



Summary of S4C Board Meeting

Meeting No. 469 held at Yr Egin

09.45, 14 March 2024

Minutes

Members in attendance:		
Rhodri Williams	RhW	Chair of the Board
Guto Bebb	GB	Non-Executive Member - apart from item 3
Suzy Davies	SuD	Non-Executive Member
Chris Jones	CJ	Non-Executive Member
Denise Lewis Poulton	DLP	Non-Executive Member (virtually)
Elin Morris	EM	Interim CEO – from item 2 onwards
Geraint Evans	GE	Interim CEO – from item 2 onwards
Others in attendance:		
Rhys Bevan	RhB	Head of Content Operations - for item 13
Ryan Chappell	RC	Diversity, Sustainability and Social Purpose Lead – for item 13
Steve Cowin	SC	Chief Technical Officer – virtually, for item 12
Manon Edwards-Ahir	ME-A	Director of Communications and Marketing – from item 2 onwards
Llinos Priestland	LIP	Executive Officer to Board Secretary
Geraint Pugh	GP	S4C Board Secretary
Sioned Williams	SW	Future interim CEO – from item 2 onwards
Mali Williams	MW	Public Affairs Lead – for item 5
Sharon Winogorski	ShW	Chief Finance Officer (virtually) for items 2 and 3
Apologies for absence were received from:		
Adele Gritten	AG	Non-Executive Member

1.	Private meeting for non-executive members A paper was discussed in relation to a member of the Management Team undertaking additional duties.	
2.	<p>[EM, SW, ME-A, GE and ShW joined the meeting]</p> <p>Matters raised by the Chair, and declarations of interest</p> <p>The Chair welcomed everyone to the meeting, especially SW as she prepared to commence as interim Chief Executive on 08 April.</p> <p>It was reported that the Secretary of State would announce later today the appointment of GB as interim Chair. It was anticipated that DCMS would commence the process of appointing a long-term Chair at the same time. Guto noted that the Secretary of State had asked him for a chat during the meeting in order to confirm the arrangements.</p> <p>This was RhW’s last meeting before the end of his term as Chair on 31 March 2024. He thanked everyone at S4C for all that has been achieved over the past 4 years. Thanks in particular to GP for being a wise and kind voice throughout the past few months.</p>	

	<p>The Chair asked any Member with an interest in the business of the meeting to declare their interest. It was noted however that members had noted permanent interests in relation to their membership of the Board.</p> <p>[GB left the meeting]</p>	
3.	<p>Approve 2024–25 Budget (and the five year financial plan)</p> <p>ShW tabled a paper, asking the board to approve the budget for 2024-25 and outlined implications for subsequent years.</p> <p>She had received confirmation from DCMS that the funding from the licence fee was £95 million – slightly higher than expected as a result of confirming that the CPI inflation indicator would be used.</p> <p>CJ congratulated the Management Team on cost management, particularly in light of the impact of inflation identified some 18 months ago.</p> <p>RhW asked what percentage of the income would come from the commercial investments? ShW explained that she had not factored in any income from the sale of shares in existing commercial investments, and so the figure quoted was a mixture of normal income from the Sarasin fund and profit from the sale of advertising.</p> <p>DLP asked how we track expenses year on year? ShW replied that she keeps an eye on vacancies as well as the amount spent on things other than content. We have kept travel and subsistence static year on year and are looking to continue to operate within that budget.</p> <p>DLP further queried what would be the narrative in the Annual Report on the process and costs of Capital Law? GP replied that this had been discussed with the National Audit Office and there would be a specific section in the Annual Report setting out the situation in detail.</p> <p>Resolution: The 2024-25 Budget was approved.</p> <p>[GB returned to the meeting, and ShW left the meeting]</p>	ShW
4.	<p>Marketing and Communications Strategy</p> <p>ME-A presented a revised version of the Strategy which had already been before the Communications Committee. She emphasised that there were plans attached to the Strategy – including an internal communications plan – looking at restoring relationships with leading stakeholders over the next 6 months.</p> <p>DLP thanked ME-A and reiterated what she said at the Communications Committee – namely that this was the first time that S4C had had a Communications Strategy that pulls everything together.</p> <p>In terms of the implementation of the internal communications plan, ME-A, MW and GP will hold a meeting next week in order to start implementation.</p> <p>The work remaining to be done was outlined. As there have been no specific Performance Indicators for the department for some time, the foundations for PIs now need to be set. The research section – now part of ME-A's department – has started on the work and is ensuring that the PIs will be meaningful.</p> <p>ME-A noted that research showed that internal events at S4C in recent months had not affected audience enjoyment and perception of our content. It was noted that it was important to maintain this consistently.</p> <p>DLP noticed that the internal communications plan was missing and asked for an update. ME-A gave assurance that the internal communications plan would be part of the action plan, and that she was working closely with SW and the Management Team on that. She added that a quick but valuable session had been held during the Staff Away Day in</p>	

