



# **The Role of the S4C Authority**

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## Section 1 - Background

- 1.1 S4C was originally established by the Broadcasting Act 1980 (as repealed by the Broadcasting Acts of 1981 and 1990). This paper sets out the role of the S4C Authority as a regulator and broadcasting authority, and its relationship with S4C as a television service. The requirements on S4C, including Welsh language programming, are set out in the Broadcasting Acts 1990 and 1996, and the Communications Act.
- 1.2 S4C is a **statutory authority** – a public body charged with specific responsibilities and accountable to Parliament for the use of public funding. Public bodies created by statute have no power other than those specifically conferred on them by statute. The Communications Act 2003 sets out the **functions of the S4C Authority** in clear terms, namely –
- 1.2.1 **Section 204 (2)** provides that the S4C Authority shall have the function of providing television programme services of high quality with a view to their being available for reception wholly or mainly by members of the public in Wales. Sub-Section 204 (3) states that the carrying out of that function must include the provision of “S4C” and may include the provision of the digital service, “S4C Digidol”.
- 1.2.2 **Section 205 provides** that the S4C Authority has the power to provide (an)other public television programme service(s) (apart from S4C and S4C Digidol) provided that any such additional service is a public service of high quality for the dissemination of information, education or entertainment (or a combination of them) wholly or mainly to members of the public in Wales, and that any such service has been approved by an order made by the Secretary of State.
- 1.2.3 **Section 206** entitles the S4C Authority to carry out other activities which appear to them to be activities that it is appropriate for them to carry out in association with their function of providing S4C and S4C Digidol or any other television service approved under Section 205; and which are connected, otherwise than merely in financial terms, with activities undertaken by them for the carrying out of that function. Any such activities must be approved by the Secretary of State.
- 1.2.4 **Section 206 (6)** recasts but otherwise confirms the power of the S4C Authority to do anything which appears to them to be incidental or conducive to the carrying out of their functions (either itself or through an S4C company or with others).
- 1.2.5 In addition, the transitional provisions contained in **Paragraph 27 of Schedule 18** to the Communications Act 2003 permit the S4C Authority to continue carrying on any service and/or activities, including commercial activities, which were being carried out immediately before the commencement of Section 206, either itself or through an S4C company. Accordingly, and for example, the S4C Authority continues to provide S4C2, which is a digital service operated under a licence from Ofcom, through an S4C company, S4C 2 Cyf.

- 1.3 The Authority has three statutory roles in relation to S4C. These are as follows:
- 1.3.1 The Authority is a **Broadcaster**, with a duty to provide a public service on S4C and (if it so chooses) S4C Digidol and with full legal responsibility for whatever is transmitted on S4C and S4C Digidol. This function is equivalent to Channel 4, or ITV.
  - 1.3.2 The Authority has to satisfy itself as to the proper **Management** of S4C.
  - 1.3.3. The Authority acts as a **Regulatory Body** for S4C subject to the regulatory powers rested in Ofcom by the Communications Act 2003 and Part 5 of the Broadcasting Act 1996.
    - 1.3.3.1 The Authority deals with **complaints** in accordance with its Code of Complaints.
    - 1.3.3.2 In relation to issues of programme compliance the Authority encourages complainants to contact the Authority to deal with such complaints in accordance with its Code of Complaints. Since the Communications Act 2003 Ofcom regulates S4C content in respect of those matters set in the Communications Act 2003.
    - 1.3.3.3 The Authority sets and regulates codes in relation to **elections and language policy** independently of Ofcom.
- 1.4 In addition, the Authority has a **Public and Political** role: explaining the role and achievements of S4C; considering carefully public and political comment on the nature and funding of its services; and ensuring that S4C's programming is protected from direct political or other improper interference.
- 1.5 There are potential conflicts inherent in combining these roles (particularly 1.3.1 and 1.3.3). This paper considers how each should be exercised.

## Section 2 – The Broadcasting Function

### 2. S4C as a Broadcaster

2.1 S4C is a broadcaster in its own right, and thus is legally responsible for everything it transmits. In relation to S4C and S4C Digidol this responsibility falls on the Authority and cannot be delegated, but day to day operation of the broadcast function is entrusted to the staff of S4C. The Authority has a role as the ‘guardian of the viewer’ (not the ‘representative’ of the viewer) and should defend the S4C service from improper external pressures.

