

---

## S4C Work Plan for 2012

## 1. Introduction

This is S4C's Work Plan for 2012. The Plan outlines S4C's priorities for 2012. It also notes which performance indicators will be used to assess the performance of S4C's services during the year.

Main priorities of the year:

- Provide a high quality service.
- Ensure that consideration of the views and requirements of the audience is core to all our work, including the process of assessing performance.
- Develop the new partnership with the BBC and the partnership with the independent production sector.
- Ensure further savings in S4C's costs to allow the Channel to invest more in content.
- Develop our involvement with new digital media.
- Make best use of our commercial opportunities.

## 2. Context

The S4C Authority's statutory duty is to:

*"provide 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, and must include the continuing provision of the service provided in digital form and known as S4C Digital."*<sup>1</sup>

S4C is a Welsh language service and the Channel has a specific linguistic remit. The Authority's expectations, as far as the use of Welsh is concerned, are laid out in the Welsh Language Programme Guidelines which are available on S4C's Production Website.

S4C's statutory remit refers specifically to a 'television programme service'. The Authority is eager to hold talks with the Government to discuss updating the definition of S4C's remit to ensure that S4C can provide 'digital content' as well as a television service. The remits of other broadcasters, such as the BBC and Channel 4, have already been updated to allow them to develop services in the field of digital content. It's important to note however that the Authority needs to ensure that there is a suitable balance between providing a television service and providing content for the new digital media. Trying to achieve this balance will mean managing the expectations of a number of interested parties.

Although S4C does not have the legal ability to adopt a new remit itself, the Authority is eager to ensure that S4C's Work Plan for 2012 will be implemented with digital media core to the Channel's work, as far as this is legally possible.

It is the duty of the S4C Authority to set out the Channel's strategy and ensure that S4C's Officials provide the Channel's services in accordance with the strategy approved by the Authority. This division, between the non-operational duties of the Authority, and the operational duties of S4C's Officials under the leadership of the Chief Executive, is a core principle that has been in place since the beginning of S4C in 1982.

The Authority is not involved in day to day decisions. In particular, the Authority is not involved in any editorial decisions.

This Plan has been approved by the S4C Authority as the Channel's Work Plan for 2012. Unless noted otherwise, S4C's Officials will be responsible for implementing the Plan's objectives and the Authority will supervise and consider the performance of S4C's services against the targets and objectives of this Plan.

<sup>1</sup> Section 204 Communications Act 2003 (as amended)

### **3. Our work for the year**

2011 was a year of great change for S4C as substantial cuts to the Channel's budgets started to bite. There will also be further changes in 2012, as the budget is further reduced and as a new schedule was launched in March 2012 will also need to be a year of development and a year of looking forward to the next period in the Channel's history, with a new Chief Executive and the Chairman in his first full year in office.

S4C will celebrate its 30th anniversary in November 2012. We will make sure that arrangements are in place to celebrate this important milestone in the Channel's history by looking back at the wealth of material in the archives but, at the same time, looking forward to the future with confidence.

S4C's main priority during 2012 will be to provide a high quality Welsh language service that will achieve S4C's objectives for the future. Co-operation, communication, ambition, confidence and boldness will be central to the Channel's work.

The audience will be central to all aspects of S4C's work and by ensuring this we will try to understand their needs and aspirations so that we can provide a service that will appeal to them. Comprehensive research will drive the process of understanding our audience and we will use new and innovative marketing techniques to communicate with our audience. As with other broadcasters across the world, the schedule's financial investment will be concentrated on the peak hours.

The challenge facing the Channel gives us an opportunity to consider innovative and exciting ways to re-define and develop the service during a period of convergence. Looking to the future, S4C will have to ensure that it provides a variety of high quality content for viewers and users from different backgrounds, age and areas. The aim will be to broaden the appeal of the service without alienating the existing audience.

During the year we will also continue to build on the recent work of developing S4C's relationship with the audience and key stakeholders, including the independent production companies and politicians in Cardiff Bay and Westminster. Developing partnerships will be an integral part of S4C's work and we'll look for new opportunities to create real partnerships with large and small establishments across Wales.

This Plan includes the main elements of S4C's work and is not a comprehensive list of what the Authority and officials will aim to accomplish during 2012. During the year we will issue updates to this Plan and will report on the performance of the service using a variety of methods including S4C's website. Information regarding the performance of the service will also be included in the Annual Report and in the annual review of S4C's Programme Content Policy Statement.

### **4. Performance of the service**

One of S4C's main priorities is to ensure that its services are used and appreciated by as many users as possible in Wales and beyond. We will, during the year, use a number of standard measures to assess the performance of the service with this aim in mind and the targets listed below.

On March 1st the schedule outlined in Vision 2012+ was launched. The new schedule represents the next step in S4C's development. We'll be monitoring the performance of the new schedule to ensure that it responds to the needs and aspirations of the audience. Extensive research, including quantitative research (i.e. research using large samples) and qualitative research (where the results are analysed) will be conducted and we will try to respond to the results of the research so that we can refine the service. Focus groups will be held around Wales so that we can continue to develop our understanding of the audience across the country as well as giving the Channel's viewers across Wales another opportunity to express their views about our schedule.

The new schedule will attempt to broaden the appeal of S4C's service to new viewers – especially those Welsh speakers for whom S4C is not currently a regular part of their lives, whilst at the same time trying to meet the needs of the existing audience. This is part of the challenge given to the Channel by the Secretary of State in October 2010 and the reach measure for 2011 (i.e. the number of individuals who tune in to S4C's service) has already shown an increase on 2010's figures. It must be noted, however, that the new schedule will try to achieve this important objective with a considerably lower budget. This will be a challenge for S4C's Officials and the independent production companies.