	<p>January to consider the views of staff on internal communication and what they hope to see.</p> <p>ME-A confirmed that she was going to start immediate action rather than waiting until a formal internal communications plan had been drafted. She added that the Pulse Survey also provides guidance on what staff want to see.</p> <p>GB asked whether S4C was now attending the Welsh Conferences. It was noted that S4C had not attended them for some years, but that the intention was to do so in the future. It was emphasised that care was needed to ensure that all parties were treated in the same way.</p> <p>Resolution: The Marketing and Communications Strategy was approved.</p>	ME-A
5.	<p>[MW joined the meeting]</p> <p>DCMS Licence Fee Review</p> <p>EM noted that S4C had received a letter from the Secretary of State seeking information by 18 March 2024 as part of DCMS' review of the funding model for the BBC and minority language broadcasters. The papers circulated included a skeleton for feedback on our proposed response. EM and MW took members through the key aspects and principles.</p> <p>DCMS had asked us to predict costs up to 2028. This is challenging as it is difficult to predict inflation and developments in terms of technology so far into the future.</p> <p>The skeleton was discussed and feedback was received from members.</p> <p>Resolution: To approve the principles.</p> <p>[MW left the meeting]</p>	EM / MW
6.	<p>Approval of Statement of Programme Policy 2024–25 (for Ofcom)</p> <p>GE presented the document which had already been before the Communications Committee.</p> <p>A question had been raised at the Welsh Affairs Committee in January, and also by TIAA in the context of a recent internal audit, regarding the need for a Content and Publishing Strategy that drew together the commissioning and publishing principles that we already have. GE was looking to introduce such a Strategy in the coming months.</p> <p>Resolution: Approval of Statement of Programme Policy 2024–25 (for Ofcom).</p> <p>Resolution: GE to introduce a content and publishing strategy.</p>	<p>GP</p> <p>GE</p>
7.	<p>Outcome of pulse survey</p> <p>Catrin Whitmore was on annual leave so both EM and GE presented the results. Overall, a number of outcomes had improved from the low base set in March 2023. This provided some hope but it was clear that there was still considerable room for improvement. Everyone's open comments were included in the results. Some had been re-phrased to ensure anonymity.</p> <p>Going forward, the Management Team will analyse the results in detail in order to identify actions.</p> <p>ME-A raised the need for sensitivity as we try to stabilise but also to continue to transform as the expectations of the sector and audience do not remain static.</p>	
8.	<p>Management Team report</p> <p>GE outlined the main aspects of the report, noting that the Action Plan would be a standing report on the Board's agenda from May.</p> <p>GE explained what had happened with regard to the voting following Cân i Gymru. The company had acknowledged the shortcomings and committed to reimbursing the call</p>	