2.2 The Authority’s **role in relation to the Broadcast** function is as follows:

2.2.1 To ensure the appointment of appropriate senior staff to oversee the editorial and compliance functions in relation to the S4C service;

2.2.2 With its senior programme staff to establish S4C’s overall programme strategy and annual programme policy;

2.2.3 With its senior programme staff, to agree a strategy for the implementation of the overall programme policy;

2.2.4 To delegate the implementation of the strategy to its staff;

2.2.5 To monitor the progress of the strategy, undertake annual and periodic reviews, and agree revisions to the policy and strategy as and when appropriate.

2.3 In any event, the Authority must ensure that **S4C services comply** with:

2.3.1 The detailed requirements of the Broadcasting Acts and the Communications Act 2003 (in particular the requirements of Schedule 12 to the 2003 Act);

2.3.2 The Ofcom Broadcasting Code;

2.3.3 Any additional codes or guidelines (over and above those contained in the Ofcom Broadcasting Code) approved and adopted by the Authority;

2.3.4 Statutory requirements regarding taste and decency, fairness, political balance, etc;

2.3.5 The ASA Code.

Such requirements mirror those for Ofcom licensees, except that the programme obligations for S4C and S4C Digidol are different, and are set out in the Communications Act, not in a licence.

2.4 Compliance functions are undertaken by all broadcasters in respect of their programme services, including advertising control. Within S4C, compliance is the **responsibility of the Secretary**, to whom matters should be referred for guidance or adjudication by commissioning and legal staff.

2.5 The Authority should **avoid becoming involved in detailed editorial aspects** of the programme service, since this would compromise its role as regulator. The Authority must be able to sit in **critical judgement** on S4C's programme output after transmission. This role cannot be seen to be exercised impartially if the Authority aligns itself closely with the programme content.

## Section 3 – The Authority’s Role in the Management of S4C

- 3.1 Day to day management is delegated to officers, under the leadership and direction of the **Chief Executive**, who is also S4C’s accounting officer (see paragraph 3.4 below). Therefore, the initial task is to achieve and maintain a constructive, balanced relationship between the Authority, the Chief Executive, and S4C’s senior staff, all of whom should strive to work in harmony, and towards common goals.
- 3.2 Whilst respecting the need to maintain the integrity and independence of the programme service, there are specific **management tasks** which the Authority is expected to undertake, as follows –
- 3.2.1 **Staffing**
- Appoint the Chief Executive.
  - With the Chief Executive, appoint the Secretary – a statutory requirement under the Broadcasting Act 1990.
  - Approve the appointment of other senior staff, on the recommendation of the Chief Executive.
  - Approve and review the salaries of the Chief Executive and senior staff.
  - Determine the annual general pay award for all S4C staff.
- 3.2.2 **Aims, Objectives, Policies and Priorities**
- Discuss with senior staff and then approve S4C’s aims and objectives, and the principal policies which S4C intends to operate.
- 3.2.3 **Monitoring and Performance Targets**
- Receive such performance reports as are reasonably necessary to measure progress against its published targets.
  - Receive performance reports to monitor and assess management performance against agreed internal objectives.
  - Approve and monitor the Corporate Plan quarterly and annually.
- 3.2.4 **Finance**
- Discuss with its senior staff and then approve S4C’s annual budget and its apportionment by broad aims and objectives, and related policies and priorities.
  - Approve S4C’s Annual Accounts.
  - Ensure transparency between S4C’s Public Service Fund (established under the Broadcasting Act 1996) and the assets of the Authority that are not comprised in that Fund (formerly known as the ‘General Fund’).
  - Appoint S4C’s Audit and Risk Management Committee.
  - Approve the appointment of S4C’s external and internal auditors.
- 3.2.5 **Commercial Activities**
- Lay down the strategy and general policies for S4C’s commercial undertakings and activities, and those of its subsidiaries.
  - Approve the management and financial systems operating between S4C and its subsidiaries and other companies in which it has a financial stake.
  - Approve any new commercial activities which require a s206 Communications Act order or otherwise have strategic implications.
  - Make clear what matters it expects to consider and decide upon.
  - Lay down and publish commercial policy guidelines.

