



S4C Board Meeting Minute

Meeting No. 430

26 September 2019, Canolfan S4C Yr Egin, Carmarthen

Present:

Non-executive Board Members:

Huw Jones	(Chairman)
Anita George	(Member of the Board)
Owen Derbyshire	(Member of the Board)
Rhodri Williams	(Member of the Board)

Shadow Unitary Board

Executive Members:

Owen Evans	(Chief Executive)
Amanda Rees	(Director of Content)
Elin Morris	(Chief Operating Officer)

S4C Staff:

Rhidian Dafydd	(Director of Projects)
Eilir Jones	(Head of Research)
Ruth Meadows	(Head of Digital Strategy and Analysis)
Owain Lloyd	(Board Secretary)
Bethan C. Williams	(Assistant to the Board Secretary)

Apologies:

Hugh Hesketh Evans	(Member of the Board)
Siân Lewis	(Member of the Board)
Gwyn Williams	(Director of Communications)

STANDING ISSUES:

1. Welcome and Declaration of interest

The Chairman welcomed all to the meeting at Canolfan S4C Yr Egin.

He asked any member with an interest in the business of the meeting to declare their interest. No declarations of interest were received.

See the Register of Interests under the Board section on the S4C website for general declarations.

2. Minutes of Board Meeting 429 (18.07.19)

The minutes of meeting number 429 held on 18 July, 2019 were presented. The Board approved the minutes.

3. Matters arising from the Minutes of Board Meeting 429

7.1.3 - Programme Policy Statement 2019/20 - AR had updated the drafting. Officers were awaiting the translation before submission to Ofcom and publication.

8.1.2 – Inviting the Welsh Language Commissioner to the Board meeting - CHR had been in contact with the Commissioner's office.

10.1.6 – Providing information on the apportionment of expenditure on digital - there was a need to ensure that this was included in future reports.

[Summary: Amongst the other issues arising from the minutes were the discussions with the BBC regarding Newyddion, the 2018/19 Annual Report and the gender pay gap in 2018/19.]

4. **Register of Decisions and Action Points**

The Register of Decisions and Action Points were presented for information. Many had been completed since the last meeting and the Secretary would update the register by the next meeting.

5. **Chairman's Report**

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

5.1 **Appointing the New Chair**

[Summary: It was noted that the process of appointing the new S4C Chair is continuing. The Secretary had been discussing temporary arrangements with officials at the DCMS, as there will probably be a gap. It was agreed that it would be appropriate to ask HHE whether he would be willing to act as interim Chair.]

During the meeting the Secretary received an email confirmation from DCMS officials that the Secretary of State had approved the appointment of HHE as interim Chair.

5.2 **Appointment of an Interim Chair of the Content Committee**

[Summary: Following a discussion RhW was approved as acting Chair of the Content Committee.]

5.3 **Update on the appointment of Internal Auditors**

[Summary: An update on the appointment of Internal Auditors was provided and a proposal was received from the Audit Committee.]

The proposal to appoint TIAA as internal auditors was approved.

5.4 **Update on the audit arrangements with the National Audit Office**

OL explained that over recent months officers have had constructive discussions with the DCMS and the National Audit Office in order to appoint the Comptroller and Auditor General as S4C's auditors for 2019/20. By now, there was an agreement between the Secretary of State and S4C to facilitate the appointment of the Comptroller and Auditor General as S4C's external auditor, until the new legislation is in place. S4C and the NAO were also in the process of completing a 'Letter of Engagement'.

The 'handover' process with Grant Thornton had begun and there was a meeting between the NAO and S4C officers on 20 September to begin the planning process. It is expected that the NAO will meet with the Board in November to present the Work Programme.

5.5 **Culture, Welsh Language and Communications Committee (National Assembly for Wales)**

The Chairman noted that he and OE had attended the Committee on 18 September for an annual scrutiny session on S4C. The Committee asked a wide range of questions arising from the annual report.

5.6 **DCMS Meeting**

[Summary: The Chairman referred to his final meeting with the DCMS Director, Media and Creative Industries.]

6. **Chief Executive's Report**

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

6.1 **DCMS / BFI Contestable Fund**

[Summary: OE explained that 5% of the fund is earmarked for minority languages as a result of lobbying by S4C. Three applications to the fund have been made on behalf of S4C.]

6.2 **Children's Strategy**

[Summary: AR stated that the applications to the fund above include projects for Children with the aim of increasing the value of the funding available and of appealing to 9-16 year olds.]

6.3 **The Archive and the National Library**

[Summary: OE described his recent meeting with the National Library about the tape archive. There was a discussion as to whether the tape archive needs to be preserved at all due to the digitisation of the tapes, along with the protection of the digital material and the business continuity and disaster recovery processes in the future.

It was agreed that papers should be prepared for the Board on the archive and the archive digitisation programme including the plans for disaster recovery.]

6.4 **Industrial Policy Update**

Following the Board's decision to adopt an Industrial policy, OE suggested that the elements likely to achieve change should be prioritised.

Training

[Summary: OE had asked an external expert to arrange research in the field. The Terms of Reference will be shared with the Board in October. Several partners had committed to supporting the research.]

Equality

OE said that S4C intends to partner with organisations that already engage with disadvantaged communities in order to focus on Social Mobility. OE had met with

the Royal Welsh College of Music & Drama, Welsh National Opera and the Welsh Books Council and the intention was to get everyone together to discuss ways of joint strategic planning. The Board felt that it would be positive for S4C to lead the way. OE also mentioned the work to look at the possibility of including a social clause in contracts. Further discussions would be needed with the production sector, but OE was keen, for example, to see more apprenticeships in the sector. S4C had just launched a new apprenticeship scheme and had welcomed three new apprentices to work at Yr Egin. AR stated that there are now more requirements on production companies to ensure diversity within their content.

