

1. Introduction and background

The BBC welcomes the opportunity to comment on its relationship with S4C – a strong partnership which has proved indispensable for audiences in Wales dating all the way back to 1982.

This paper describes BBC Wales' creative partnership with S4C, and clarifies the direct funding relationship between the BBC Trust and S4C Authority.

We look forward to the forthcoming Independent Review of S4C as it provides an opportunity to discuss the role of Welsh language media within a fast-changing context.

2. The BBC's programming supply to S4C

At the heart of the BBC's relationship with S4C is what's known as the 'contributed programming'. The 1990 Broadcasting Act requires that the BBC provides no less than 520 hours of content per annum to S4C. This creative partnership has been at the heart of Welsh language broadcasting since 1982, and supports the public purposes of both organisations.

The programming comprises news and current affairs, live sport, *Pobol y Cwm* and extensive coverage of the National Eisteddfod.

The value of this programming in 2017/18 is £19.4m pa.

2.1 News and current affairs

The 9pm *Newyddion* programme remains at the core of our provision for S4C. The award winning *Newyddion 9* sets a high standard and the audience appreciation and viewing figures have gradually risen over the past year.

Anchored by Bethan Rhys Roberts and Rhodri Llywelyn, the programme features analysis of the day's main new stories. It also breaks new ground with reports into original Welsh stories.

Other news and current affairs programmes also include the topical panel show *Pawb a'i Farn*, hosted by Dewi Llwyd. We also provide live programmes from the political party conferences. The political programme *Y Sgwrs* came

to an end in July 2016 and a new political midweek programme, *O'r Senedd* will broadcast from late February, focussing on some of the week's hot political topics.

Each weekday, we also provide a news bulletin tailored for younger audiences, *Ffeil*, at approximately 6pm.

In May 2016, we also produced a live overnight results service for S4C for the National Assembly election.

2.2 Drama

Pobol y Cwm follows the highs and lows of the community of Cwmderi and is no stranger to controversial storylines and difficult themes. These include alcoholism and domestic violence. *Pobol y Cwm* has received national awards from the charity Mind for the way it has portrayed some of these challenging issues.

The series is S4C's most popular year-round weekday series and is the cornerstone of the nightly schedule.

2.3 Sport

Live sport is a major part of our programming supply to S4C. Each year, it includes Pro 12 rugby games, live coverage of all Wales' home Six Nations matches, as well as all Autumn International matches.

The live Pro12 rugby coverage in *Clwb Rygbi* had an average audience of 54,000 in 2016, with a return to Saturday evening (from Sunday afternoon) in Sept 2016 attracting higher audiences.

Last year was a particularly exciting sporting year as Wales's national football team reached the quarter finals of the Euro 2016 tournament. BBC Wales provided live programmes from four of the Welsh matches, as well as digital content for other platforms.

2.4 National Eisteddfod

Coverage of the National Eisteddfod of Wales continues to be a cornerstone of our programming for S4C and last year saw the programmes delivered on the HD platform for the first time. Hosted by expert and emerging, new presenters the comprehensive coverage totals around 100 hours and the

programmes are a mix of competitions and analysis and a lighter look at the Maes and the fringe activities.

2.5 Factual programmes

We also provide a small number factual programmes for S4C, including so-called ‘back-to-back’ English and Welsh language programmes such as Huw Edwards’ Patagonia documentary. Coverage of BBC Cardiff Singer of the World is also a back-to-back production, and will return to our screens in June 2017.

2.6 Further editorial collaboration

Beyond the statutory 520 hours, BBC Wales also works closely with S4C on programming projects that can benefit both Welsh and English speaking audiences. For example, the drama series *Hinterland/Y Gwyll* is co-commissioned by the BBC and S4C, and is now distributed worldwide. Similar drama and factual projects are in development currently.

Originated BBC Wales hours on S4C by genre 2015/16

| Genre | Hours |
|---|--------------|
| Drama, Comedy, Entertainment, Music, Arts | 168 |
| News and Current Affairs | 264 |
| Sport | 81 |
| Education, Factual and Religion | 3 |
| Childrens | 0 |
| Repeats | 100 |
| Total Hours | 616 |

The BBC’s content for S4C is produced by in-house production teams, and complements the independently produced programming slate which makes up the remainder of the S4C service.