- Regularly monitor the performance of subsidiary companies and investments in other companies.
- Monitor the relevant management and financial systems to ensure that they are working properly.

3.3 Thereafter, the Authority should expect to **delegate** the management of S4C and the implementation of agreed policies and strategies to its Chief Executive and senior staff. The Chief Executive and senior staff should be allowed the freedom to operate within agreed policies and strategies, subject to providing to the Authority reports on progress for the Authority to scrutinise and take such action as may be appropriate.

3.4 The Chief Executive has special responsibility, bestowed upon him personally by the Permanent Secretary of the DCMS, for the propriety, cost effectiveness, efficiency and economy of the public funds made available to S4C. In respect of these functions he is referred to as the **accounting officer**.

3.5 The framework for paragraph 3.2.2, 3.2.3 and 3.2.4 above is a structured process of corporate planning which looks forward for up to 5 years and is rolled forward annually and approved by the Authority. This will provide the framework for the Chief Executive and other staff to realise the Authority's strategic intentions.

## Section 4 – The Authority as Regulatory Body

### 4.1 The Regulator and the Broadcaster

- 4.1.1 The creation of Ofcom and the enactment of the Communications Act 2003 has altered the role of the S4C Authority radically. Drawing a clearer distinction between the Regulatory and Broadcasting functions of the Authority;
- 4.1.2 Previously, under the Broadcasting Acts 1990 and 1996, the S4C Authority was the principal regulatory body in respect of S4C and S4C Digidol. Accordingly, prior to the Communications Act 2003 the Authority was both the broadcaster and the regulator of the two services. Likewise, under the Broadcasting Acts 1990 and 1996, the BBC also operated as an integrated regulator/broadcaster under a Royal Charter.
- 4.1.3 The Communications Act 2003 obliges the S4C Authority to observe the standards for the content of television programmes set by Ofcom from time to time and provides that Ofcom shall be the regulatory body for each of S4C and S4C Digidol in relation to these matters and as otherwise set out in the Broadcasting Act 1996 and the Communications Act 2003.
- 4.1.4 The onus is thus on S4C to structure itself in such a way that it is able to establish adequately **due separation between the broadcasting and regulatory functions**. The S4C Authority therefore needs to ensure:
- 4.1.4.1 that there are systems and procedures in place to allow each of the regulatory and broadcasting functions to operate properly and independently, and free of outside interference; and
- 4.1.4.2 that each function is carried out properly in accordance with the requirements of the Communications Act and the procedures laid down by the Authority.
- 4.1.5 In addition, the delivery of S4C's digital television services by means of digital satellite television and/or digital cable television requires a **television licensable content service** licence from Ofcom.
- 4.1.6 It should be noted that the S4C Authority has no regulatory function in relation to **S4C2** or other services provided by S4C Companies under an Ofcom license, despite it being a television service of 'a public service' nature operated by an S4C company it is not publicly funded. The Broadcasting Act 1996 gifted to S4C digital terrestrial television capacity sufficient not only to allow S4C to broadcast a Welsh language service 24 hours a day, but also to offer further services. However, the provisions of the 1996 Act permitting S4C to launch additional services were very complex. Such further services (over and above S4C and S4C Digidol) could only be provided by means of S4C's 'qualifying companies' (i.e. broadcasting companies established by S4C). This meant that these further services required an ITC licence and so would be regulated by the ITC rather than by the S4C Authority. Under the Transitional Provisions contained in Schedule 18 of the Communications Act 2003, the S4C Authority continues to be entitled to provide the S4C2 service through S4C2 Cyf or another S4C company. The Authority And has not made an application under S205 of the Communications Act for it to be designated a 'public service' and therefore remains regulated by Ofcom rather than the S4C Authority.

