter 1, 2016-17**

SW presented an update on S4C's financial affairs during the first quarter of the current financial year for the Authority's information.

#### 14. **Viewers' Hotline Report and Complaints and Compliance Report**

The Viewers' Hotline report was submitted for information and it was noted that no complaints had been received from the Communications Department since the last Authority meeting.

**[Summary:** An update was received on one current complaint.]

#### 15. **Update on the Authority's Work Programme for 2016-17**

The updated Work Programme covering the work of the Authority during 2016-17 was presented to the Authority for information.

It was noted that the dates of the 2017 meetings would be provided to Members over the summer, and that the Work Programme will be updated to enable the Content Committee to receive the quarterly Insight and Content report before submission to the Authority.

#### 16. **Programmes during the last month**

**[Summary:** There was a discussion about the past month's programmes. It was noted that S4C's support for the football team and their success in France was appreciated by the audience.]

### **Any other business**

No other matters were discussed.

**Date of next meeting:**

Thursday 8 September, 2016