	<p>charges of anyone who had voted more than once. S4C was now preparing an appropriate message to inform people how to claim a refund.</p> <p>DLP queried whether the process of alerting Board members of major incidents that may affect S4C's reputation was adequate? She added that GP's message to them regarding the Cân i Gymru situation was helpful but there is a need to ensure that we are happy with the process for informing the Board. ME-A noted that the department had lost two days trying to contact the company providing the voting system. It would have been helpful to be able to start the investigation the following morning. RhW stated the importance of the prompt apology.</p> <p>EM and GE had been discussing possible improvements to S4C's presence on iPlayer with the BBC. The BBC has agreed to the improvements but is now waiting for them to take action.</p> <p>Resolution: To share with members, after the meeting, a copy of the 'Roadmap' for getting the Clic app on more platforms.</p>	EM
9.	<p>Caernarfon Office</p> <p>EM shared the plans for the expansion and improvement of the Caernarfon office. The reasons for expanding the space available, and the importance of investment in the office in north Wales, were discussed.</p> <p>Resolution: To approve the principle but to look at cutting the cost if possible.</p>	EM
10.	<p>Governance Issues</p> <p><u>Consider the evaluation of the effectiveness of the Board and its Committees</u></p> <p>Between 20 January and 01 March 2024, members of the Board were invited to complete a questionnaire to offer constructive feedback on the Board's arrangements over the last reporting year. Members were asked to complete similar questionnaires in relation to the committees. All the results were presented in a report.</p> <p>Feedback received would inform the Board and Committees' approach to their work during the forthcoming reporting year, so that they conduct their business as effectively as possible.</p> <p><u>Review of Board Members' Code of Practice</u></p> <p>In the Action Plan published on 29 February 2024 in response to the Capital Law process, we committed to reviewing the Board Members' Code of Practice.</p> <p>There was also a commitment to develop a suitable policy for dealing with complaints about non-executive members. Following discussion between the Secretary, the Head of Legal and the Director of HR, it is suggested that drawing up a specific policy would not be the best way of deal with the matter. This suggestion is based on the fact that non-executive members are not employed by S4C, and not all normal disciplinary actions are available (if required) as the dismissal of a non-executive member is a matter for DCMS.</p> <p>Therefore, rather than drawing up a specific policy, it is suggested that the Code of Conduct includes a section that makes clear that non-executive members are expected to comply with the principles of S4C's policies for its staff.</p> <p>GP had now reviewed what is normal practice in terms of codes of practice and suggested minor amendments to S4C Authority's historic Code of Practice. Key changes included:</p> <ul style="list-style-type: none"> • Expanding the section relating to conduct and values. • Expanding the section on conflicts of interest. • Introducing sections on 'Accepting Gifts and Hospitality', 'Travel, Accommodation and Expenses', and 'Speaking in public', drawing on principles already agreed by the Board. • Introducing a section dealing specifically with how S4C's policies apply to non-executive members. • To be clearer about Board members' terms of office, and the arrangements for the termination of Board membership. 	

	<p>The Head of Legal and the Director of Human Resources had reviewed the new draft, and their feedback had been shared with Board members that morning.</p> <p>The revisions to the Code of Practice were discussed. In doing so, SuD stated that she would prefer to add a little more detail on our procedures for handling complaints relating to non-executive members. However, rather than including the information in the Code of Practice, it was suggested that the inclusion of a paragraph cross-referencing to the Code of Practice in the relevant human resources policies would suffice.</p> <p>Resolution: To approve the Code of Practice, based on the revised version following the feedback of the Head of Legal.</p> <p>Resolution: That specific paragraphs be added to the relevant human resources policies that refer to how to deal with matters relating to non-executive members.</p> <p><u>Commissioning an External Review of Governance Effectiveness</u></p> <p>As part of the Action Plan published on 29 February 2024, the Board committed to commissioning an external review of governance effectiveness.</p> <p>In order to be able to conduct the external review during the May / June cycle of Board and committee meetings, GP had drafted a bespoke 'Application to Tender' document. The draft was discussed during the meeting.</p> <p>Resolution: To approve the Application to Tender, provided that the evaluation process considers a provider's Welsh language capability, and that a submission to the Board at the end of the review is essential.</p> <p><u>Review of terms of reference and membership of Committees</u></p> <p>GP presented his report on the review of the terms of reference and membership of the Committees.</p> <p>Changes to the non-executive membership of the Board from 01 April 2024 required a review of Board committee membership. As there would only be five non-executive members on the Board after that date, it was noted that options for filling gaps on the committees needed to be considered – including the co-option of independent members to serve on committees only. Members discussed this.</p> <p>The report also outlined proposed amendments to the committees' terms of reference, and recommended that separate committees should be retained for Communications and Content matters.</p> <p>Resolution: To appoint AdG as a member of the Audit and Risk Committee.</p> <p>Resolution: To appoint SuD as Chair of the Complaints Panel.</p> <p>Resolution: To approve the proposed addition to Standing Order 17 to allow the co-option of independent members to Committees.</p> <p>Resolution: To ask the Secretary to develop a suitable process for co-option and to investigate the other relevant considerations – in order to circulate a note to Board members in the next few weeks.</p> <p>Resolution: To approve the revised terms of reference, and to keep the Communications and Content Committees separate.</p>	<p>GP</p> <p>GP</p> <p>GP</p> <p>LIP</p> <p>LIP</p> <p>GP</p> <p>GP</p> <p>LIP</p>
11.	<p>Risk appetite statement</p> <p>On 14 December 2023, the Unitary Board approved updates to S4C's risk appetite matrix. In response to a recommendation from the internal auditors, TIAA, ShW had now developed a statement to accompany the matrix.</p>	