## 4.2 Regulation of S4C

The Authority's **compliance responsibilities** are set out in the Communications Act 2003 and can be summarised as set out below:

### 4.2.1 Codes and Guidelines

4.2.1.1 The Communications Act requires the S4C Authority as the **broadcaster** responsible for S4C and S4C Digidol to comply with -

- Any Code or Codes adopted or issued by Ofcom from time to time setting out the standards to be observed in relation to the content of television programmes, including the Ofcom Broadcasting Code and any of the Codes or guidelines of the 'legacy regulators', (i.e.the regulatory bodies replaced by Ofcom) remaining in force;
- Any Code or Codes adopted or issued by Ofcom from time to time governing standards and practice in advertising and in the sponsoring of programmes.

4.2.1.2 If the S4C Authority wishes to establish its own **additional Codes or Guidelines**, it is free to do so, providing that they do not conflict with Ofcom's Codes or directions. For example, guidelines relating to the use of language in Welsh programmes have been produced and the S4C Authority sets its own guidelines and constituency reports during elections. Enforcement of any additional S4C guidelines is a matter for the S4C Authority.

4.2.2 In relation to S4C's various **suppliers** of programmes:

4.2.2.1 Ofcom's Codes and any additional S4C Guidelines are enforceable by contract in respect of any programmes **commissioned**;

4.2.2.2 Welsh programmes supplied by as a part of the statutory requirement by the **BBC** must meet 'the reasonable requirements' of the S4C Authority. Compliance with Ofcom's Codes must be a reasonable requirement of supply by the BBC as S4C is not otherwise legally able to transmit them. (As the Ofcom Broadcasting Code will now apply to the BBC's own services, there should no longer be any conflict between the codes or guidelines applicable to S4C's services and those applied by the BBC to their own programmes.) Compliance with any additional Guidelines properly approved by the S4C Authority would also be a 'reasonable requirement' of supply.

4.2.2.3 Programmes supplied by **Channel 4** for broadcast on S4C should comply with Ofcom's Codes in any event, but they cannot be made subject to any separate S4C Guidelines. However, S4C has the implicit right not to transmit any Channel 4 programme, which in its view is not suitable for transmission on S4C.

4.2.3 The Communications Act does not require S4C to comply with any specific **technical code** or standards, although it does oblige the Authority to ensure that its television services do not use any 'techniques which exploit the possibility of conveying a message to viewers, or of otherwise influencing their minds, without their being aware, or fully aware, of what has occurred'. In these matters it is up to the S4C Authority to set its own rules, subject to any overriding legislation. The only legal requirement on the S4C Authority is that the programming on each of S4C and S4C

Digidol must be ‘of high quality’(presumably technically as well as creatively). In practice, S4C to date has operated within the ITC Technical Guidelines by choice (which remain in force for the time being) and will adopt or comply with any replacement technical code or standards issued by Ofcom in future.

### 4.3 **Content on the S4C and the S4C Digital Services**

4.3.1 Section 204 (5) of the Communications Act 2003 provides that ‘it shall be the duty of the Welsh Authority to secure that S4C and S4C Digital each represents a public service for the dissemination of information, education and entertainment’. Schedule 12 of the Communications Act elaborates upon their respective public service remits.

4.3.2 **S4C’s** public service remit is the provision:

4.3.2.1 On S4C a broad range of high quality and diverse programming in a service which:

- a substantial proportion of the programmes consists of programmes in Welsh; and
- the programmes broadcast in peak hours (between 6.30 p.m. and 10.00 p.m.) on every day of the week consist mainly of programmes in Welsh; and
- the programmes that are not in Welsh are normally programmes which are being, have been or are to be broadcast on Channel 4.

4.3.2.2 On **S4C Digidol** a broad range of high quality and diverse programming in a service in which a substantial proportion of the programmes consists of programmes in Welsh.

It is up to the Authority to ensure that S4C complies with these requirements. The Secretary of State may (every 5 years) carry out a **review of the performance** by the Authority of their duty to secure that the public service remit is fulfilled.

4.3.3 The requirement under the Broadcasting Act 1996 to broadcast simultaneously on S4C Digital any Welsh language programmes shown on S4C Analogue continues in force.

