



Memorandum of Understanding between S4C and Creative Wales

Purpose

The purpose of this Memorandum of Understanding (MoU) is to outline the partnership agreement between Creative Wales and S4C. At its heart is a shared vision of a sustainable, innovative, resilient and growing sector in Wales. Against a backdrop of a rapidly changing broadcasting landscape, increasing global dominance and ongoing evolution of digital innovations, both S4C and Creative Wales are working to support the development of a dynamic, world-class screen sector in Wales, which is bilingual, representative, fair and inclusive. As we seek to shape our future in this context, beyond the COVID-19 pandemic, we are committed to working jointly to support services and content that reflects Wales, both to itself and to audiences further afield.

This MoU represents the first steps in formalising a long-term partnership between Creative Wales and S4C. Its intention is to build on the positive relationship between the Welsh Government and S4C and the strengthened links forged between both organisations following the launch of Creative Wales in January 2020. It will capitalise on opportunities to engage with key stakeholder and wider partners to maximise the benefits of joint action in support of the creative industries in Wales.

The MoU sets out how both parties will work together strategically to ensure added value to the Welsh language screen sector, which is funded from a range of sources. These include Creative Wales' own funds, S4C's spend and investment in a substantial amount of original content from Wales each year, its investment in skills and platforms, the additional funding S4C brings to Wales from co-productions and the significant economic impact its commissions have on independent production companies across Wales.

The MoU distinguishes between Creative Wales' lead role in the governance and delivery of its own activities, functions and priorities, working with partners to benefit from their specific leadership roles, and S4C's statutory role as a non-devolved public body, with editorial and operational independence and a separate relationship with the UK Government's Department for Digital, Culture, Media and Sport (DCMS).

The detail of this MoU is set out in two parts. The first sets out the joint commitment of the partners to deliver Creative Wales and S4C's joint vision and objectives. The second outlines the commitment of the respective partners to deliver specific activities and outcomes.

Our vision

Our vision for the creative industries is one which builds on existing successes to drive growth across the whole sector, developing a skills base that is world class, working towards fair and inclusive working practices, expanding support and positioning Wales as the place to locate a creative business. We will work in

partnership to ensure Wales' home-grown screen sector can compete internationally as well as satisfy domestic demand. Our vision is a Wales which continues to develop into a world-leading creative nation, whose content reflects our country on screen and takes our local and national stories to the rest of the world across multiple channels, designed to meet the needs of all audiences.

We recognise the essential role that the sector plays in supporting economic growth, with some evidence suggesting, with the right spend and investment, the sector could recover faster than the UK economy as a whole. In 2019-2021, S4C generated an economic impact of £141.1m in the Welsh economy and estimated employment opportunities for 2,229 workers across Wales. Sector stakeholders highlight the important role of S4C in providing employment in areas with high proportions of Welsh speakers, including disadvantaged areas of rural north and west Wales. Stakeholders and production companies also emphasise the importance of S4C's cultural and linguistic contribution, both in terms of its programming and its indirect economic impact.

Our strengthened relationship through this MoU will enable us to target our resources effectively, adding value to wider investment and focus on areas of greatest need and return.

The role also extends to wider areas and, in addition, our agreement aims to maximise the cultural, social and wellbeing benefits of our actions. A key focus of work together will be opportunities to support the growth and future of the Welsh language, aligned to the ambitions set out in *Cymraeg 2050* including increasing the number of Welsh speakers and opportunities to use and enjoy the language.

From April 2022, all of S4C's public funding will come from the licence fee for the first time. To coincide, S4C will launch its five-year strategy for 2022-27, which will see focus and commitment to building its digital capacity, supporting the Welsh language and building and developing Welsh language film and drama whilst continuing to support and grow its factual and documentary formats.

S4C is particularly committed to commissioning inclusive and representative content made by a workforce and sector which reflects the Wales of today, and to giving new talent a clear pathway and support to become established in the sector. S4C is also committed to engaging with the independent production sector in a fair, consistent and clear manner, as set out in its code of practice in commissioning content and its Terms of Trade developed in partnership with TAC.

Both parties will work closely to align investment with the ambitions of this MoU, whilst acknowledging the need for exceptions.

We will work towards ensuring that the screen sector in Wales:

- Supports the long term sustainability of the sector, providing opportunities for employment with fair pay, access and working practices, cementing its role as a

¹ Assessing the economic impact of S4C in Wales and the UK, Arad Research, March 2021.

key contributor to Wales's social, cultural and economic success and post COVID-19 recovery;

- Achieves international success and is recognised as a centre of excellence and innovation for content development and production, talent, skilled craft and technical crews, infrastructure, facilities companies, exhibition and film education;
- Promotes equality, diversity, inclusion and representation, in front and behind the camera - developing, attracting and retaining diverse talent;
- Delivers relevant and valued content which depicts and reflects the reality, landscape, languages and cultures of the nation, in a way that is compelling for audiences globally and generates pride locally;
- Supports our respective ambitions for the Welsh language, as set out in *Cymraeg 2050* and in S4C's commitment, and delivers Welsh language services and content which entertain, educate and inspire audiences about the language – from new speakers to those who already speak Welsh;
- Provides the capacity to meet the demands of the sector across Wales through sufficient supply of quality studio space;
- Promotes sustainable development in the production sector, and adoption of Albert accreditation, working toward a net zero commitment;
- Maximises opportunities that support a plurality of news and journalism services in Welsh, across a range of platforms.