	<p>CJ noted that the Audit and Risk Committee had considered the draft statement at its last meeting, noting that it was within the range of risk appetite statements.</p> <p>Resolution: To approve the risk appetite statement.</p>	ShW
12.	<p>[SC joined the meeting]</p> <p>Update on options assessment for replacement of the BSM system</p> <p>SC presented his update noting the background to how S4C came to use BSM.</p> <p>CJ noted that it is important that we look at what systems are available that we would like to use rather than finding a system that fits into what we are currently doing. SC confirmed that he and his team are going to visit a number of organisations that currently use various software options.</p> <p>SuD asked about cyber security considerations if we put more things into the cloud? SC noted that the BBC InfoSec team would check everything at every step of the journey.</p> <p>DLP asked for how long the new system would be up to date? SC suggested some 10 to 12 years.</p> <p>SuD asked about the funding implications? SC stated that we would need to consider relevant capital expenditure in future years, once the costs have been cleared.</p> <p>[SC left the meeting]</p>	
13.	<p>[RC and RhB joined the meeting]</p> <p>Presentation: Update on S4C's activities in relation to the environment, sustainability, and diversity</p> <p>RC presented his slides with RhB contributing, to give the Board an update on S4C's recent activities in the areas in question.</p> <p>RC emphasised the need to improve ways of measuring diversity. The Diamond scheme helps but doesn't solve every problem as it is a challenge to show all sorts of diversity on screen.</p> <p>The presentation considered environmental issues and Albert, and the final slide outlined the next steps on different pillars.</p> <p>RC and RhB were thanked for the presentation and for doing this important work.</p> <p>Resolution: To arrange for a copy of the presentation to be placed on Diligent.</p> <p>[RC and RhB left the meeting]</p>	LIP
14.	<p>Reports from Committees</p> <p>The minutes of the meetings of the following Committees were tabled, and the chairmen were invited to draw to the attention of the Board any relevant matters that had not already been mentioned during this meeting:</p> <ul style="list-style-type: none"> • Content (held 08.02.24) • Commercial Group Board (held 21.02.24) • Audit and Risk (held 29.02.24) • Communication (held 01.03.24) 	
15.	<p>Minutes of Meeting No. 468 (held on 25.01.24)</p> <p>The minutes of the last Board meeting were tabled and approved.</p>	
16.	<p>Action Points Register</p> <p>The Action Points register was noted.</p>	

17.	<p>Decision between meetings</p> <p>Since the last meeting of the Committee, members had approved two matters by correspondence:</p> <p>At the request of DCMS, the non-executive members agreed to nominate Guto Bebb to take up the role of Acting Chair of the Unitary Board.</p> <p>The non-executive members agreed to appoint Sioned Wiliam to serve as interim Chief Executive.</p> <p>Members approved by e-mail revised drafts of the Recovery Plan and the narrative explanatory version, in order for the consultation with staff, Betcu and DCMS to proceed.</p>	
18.	<p>The Board's work programme for the next 12 months</p> <p>The Board's work programme for next year was noted.</p>	
19.	<p>Any other business</p> <p><u>End of Chair's term</u></p> <p>At the end of RhW's final meeting as Chair of the Unitary Board, GB formally thanked him on behalf of the Board for his service to S4C over recent years.</p>	