4.3.4 The Communications Act 2003 contains **specific standards objectives** for the content of programmes to be included in television services generally. It is the specific duty of the S4C Authority to observe these standards in relation to ‘their public service television services’:

4.3.4.1 that persons under the age of eighteen are protected;

4.3.4.2 that material likely to encourage or incite the commission of crime or to lead to disorder is not included in such services;

4.3.4.3 that news is presented with due impartiality and that special impartiality requirements (notably that the Authority must remain impartial as the provider of the services as regards all matters of political or industrial controversy, or of current public policy and that the Authority must ensure that its own views on such matters, with the sole exception of broadcasting matters, are excluded from its programmes) must be complied with;

4.3.4.4 that news is reported with due accuracy;

- 4.3.4.5 that the proper degree of responsibility is exercised with respect to the content of religious programmes;
- 4.3.4.5 that generally accepted standards are applied to the contents of television services so as to provide adequate protection for members of the public from the inclusion of offensive and harmful material;
- 4.3.4.7 that political advertising is not included in television services;
- 4.3.4.8 that the inclusion of advertising which may be misleading, harmful or offensive is prevented;
- 4.3.4.9 that international obligations regarding advertising included in television services are complied with;
- 4.3.4.10 that the unsuitable sponsorship of programmes is prevented;
- 4.3.4.11 that there is no undue discrimination between advertisers;
- 4.3.4.12 that subliminal messages are not permitted.

#### 4.4 **Previewing Programmes**

- 4.4.1 Ofcom as a regulator does not preview programmes. Its role is to identify and deal with transgressions 'after the event'. If the S4C Authority wishes to operate credibly as a regulatory body, it should ensure the independence of the programme service.
- 4.4.2 Thus, the Authority's role in respect of S4C and S4C Digidol is

4.4.2.1 **Before transmission:** to issue any Guidelines additional to those in Ofcom's

Code(s)

to approve S4C's overall programme policy and S4C's annual statement of programme policy.

4.4.2.2 **After transmission:** to view programmes about which it receives complaints or which are referred to it by the Compliance Group (see

below) and judge them objectively, and to apply sanctions if programmes fail to meet its requirements.;

to publicly report on its performance the proposals contained in the previous programme policy statement (and in particular that the public service remit and the Welsh Authority's duties under Schedule 12 of the Communications Act have been fulfilled).

#### 4.5 **Compliance**

- 4.5.1 In order to assist the Authority with its compliance responsibilities, a **compliance procedure** has been established. Currently, a contractual arrangement exists with the Thomson Foundation/University College of Wales, Aberystwyth for the provision of a monitoring service in respect of S4C and S4C Digital (by means of agreed levels of

sampling). The monitoring unit reports on a monthly basis to S4C's Compliance Group, which comprises senior representatives of the monitoring unit, senior S4C staff, and an independent chairman. In turn, the Compliance Group reports regularly to the S4C Authority, referring matters considered to have transgressed the applicable Codes and guidelines to the Authority and seeking guidance on compliance issues.

- 4.5.2 To date, there have been few formal complaints on content issues to the Authority. The Authority has established a **standing committee**, (including where complaints have been sent by the public an independent member), to consider any such complaints and to make recommendations to the Authority. Where the Authority has jurisdiction, the Authority will adjudicate upon any such complaints. Where the Authority has no jurisdiction, the Authority may instruct S4C to take such steps as the Authority considers appropriate to resolve the complaint or may refer the complaint to Ofcom. The Authority will publish information about complaints received and action taken in response to them in its annual report and on its website (in accordance with the Code of Complaints). On a number of issues the complainant is free to refer the matter to Ofcom.

## 4.6 Sanctions

- 4.6.1 The Authority can apply the following sanctions:

4.6.1.1 The Authority can require transmission of an **apology** if appropriate, or even an additional programme if required to redress imbalance;

4.6.1.2 Responsible commissioning editors and senior programme staff can be **disciplined or removed** from their posts;

4.6.1.3 A production company can be **excluded** from future commissions or sued for breach of contract;

4.6.1.4 There are at present no effective sanctions against the BBC, other than persuasion, or refusal to transmit the programme;

4.6.1.4 In the case of Channel 4, S4C can refuse to transmit its programmes. There are no other sanctions.

- 4.6.2 Ofcom can impose sanctions on the Welsh Authority (in accordance with S341 of the Communications Act 2003).