3. Audience performance

BBC programming is at the heart of S4C's schedule. As outlined above, our contribution includes the *Newyddion 9* news programme, the weeknight drama *Pobol y Cwm*, live domestic and international rugby, and extensive coverage of the annual National Eisteddfod. Overall, BBC productions on S4C contribute 37% of S4C's broadcast hours of viewing.

- Live Pro12 rugby coverage in *Clwb Rygbi* had an average audience of 54,000 in 2016.
- The main evening news programme *Newyddion 9* has an average audience of 21,000, higher than previous years due to the programme having developed a distinctive Welsh agenda.
- *Pobol Y Cwm*, the daily soap, has an aggregate audience of 43,000 across both its main showing and the following day's repeat.
- S4C content on BBC iPlayer is requested over 100,000 times each week, contributing up to 3% of S4C's total viewing hours.

4. Providing additional value to S4C

Beyond the direct costs of producing 520 hours of output for S4C, the BBC provides additional value to the channel in a number of significant ways.

These additional sources include:

- Access to the BBC Newsgathering operation – The *Newyddion 9* news programme, produced by the BBC for S4C, is able to access the BBC's global newsgathering operation at no extra cost to report on major international events e.g. 2016 USA elections and the European migrants' crisis.
- Sports programming – The BBC provides S4C with live international sports programming without passing on any of the rights costs incurred by the BBC. This includes rights for live programming from the Six Nations, Autumn Internationals and Euro 2016.
- iPlayer access – S4C is now a full iPlayer channel giving it access to c.1,200 iPlayer connected devices. The cost of iPlayer is charged to

S4C on a 'not for profit' basis in recognition of the unique partnership which exists between the BBC and S4C.

- Access to BBC Archive – S4C commissioned programmes are allowed to use a very significant part of the BBC Cymru Wales programming archive on terms unavailable to other broadcasters.

5. Central Square and Yr Egin

BBC Wales will relocate its main production centre to Central Square, in the heart of Cardiff city centre in 2019. The development will see BBC Wales's staff working at the current site in Llandaff relocate to the new centre, located opposite Cardiff Central railway station.

Triggered by the ageing condition of the technology infrastructure at Llandaff and the constraints of working in a poorly configured building, the new building will be half the size of the existing facilities and new technology will make it cheaper to run our television, radio and online services. As part of the new development, it is estimated that approximately 20 S4C staff are expected to co-locate within the new complex and there are plans in development to share the transmission services with S4C in order to reduce the operational costs of both broadcasters. Negotiations between the broadcasters are due to be completed shortly.

S4C will also relocate its headquarters to Yr Egin in Carmarthen over the next few years. We are in discussions with the University of Wales Trinity St David about the feasibility of relocating our staff based at the Carmarthen studio to Yr Egin and those financial and operational discussions are ongoing with the university.

6. Licence Fee funding of S4C

In addition to the statutory supply of programming from the BBC, S4C also receives direct licence fee funding from the BBC Trust worth £74.5m per annum to S4C in 2017/18. This sum is fixed until the end of the current licence fee period in 2021/22.

The new BBC Royal Charter (2017) confirms that the Licence Fee should continue to support and underpin the delivery of S4C. The Charter also notes that the 'BBC and S4C must have the shared aim of working together to observe and safeguard the independence of both, and to make the best use

of such funding in the interests of audiences (and in particular those who speak Welsh), so far as is consistent with their respective obligations'.¹

7. Future accountability arrangements

The current partnership between the two broadcasters is managed through two documents.

The first is the Operating Agreement between the BBC Trust and the S4C Authority. This focuses on the direct funding relationship between the Trust and the Authority. The second agreement is the 'Strategic Partnership' document. This sets out how the contributed programming will be supplied by BBC Wales.

Both expire shortly and will need to be updated to reflect the BBC's new governance model. The BBC and S4C are currently discussing new accountability arrangements to take account of the new BBC Charter and, in particular, the creation of a new BBC Unitary Board. It is anticipated that the outcome of this process will be one, simpler public accountability mechanism that encompasses both the programming and funding dimensions of the partnership.

¹ BBC Charter Framework Agreement (2017), p39.
http://downloads.bbc.co.uk/bbctrust/assets/files/pdf/about/how_we_govern/2016/agreement.pdf