



S4C Board Meeting Minute
27th September 2018, Canolfan S4C, Yr Egin, Carmarthen

Meeting No. 420

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| Present: | Huw Jones | (Chair) |
| | Elan Closs Stephens | (Board Member) |
| | Siân Lewis | (Board Member) |
| | John Davies | (Board Member) – Items 1-5 |
| | Owen Derbyshire | (Board Member) |
| | Rhodri Williams | (Board Member) |
| | Guto Harri | (Board Member) – Items 1-5 |
| | Anita George | (Board Member) |
| S4C Staff: | Owen Evans | (Chief Executive) |
| | Amanda Rees | (Director of Content) |
| | Gwyn Williams | (Director of Communications) |
| | Phil Williams | (Board Secretary) |
| | Elin Morris | (Corporate and Commercial Director) |
| | Rhidian Dafydd | (Director of Projects) – Item 8 |
| | Sharon Winogorski | (Chief Finance Officer) – Item 8 |
| | Steve Cowin | (Chief Technical Officer) – Item 8 |
| | Carys Evans | (Data and Analysis Team Leader) – Item 7 |
| | Huw Jones | (Senior Statistics Officer) – Item 7 |
| | Bethan C. Williams | (Assistant to the Board Secretary) |
| Apologies: | Llion Iwan | (Head of Content Distribution) |
| | Hugh Hesketh Evans | (Board Member) |

MINUTES

STANDING ITEMS:

- Welcome and Declaration of Interest**
The Chair welcomed everyone to the first Board meeting at Yr Egin.

It was noted that this would be John and Guto's last meeting as Board Members. The Chair thanked them on behalf of all the Members for their service, their dedication and their important contribution to the work of S4C and the Board.

Members were asked if they had any interest to declare in the meeting's business to so declare their interest.

See the Register of Interests under the Authority Board section on the S4C website for general declarations.
- Minutes of Board Meeting No. 419 held on 20th July 2018**

The minutes of Board Meeting no. 419 held on 20th July were presented.

The minutes were approved by the Board.

The Chair noted that the minutes presented were more concise than usual, in an attempt to rationalise and condense the papers.

3. **Matters arising from the minutes of Meeting No. 419**

Yr Egin lease conditions.

The conditions in the lease agreement noted that approximately 60% of the ground floor accommodation need to be filled before S4C would need to pay rent to Trinity, and it was noted that a substantial number of tenants had signed leases for the top floor.

TAC / Training

It was noted that initial courses run by TAC would be provided before the end of the year, and that other courses would follow in the new year.

Meeting with Ken Skates AM

Discussions were still taking place with Government officers about setting up a new co-production fund, with an update to be given to the Board by November.

There was support in principle to allow the Commercial Board to invest in production companies:

It was noted that OE would present guidelines and principles to the meeting of the Board in October.

Staff Survey.

The survey results would be presented to the Board's meeting in October.

Board Committee Membership

The Chair presented a revised recommendation for membership of Board committees. The recommendation took the resignation of GH into consideration, together with the possibility that HHE would continue as a Member, subject to approval by the Secretary of State.

Audit Committee

(Including responsibility for Risk Management, Personnel and Remuneration together with scrutiny of the Relocation and Co-location projects).

HHE (Chair), AG, RhW, HJ (with HJ appointed as formal member of the Committee).

Content Committee

HJ (Chair), RhW, SL, OD.

Complaints and Compliance Committee

SL (Chair), RhW, HHE.

Commercial Board

OD, AG.

It was recommended that the duties of the Scrutiny Committee should be incorporated within those of the Audit Committee.

The recommendations above for Committee membership and the responsibilities of the Scrutiny Committee were approved.

Performance Measures.

It was noted that there would be a presentation on performance measures to the Board in October.

4. **Action Points**

The Action Points were presented for information, with particular reference to the following points.

Partnerships

An update on developments with Welsh Learner partnerships will be given to the Board in October.

5. **Chair's Report**

The Chair presented his report with specific reference to the following matters.

It was reported that the S4C Action Plan had been submitted to the DCMS and the Minister, Margot James MP. The Audit Committee will monitor progress against the plan.

Implementation of the Review's structural recommendations

A paper was presented providing an update on structural matters arising from the Review.

Relationship with Ofcom

It was noted that a summary of the regulatory relationship between S4C and Ofcom had been published on the S4C website.

<http://www.s4c.cymru/en/about-us/authority/page/28868/regulation-of-s4cs-services/>

A draft MoU will be presented to Ofcom Cymru following completion of the draft Standing Orders.

Standing Orders

It was explained that a revised draft of S4C Standing Orders was being drawn up in line with the recommendations for operating as a Shadow Unitary Board. The draft revised Orders will be presented to a meeting of the Board in October for consideration.

Appointment of External Auditors

Discussions were still ongoing with the DCMS, but to date the DCMS had not presented options for appointing the NAO as S4C's external auditors.

Board Away Day

It was noted that there would be an opportunity for the Board to discuss the topics for the Away Day at the Board's meeting in October, including long-term options for the service.

6. **Chief Executive's Report**

The Chief Executive presented his report with specific reference to the following matters.