## 4.7 Audience Research

- 4.7.1 The Authority in its role as regulator is required to make arrangements for ascertaining:

4.7.1.1 the state of public opinion concerning programmes broadcast on S4C;

4.7.1.2 any effects of such programmes on the attitudes or behaviour of the viewers;

4.7.1.3 the types of programmes which members of the public would like to be broadcast on S4C;

The research must be as independent as practicable, and the Authority is required to give full consideration to the results.

4.7.2 The S4C Authority is under a duty to ensure that it is supplied with **adequate information** to undertake its obligations as a regulatory body.

## Section 5 – Advisory Committees

5.1 The Broadcasting Act 1990 provides as follows:

*‘The Authority may appoint, or arrange for the assistance of, advisory committees to give advice to them on such matters relating to the Authority’s functions as the Authority may determine.’*

5.2 Advisory Committees can be appointed to advise in relation to any of the Authority’s functions. However, responsibility for these functions remains with the Authority. S4C takes advice on religious issues from the inter-denominational body, Cytun, otherwise no formal Advisory Committee exists at present.

## Section 6 – Delegation

- 6.1 The Broadcasting Act 1990 allows the discharge of any of the **Authority's functions**, under the general direction of the Authority –
- by a committee of the Authority;
  - by any one of more Members;
  - by any one of more employees.
- 6.2 The Authority has established **three committees**, which are:
- the Audit and Risk Management Committee
  - the Complaints and Compliance Committee (see paragraph 5.5.2 above)
  - the Personnel and Remuneration Committee.
- The remit for each committee is attach at Annex 1.
- 6.3 The day to day management of S4C and most aspects of the broadcasting function have been delegated to **officers** since S4C's inception.
- 6.4 The Chief Executive acts as '**editor in chief**' in relation to the programme services. In doing so, he has to be aware of the separate roles of regulator and broadcaster. Any questions of a regulatory nature should be reported to the Authority at its next regular meeting.
- 6.5 The role of the **Secretary to the Authority** is a sensitive one, as the post involves advising S4C as the broadcaster and the Authority as the supervisory body and in certain respects the regulator. In practice, it is up to the Secretary to ensure that S4C operates within the law and in compliance with all applicable Codes and Guidelines in respect of both functions.
- 6.6 If the Authority is not satisfied with an officer's decisions taken on its behalf as a broadcaster it may require remedial action by the relevant officer or his/her line manager.

**Section 7 – The Chair and the Members of the Authority**

**7.1 The Chair**

7.1.1 The Chair of S4C is expected to devote three days a week, on average, to the duties of the post. Thus, although the post is part-time and non-executive, the Chair is expected to be available on S4C business on a regular and frequent basis.

7.1.2 In addition to the general responsibilities of all Authority members described earlier, the Chair has the following **essential duties**:

7.1.2.1 To provide guidance and advice to S4C’s Chief Executive and senior staff and to work with them for the benefit of S4C;

7.1.2.2 To chair and guide the meetings of the Authority;

7.1.2.3 To undertake a wide range of public relations duties on behalf of S4C;

7.1.2.4 To promote the cause of S4C in the political arena (within Wales and beyond);

7.1.2.5 To gain a proper understanding of the work of S4C as a public service broadcaster;

7.1.2.6 To gain an understanding of the television industry in Wales, in the UK (especially), and in an international context;

7.1.3 Individual Chairs will add to the above list on the basis of their own strengths, interests, and perceptions of the needs of S4C, in pursuance of the agreed policies and strategies of the Authority.

**7.2. Members**

Members of the Authority are part time and **non-executive**. Drawing from their varied experience, Members are expected to work with the Chair, Chief Executive and senior staff for the benefit of S4C’s audience, its staff and suppliers, and to ensure that the S4C programme services fulfil their remits, and that the public funds allocated to S4C are properly utilised.

**7.3 Code of Practice**

The standards of conduct and propriety required by the Chair and Members of the Authority are set out in a separate Code of Practice, which has been adopted by the Authority.