In order to further these objectives, we will coordinate our activities with other public sector partners and relevant stakeholders, including broadcasters and the independent TV and digital production sector and, where applicable, trade unions (particularly around fair work, pay and skills) and other industry bodies.

We will ensure there is regular structured partnership working to support the delivery of this MoU. This will include meeting formally on a quarterly basis to review progress and to agree shared and partner-specific actions.

Our shared ambitions

Our partnership work will be guided by the following shared ambitions:

- 1. Economic growth**
- 2. Diverse talent development, support and growth**
- 3. Growing the profile and portrayal of Wales**
- 4. Promotion of the Welsh language**

1. Economic Growth

- We will co-invest in development and production, with a view to securing new high quality Welsh language content across a range of genres, including TV drama, factual series and online content;
- We will work jointly to support and grow Welsh language film production
- We will identify opportunities for indigenous production companies, promoting IP asset ownership and creative talent in the long-term development of a sustainable sector;
- We will co-invest in piloting to test and strengthen ideas, where appropriate;

- We will support sustainability and skills development through a focus on developing returning series, building on the current range of returning series commissions on S4C television, to support the longer-term sustainability of the sector in Wales;
- We will seek to strengthen the reputation of Wales as a Centre of Excellence for TV production through investment by Creative Wales and S4C in infrastructure and production skills;
- Explore opportunities for additional investment from S4C's commercial fund and Creative Wales funds in order to maximise the commercial potential of initiatives in the creative sector in Wales;
- We will work together to promote Welsh interests to support the development of a fit for purpose UK broadcasting regulatory framework.

2. Diverse talent development, support and growth

- We will work towards developing a more diverse and inclusive production industry in its broadest sense, by encouraging a broader range of voices, stories and perspectives to be heard and include a more diverse workforce behind the scenes as well as on-screen;
- We will target under-represented communities through our actions to ensure a more diverse and representative sector;
- We will use the totality of S4C's output to support new ideas, talent and formats;
- We will identify and support inclusive training initiatives and create professional development opportunities to meet areas of evidenced need. This area of activity will build on the success of existing schemes such as the Factual Fast-Track Wales scheme, delivered in tandem with the BBC and Channel 4, S4C's successful training partnership with TAC and jointly launching the RAD Wales scheme with other partners.

3. Growing the profile of Wales

- We will identify opportunities to raise the profile of Wales internationally, producing content depicting local stories with global appeal. We will build on successes such as Y Gwyll, Craith, Yr Amgueddfa, 35 Diwrnod, Un Bore Mercher, Gwledd, Am Dro, and Bois y Pizza which have attracted an international audience;
- We will develop world-class content with commercial appeal, capitalising on Wales' unique selling points including its talent, landscape, language and culture, strengthening Wales' reputation for high quality content;
- We will share data on our changing audiences and production landscape to better inform our investment decisions;
- We will boost investment into Wales by working with co-production producers, distributors and overseas broadcasters;
- We will agree a joint marketing and communications strategy and plan to support and deliver agreed objectives.

4. Welsh language

- We will identify and support opportunities to develop a bilingual workforce across the screen sector;
- We will maximise the use of S4C content and commissions to support the target of a million Welsh speakers by 2050;
- We will use S4C content to support education and learning in Wales including through the Welsh Government's Hwb platform and through S4C's partnership with the National Centre for Learning Welsh;
- We will identify opportunities to use S4C content to help develop assistive technology that will support the accessibility of Welsh language content across platforms, including Welsh speech-to-text technology.

Delivery commitments

S4C commits to:

- Up to £1m p.a. for Welsh language film, noting the impact of the lead in time associated with the establishment of a process to fund Welsh language films on level of spend in the short term;
- Invest a minimum of £6m p.a. in original TV drama for the next three years with £300k ring-fenced for new drama development;
- Continue to invest a minimum of £200k p.a. in skills and talent development to ensure a highly-skilled, bilingual workforce in a production sector that is representative of Wales today. In particular we will develop skills in the priority areas of creating innovative digital content, storytelling and scripting, and those needed to grow factual programming in Wales to become as successful as drama;
- Continue to develop original formatted factual and feature documentary content under the S4C Originals brand;
- A new diversity, equality and inclusion strategy which will continue S4C's work towards a sector and content that reflects the Wales of today – on-screen and behind the camera. We will support training partnerships and projects to bring under-represented people to work on S4C content, working with Creative Wales, other broadcasters and partners including TAC, the creative unions, Screen Alliance Wales, It's My Shout, Culture Connect Wales, Theatr Genedlaethol Cymru, Urdd Gobaith Cymru and others. We will particularly focus on improving representation of disabled people and people from ethnically diverse backgrounds in the sector;
- Work towards a zero carbon, zero waste screen sector in Wales and a sustainable production chain for S4C through our involvement in Albert.
- Continue to deliver/grow quality Welsh language news coverage on digital and linear platforms to offer plurality of voice;
- Work with the Welsh Government and other partners to facilitate the discovery of and access to up and coming Welsh talent from across Wales. Work with the Welsh Government to maximise the impact of development funding across the Welsh independent production sector;
- Work in partnership with the Welsh Government, to ensure routes into the sector for those currently under-represented including apprenticeships, paid traineeships, bursaries and social clauses in S4C content supplier contracts.

Creative Wales commits to:

- Supporting the ambitions of this MoU in the first financial year, by investing in content that meets these objectives;
- Identifying resources from the Creative Wales budget to support a range of mutually agreed strategic initiatives or interventions. In 2021/22 this will include:
 - Funding commitment for nine development projects in partnership with S4C through the 21/22 Development Fund round;
 - Identify paid opportunities for: other production partnerships, in-company support, talent attraction, talent shadowing, piloting, placements and professional development) to strengthen the long term-health of the Welsh screen sector. Identify resource to match-fund the S4C's commitment through this MoU to develop talent, skills and businesses in Wales, either through enhancing existing initiatives, or by developing and agreeing new, complementary ones.
- Up to £1m p.a. for Welsh language film to complement S4C investment, noting the impact of the lead in time associated with the establishment of a process to fund Welsh language films on level of spend in the short term;
- Ensure funds are allocated on merit according to the value they contribute to the shared aims and ambitions and in a fair and transparent way;
- Work with S4C and other partners to facilitate the discovery of and access to up and coming Welsh talent from across Wales. This includes working with S4C to maximise the impact of future rounds of development funding across the independent production sector in Wales;
- Establishment of a Creative Industries Skills Body within Creative Wales and the development of an action plan for creative skills;
- Support for short term and medium to long term initiatives to support skills development with the sector, including through apprenticeships and paid traineeships on productions;
- Ensure skills and talent development support is accessible to support joint ambitions for a diverse and inclusive sector;
- Action to support the longer-term sustainability of the sector, and maximising opportunities to promote and drive good practice, such as Albert accreditation.
- Investment to increase the availability of quality studio space to meet demand and support the growth of the sector across Wales;
- Represent Wales' interests in discussions with UK Government on broadcasting matters, recognising broadcasters' independence from government;
- Work alongside S4C to support the indigenous sector to sell its stories to the world, to maximise international opportunities and promote Welsh talent and output;
- Work in partnership with S4C, employers and trade unions, in line with the Welsh Government's commitment to tripartite approach to social partnership, fair work and wellbeing;
- Engage with wider Welsh Government departments to ensure a joined up approach in working with S4C to support strategic priorities.

Term and Review

This initial partnership agreement covers the period December 2021 to 31 March 2024, with a formal review at the end of the first 12 months. It is anticipated that it will

be reviewed and revised as appropriate for renewal at the end of the second year for a further period.

The initiatives outlined in this partnership will be monitored and measured on a quarterly basis, with both parties exchanging information on current projects to identify and address any potential shortfalls within the Term.

Ongoing monitoring and review will be the responsibility of a convened group to include relevant representatives from S4C and Creative Wales.

This is a Memorandum of Understanding and not intended to be legally binding. Both parties are committed to achieving the shared ambitions; however, there may be circumstances in which that is not possible.

Parties

S4C

S4C is the Welsh language public service broadcaster. Launched in 1982, it is the only full-time Wales-based broadcasting service and publishes content online, on its player S4C Clic, on linear TV, through its Newyddion app and on the iPlayer. S4C plays a significant role in reflecting Welsh culture and society and promoting the Welsh language. S4C is a commissioner broadcaster and invests in content from independent production companies across Wales. It has an annual content budget of approximately £65m.

From April 2022, its public funding will all come from the television licence fee. S4C commitments are subject to the licence fee settlement.

Creative Wales

Creative Wales was launched in January 2020 to develop and grow the creative industries in Wales. Creative Wales is an internal Welsh Government body and derives its funding from Welsh Government.

The Creative Wales budget for the 21/22 financial year is £12,989,000 to support the creative industries including the screen sector in Wales, in addition to the support and resources of the partner agencies.

Signatories to this MoU



.....
Owen Evans
Chief Executive, S4C



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Dawn Bowden MS
Deputy Minister for Arts and Sport, and Chief Whip