Commercial

[Summary: One year after re-defining the strategy and the governance of S4C's commercial activities the commercial fund is more stable. The help available to assist companies to build business cases was explained and the sale of one of the existing investments was agreed.]

6.5 **An Update on the 2019/20 VAT Position**

[Summary: EM explained the latest on S4C's VAT position. Discussions with HMRC officials were ongoing and a number of discussions had taken place at an official level between S4C and DCMS. Following the discussion, the Board agreed upon S4C's next step.]

7. **Co-location Project Report**

[Summary: The Chairman explained the historical background and context. When the original decisions were made it was hoped that the Relocation and Co-location would occur more or less at the same time. In the event, S4C's headquarters moved to Yr Egin, Carmarthen, in September 2018 and the Co-location is expected to be completed in Spring 2020.

Some of the challenges associated with such a project were discussed, particularly as the project draws towards the co-location. It was agreed that a paper should be prepared for the Audit Committee meeting with the BBC on 5 November.]

8. **Brexit Preparations**

It was explained that back in August the DCMS had written to S4C asking about Brexit preparations and to confirm that impact assessments had been carried out. RhD said that the work had been done including research into a specific issue regarding S4C Clic.

The Board approved S4C's response to the DCMS in respect of Brexit Preparations.

9. **Update on the Million Welsh Speakers Strategy**

The paper on the collaboration taking place with respect to the aim of reaching one million Welsh speakers was noted. There was a discussion regarding impartiality in relation to the Welsh language and the nature of the relationship with the Welsh Government in promoting the policy of a million speakers. The Chairman explained that, in response to S4C's Independent Review, the UK Government had welcomed the recommendation regarding a language partnership and agreed that S4C played a vital role in reflecting Welsh culture and society and in promoting the Welsh language.

[Summary: OD asked about the Welsh Government's language technology project and OE explained the background including discussions with universities and other partners.]

10. **Diversity Progress Update**

It was noted that there are no targets or quotas in the diversity commitment in terms of S4C content following the Board's decision two years ago. However, commissioners constantly remind and challenge the sector to secure contributors and content that show and celebrate the diversity of Wales today.

Reference was made to Ofcom's recent report on diversity and the need for everyone in the sector including the PSBs to do more. Members now felt the need to think more ambitiously including the possibility of setting content targets. Although Hansh tries to create much more varied content and encourages new talent, it was important to look at all of S4C's platforms. In the first instance, it was suggested that S4C's platforms should be measured in terms of diversity over a fixed period and that officers should then return to the Board with the options.

It was agreed that a paper should be prepared for the Board on the diversity of S4C's content (following analysis / evaluation work on the current diversity) with options for possible objective / targets.

11. **BBC Programme Plan for 2019-20**

[Summary: AR presented the plan from the BBC which described the provision and details of the hours following the regular discussions between officials.]

The Board approved the BBC Programme Plan for 2019/20.

12. **Report from the Content Committee meeting held on 25 September 2019**

The Chairman gave a verbal report from the Content Committee meeting held on 25 September. LIW had given a presentation on S4C's factual provision and the entertainment factual cross over, including an assessment of the strategy's performance and plans for developing the provision. The Committee was complimentary about the new format of the report and thanked the officers for all their hard work.

13. **Audit Committee Minutes**

[Summary: The minutes of the Audit Committee meeting held on 16 May 2019 were presented to the Board for information.]

14. **Report on increasing Reach and viewing in the North West**

[Summary: AR presented a report which suggested ways to increase reach during the Summer - especially in August - and to restore the reach in the North West across the year. In terms of increasing viewing in the North West, the recommendations included a marketing boost for programmes that reflect the area. The Board welcomed the report and analysis.]

The recommendations to increase the August reach and the viewing in the North West were approved.

15. **TV and Online Performance Summary for July and August**

[Summary: EJ presented a summary of the July and August performance and discussed the conclusions. It was noted that there were fewer international sports this summer. EJ agreed to look at the implications of the change in the way in which the data for Clic is collected.

It was noted that the Autumn performance would be dependent to some degree on the Rugby World Cup, but there was also a need to ensure viewers for the cornerstones of the schedule and for the new peak time series. After the Rugby World Cup the Pro14 restarts and S4C will also show the games of the Welsh teams in the European Challenge Cup.]

16. **Complaints and Compliance Report and Viewers' Hotline**

The Viewers' Hotline report was presented for information.

17. **Digital Strategy Objectives Progress Report**

[Summary: A Progress Report was presented on the Digital Strategy. The aim was to increase viewing by developing S4C Clic, to create a single data source and to personally target the marketing. Work was continuing to identify the appropriate platforms for Clic. It was agreed to share the Clic roll-out schedule across the various platforms with the Board.]

18. **Newyddion Tuesday 24 September 2019**

[Summary: S4C's decision to stay with the live broadcast from the continent on 24 September 2019 when a big news story was breaking was discussed. Officials would respond to a letter from the Assembly's Culture Committee, explaining the circumstances and the efforts made by S4C to respond to the story.]

19. **Programmes from the last month**

[Summary: There was a discussion about the programmes over the last month.]

20. **Work Programme 2018/19**

The Board's revised Work Programme for 2019/20 was presented for information. It was noted that a special meeting of the Audit Committee had been arranged on 5th November to discuss co-location. The BBC would attend that meeting.

The Chairman noted that there was a commitment to hold a Board meeting sometime next year in the North East. In addition, an awayday for the Board would need to be arranged once the new Chair has been appointed.

21. **Any other business**

HJ thanked everyone and wished everyone well for the future.