## **Appendix – The Remit of the Committees to the S4C Authority**

## **Aims and Responsibilities of the Risk Management and Audit Committee**

### **1. Constitution**

- 1.1 This Authority resolves to establish a Committee of the Authority to be known as the Risk Management and Audit Committee.

### **2. Membership**

- 2.1 The Committee shall comprise three members of the Authority. Two members shall constitute a quorum.
- 2.2 The Chair of the Committee shall be appointed by the Authority.

### **3. Attendance at Meetings**

- 3.1 Normally, the Director of Finance, the Chief Executive and the Secretary to the Authority shall attend meetings. However, the Committee shall meet with the external auditors at least once a year without the members of the Management Team present for confidential discussions. The internal auditors and external auditors shall attend meetings in accordance with the Committee's wishes.
- 3.2 The secretary shall be appointed by the Committee.

### **4. Frequency of Meetings**

- 4.1 Meetings shall be held at least three times a year. The external or internal auditors may request a meeting if necessary.

### **5. Duties**

- 5.1 The Authority authorises the Committee to investigate any activity within its aims and responsibilities. It is authorised to seek any information it requires from any member of staff and all employees are advised to co-operate with any request made by the Committee. Any member of staff may draw to the attention of any member of the Committee any information of which they consider the Committee should be aware.
- 5.2 The Authority authorises the Committee to obtain outside legal or other independent professional advice and to request the attendance of external people who have relevant experience if the Committee considers that it requires such advice and presence.

## 6.Duties

- 6.1 In order to ensure the appropriateness and validity of S4C's activities and the effectiveness of its management and financial systems, the Committee's duties shall be:
- (a) To consider the appointment of external and internal auditors, the audit fee, and any cases of resignation or departure by the external and/or internal auditors;
  - (b) to discuss with the external and internal auditors the nature and scope of:
    - (i) audit needs and the strategic audit plan for the forthcoming three years
    - (ii) the annual audit plan
    - (iii) specific audits before their commencement;
  - (c) to review the annual financial statements before submission to the Authority focusing on:
    - (i) any changes in accounting policies and practices
    - (ii) main judgmental areas
    - (iii) adjustments arising from the audit
    - (iv) the going concern assumption
    - (v) compliance with accounting standards
    - (vi) compliance with legal requirements
  - (ch) to discuss problems and any doubts arising from the final audit, and any matters that the auditors may wish to discuss (in the absence of members of the Management Team where necessary);
  - (d) to review the external auditors' management letter and S4C's response;
  - (dd)
    - (i) to approve and act in accordance with S4C's risk policy and risk register and consider annually any amendments there to;
    - (ii) to review and assess the operation of the risk policy and risk register annually and to consider and deal with any issues arising during the previous year;
    - (iii) generally to consider issues relating to risk and to note risk as an agenda item at each meeting;
  - (e) to consider the Authority's budget;
  - (f) to review the company's statement on internal management systems before it is approved by the Authority;
  - (ff) to consider the major findings of internal investigation and the response of managers;
  - (g) to monitor and review the differentiation between the public and general funds;

- (ng) to ensure that S4C and its commercial companies are trading fairly according to the law and the commercial guidelines approved by the Authority.
- (h) to ensure other topics as defined by the Authority.

## **7. Arrangements for Minutes**

The Secretary shall circulate the minutes and papers of the meetings of the Committee to all Authority Members and the external auditors.

## **8. Procedure for Reporting to the Authority**

The minutes and reports of the Authority shall be noted or considered, as appropriate, by the Authority as soon as possible following Committee meetings.

## **Aims and Responsibilities of the Complaints and Compliance Committee**

### **1. Constitution**

The Authority resolves to establish a Committee of the Authority to be known as the Complaints and Compliance Committee.

### **2. Membership**

- 2.1 The Committee shall comprise three members of the Authority. Two members shall constitute a quorum.
- 2.2 The Chair of the Committee shall be appointed by the Authority
- 2.3 The Chair of the Compliance Group shall attend as a member of the meeting where a complaint from the public is to be considered.

### **3. Attendance at Meetings**

Normally, the Chair to the Authority and the Secretary to the Authority shall attend meetings.