Relocation - Update

It was noted that relocation had occurred smoothly, thanks to RhD and the relocation team. Around 20 members of staff had left recently, and new staff had started in post, with the majority living in the Carmarthen area. The Management Team will continue to monitor staffing risks carefully, especially as the first TBYP period comes to an end in February. It was likely that a number of staff would also decide to leave before then.

The flexible working scheme and the investment in IT equipment had been very important to ensure S4C's business continuity over the relocation period, and it would also be important over the TBYB period.

Structure of Commercial Activities

It was noted that an update would be given to the Board in October to present details of the proposed structure and the responsibilities of the Board, the commercial subsidiaries, and their directors.

Digital Strategy Development

An update was given on the digital plans. Ruth Meadows will be joining the communications team to focus on digital communication activities.

Editorial Agreement between S4C and the BBC

EM reported that the BBC had presented an initial draft of the Editorial Agreement, which is one of the requirements of the Partnership, Funding and Accountability Agreement, and that officers would discuss the draft with the BBC.

The Chair expressed some concern that the agreement was not in place for the provision of the 10-hours almost a year after signing the new Partnership Agreement with the BBC.

It was resolved to present a monthly progress report to the Board in relation to the discussions with the BBC on the proposed Editorial Agreement.

7. An analysis was presented of the contribution of various programmes and elements of the schedule to the performance of the service, and the steps under consideration for the new year were discussed.

It was agreed that an update to the Content Strategy should be introduced.

8. **Co-location - Update**

SC gave an update on the Co-location Project.

IT Systems

Work on the development and integration of software, such as BSM, was continuing. Some issues with the timing were causing concern at times, but the project was staying on track with positive cooperation and joint discussions between S4C and BBC officials.

The Archive

An update was expected from the BBC in the next few weeks on the next steps in combining the S4C and BBC digital archives. In the interim, the work of digitising the S4C archive continues.

Financial Plan

It was noted that the financial model was updated every 6 months, with regular meetings held every fortnight to monitor costs.

Relocation Project

RhD presented an update on the Relocation Plan.

S4C's surveyors had reported on UWTSD's progress against the contractual requirements, and most of the lease conditions had been met.

The aim was to hold the launch of S4C's new centre on 1st November, and discussions were ongoing between CHR and GW to invite ministers from the UK and Welsh Governments to attend.

A discussion was had on how to scrutinise such projects in future, including consideration of the approach to governance, and the expectation that officers present comprehensive and accurate information.

There was also a need to ensure that the purpose of such projects was clearly conveyed to staff.

Meeting with S4C staff

It was resolved to continue with the custom of holding informal buffet lunches for staff to meet with Board Members, without management being present, at the three S4C centres. It was also noted that other approaches needed to be considered for Members and staff to get to know one another better.

9. Communications Report Q1 2018-19

GW presented the Communications Report for Q1 2018-19 with specific reference to the communication priorities over the period, including Ffit Cymru and the Summer events.

He referred to the current staffing risks as a result of Relocation. He was monitoring and trying to manage the risks, whilst ensuring the transfer of knowledge within the department.

Training sessions and discussion sessions with press representatives had been organised for new staff members to learn about the industry and the requirements of the press with respect to receiving stories about S4C's output.

It was also agreed to consider the format of the Communication Report in order to try and highlight the link between promotional campaigns and the performance of certain elements of the schedule.

Late delivery of programmes

Concern was noted by Members about the risks that late programme delivery by some production companies presents in terms of S4C's ability to promote the programmes, and the technical issues that arise. It was agreed to give a progress report to the Board in its meeting in October.

10. Report from Content Committee's Meetings

The Chair presented the draft minutes of the Content Committee meeting held on 26th September and a verbal report from the Committee's meeting held on 24th October, for information. It was noted that yesterday's meeting had been an opportunity to discuss the service's recent performance, including the report discussed at the Board's meeting earlier. It was noted that there was a need to ensure that the Content Committee and Authority Board didn't duplicate work, but that it was also important that the Content Committee was able to scrutinise the service performance in more detail, as it was not possible to do this at the Board meetings.

11. **Audit, Risk Management, Personnel and Remuneration Committee Report**

PW presented a recommendation on the appointment of internal auditors on behalf of HHE. It was explained that the internal audit contract had expired at the end of 2017-18. Before re-tendering for the service, officers had been waiting to hear from the DCMS about possible options for the appointment of the NAO as external auditors for S4C. Since the DCMS had not presented any recommendations for external auditors yet, S4C's internal audit requirements needed to be considered. HHE, PW and the Chair had discussed the issue and recommend re-appointing PWC for 12 months for 2018-19, and to then consider the long-term options after further discussions with the DCMS on the external audit arrangements.

Appointment of Internal Auditors

It was resolved to reappoint PWC as S4C's internal auditors for 2018-19, and to then consider options for 2019-20 following further discussions with the DCMS on external audit options.

12. **The past month's programmes**

A discussion was had on the past month's programmes.

13. **Report of the Viewers' Hotline and Complaints and Compliance**

The Viewers' Hotline report was presented for information.

14. **Any Other Business**

No other business was discussed.