### **4. Frequency of Meetings**

Meetings shall be held at least once a year and on an ad hoc basis.

### **5. Duties**

- 5.1 The Authority authorises the Committee to investigate any activity within its aims and responsibilities. It is authorised to seek any information it requires from any member of staff and all employees are advised to co-operate with any request made by the Committee. Any member of staff may draw to the attention of any member of the Committee any information of which they consider the Committee should be aware.
- 5.2 The Authority authorises the Committee to obtain outside legal or other independent professional advice and to request the attendance of external people who have relevant experience if the Committee considers that it requires such advice and presence.

### **6. Remit**

- 6.1 To oversee and monitor S4C's complaints and compliance systems and procedures to ensure that they operate effectively and efficiently.
- 6.2 To report to the Authority on the performance of S4C's complaints and compliance systems performance each January.
- 6.3 Specifically, to consider complaints made to the Authority and to make recommendations to the Authority on the appropriate action in each case.
- 6.4 To consider matters that are referred to the Authority by the S4C Compliance Group and to make recommendations to the Authority on the appropriate action in each case.
- 6.5 Following receipt of a request for a review of a decision by S4C to refuse disclosure under the Freedom of Information Act to consider the matter and to make recommendations to the Authority on the appropriate action in each case.

## **7. Arrangements for Minutes**

The Secretary shall circulate the minutes and papers of the meetings of the Committee to all Authority Members.

The minutes and reports of the Authority shall be noted or considered, as appropriate, by the Authority as soon as possible following Committee meetings.

**25 May 2005**

## **1. Constitution**

This Authority resolves to establish a Committee of the Authority to be known as the Personnel and Remuneration Committee.

## **2. Membership**

2.1 The Committee shall comprise three members of the Authority. Two members shall constitute a quorum.

2.2 The Chair of the Committee shall be appointed by the Authority.

## **3. Attendance at Meetings**

Normally, the Chair to the S4C Authority, S4C Director of Personnel, the Chief Executive of S4C and the Secretary to the Authority shall attend meetings.

## **4. Frequency of Meetings**

4.1 Meetings shall be held at least once a year. The Committee shall meet on an ad hoc basis if necessary or if circumstances set out at paragraph 6.6 below apply.

## **5. Duties**

5.1 The Authority authorises the Committee to investigate any activity within its aims and responsibilities. It is authorised to seek any information it requires from any member of staff and all employees are advised to co-operate with any request made by the Committee. Any member of staff may draw to the attention of any member of the Committee any information of which they consider the Committee should be aware.

5.2 The Authority authorises the Committee to obtain outside legal or other independent professional advice. The Committee may request the attendance of external people who have relevant experience if the Committee considers that it requires such advice and presence.

## **6. Remit**

6.1 To oversee the personnel systems of S4C, including recruitment; salaries and terms and conditions of employment; training and development; conduct standards and disciplinary procedures and equal opportunities.

6.2 To monitor that the systems work effectively and efficiently.

6.3 Specifically, to oversee the process of appointing and terms and conditions of the Management Team.[*to be amended to: A forum for the Chief Executive to discuss the salaries of the Management Team*]

6.4 In respect of the Chief Executive and the Secretary, to make recommendations to the Authority regarding their employment terms and conditions.

- 6.5 To report to the Authority on performance of the systems during January of each year.[Following the receipt of an annual audit by the internal auditors on the statutory responsibilities and personnel policies. The risk elements associated with staffing to be considered by this Committee as opposed to the Audit and Risk Management Committee.]
- 6.6 [To advise when difficulties/exceptional circumstances arise in respect of personnel issues and/or if the Authority requests that the Committee deals with a specific issue.]

*[note that the Committee approved the paragraphs in square brackets on the 15 February 2005 but as the committee has not approved the minutes the Authority has not yet approved them].*

## **7. Arrangements for Minutes**

The Secretary shall circulate the minutes and papers of the meetings of the Committee to all Authority Members.

The minutes and reports of the Authority shall be noted or considered, as appropriate, by the Authority as soon as possible following Committee meetings.

25 February 2005 [but see note above]