The Authority will measure the success and the effect of Vision 2012+ and its services by using the following criteria:

1. Audience measurement;
2. Quality of programmes;
3. Audience appreciation;
4. Value for money; and
5. Broader impact on the Welsh language, including culturally and economically.

During the year we will develop measures to assess the performance of S4C's service against the criteria listed above.

We will report on the performance of S4C's service in the Annual Report and we'll use other opportunities during the year to present and share information regarding the service's performance.

We will give the service a challenge to increase the number of viewers that tune in to the Channel as well as the number of people who use the Channel's service over the year. An increase in the reach of the television service will be expected, compared to the figures for 2011. Our aim is also to ensure an increase in the number of Welsh speakers who use S4C's services during the year.

When presenting and sharing information, the Authority will try to explain the significance of the performance of the service. For instance, BARB, the body responsible for measuring television audiences, does not include audiences that are under 4 years old (that is the target audience for the highly popular 'Cyw' service); we'll try to assess the value and appreciation of Cyw through alternative means rather than the usual viewing figures. Other broadcasters are also trying to deal with similar issues and we'll look for examples of best practice so that we can share meaningful information.

An increase will also be expected in the performance of the online services, including an increase in the number of viewing sessions on Clic compared to the performance in 2011, which was 2.5m viewing sessions.

We will also assess the reach of the service across the whole range of platforms that give access to S4C's content.

As well as ensuring an increase in the reach of S4C's service, an important objective for S4C is to ensure the performance of individual programmes within the schedule and we will aim for a reach of over 100,000 for 80 individual programmes during the year.

We will also monitor the performance of S4C's television service during peak hours. When considering the target for the average thousands of viewers during peak time, the use of Clic's on-demand and "another chance to view" on television must also be taken into account. The average number of peak time viewers has been relatively constant for a number of years, with figures ranging between 27,000 and 32,000. We'll expect the average to remain within this range during 2012, while striving to see an increase in the figure for 2011.

## **5. Our viewers' opinions**

Our viewers have high expectations of the Channel's schedule; this is to be expected and is to be welcomed. The Authority and S4C's Officials have a duty to ensure that the existing audience, as well as those who don't currently use S4C's services, are given ample opportunities to express their views about the Channel's services.

It's vitally important for S4C to remember how the Channel came into existence and the indigenous and important relationship that has and should exist, between the Channel and its viewers. Continuing to restore and develop this relationship will be one of S4C's main priorities in 2012.

During the year S4C will continue to develop its relationship and connection with communities and Welsh establishments. In 2012 there will be more emphasis on developing the relationship with the independent production companies and the bodies representing the industry, such as TAC and PACT. Establishing new partnerships will also allow us to hold a dialogue with our viewers and to understand more about their needs and aspirations.

A better understanding of our audience and placing the audience at the heart of S4C's activities will be core to our work during the year. We will collaborate with partners such as the Welsh Government, the Welsh Language Commissioner, BBC Cymru Wales and others to develop projects which will give Welsh speakers an opportunity to voice their expectations in relation to the use of services through the medium of Welsh.

In 2011 S4C announced that a panel of viewers would be established to provide feedback on the Channel's programmes and services. It is intended to use the feedback to help S4C to plan and develop for the future. "Panel Pobl" (People's Panel), a panel of 100 individuals has now been established and S4C will make use of the panel regularly during 2012 to assess the performance of its services and also to listen to the views of the audience.

Viewers' Evenings will still be an important part in S4C's communications activity with at least four meetings to be held in various parts of Wales, giving viewers opportunities to attend and express their views and question members of the Authority and S4C Officials regarding the Channel's work.

The Calon Cenedl (Heart of the Nation) campaign will continue in 2012 and we will arrange a number of events around Wales to showcase S4C's programmes as well as giving the audience further opportunities to express their views and to ask questions about the Channel's content. We will also assess the performance of these campaigns to ensure that they satisfy the needs of our audience and offer value for money.

## **6. Other priorities**

As well as launching Vision 2012+ in March, S4C will, during the year, also focus on the following matters:

### **6.1 Developing the Partnership with the BBC**

2012 will be a period of further change for S4C. In 2011, S4C came to agreement with the BBC Trust regarding the accountability and funding of S4C for the period 2013 - 2017. <sup>2</sup>

The operational details of the partnership will need to be developed during 2012. The DCMS will consult on the legislative amendments that need to be introduced to implement the new partnership. There will also be opportunities for the public and stakeholders to express their views about the arrangement agreed between S4C and the BBC Trust. The Authority believes that it's important for the Channel's viewers to have an opportunity to express their views about the proposed partnership.

During the year, S4C and the BBC Trust will discuss the Operating Agreement that will implement the new partnership and when we agree on the details of the Agreement, both parties will hold a public consultation on the Agreement.

<sup>2</sup> [s4c.co.uk/production/downloads/c\\_S4C\\_governance\\_position\\_summary.pdf](http://s4c.co.uk/production/downloads/c_S4C_governance_position_summary.pdf)

With a new funding and accountability arrangement agreed between both parties, we look forward to creating a new partnership with the BBC. It's important to ensure that the new partnership between S4C and the BBC is developed to ensure benefits to both parties. It's important to ensure that the operational details acknowledge the editorial and managerial independence of both broadcasters and that efficiency plans deliver value for money for both broadcasters. We aim to announce more information about the discussions with the BBC Trust during the year.

Discussions regarding collaboration will also take place between S4C and BBC Officials in Wales as well as on an UK level. These discussions will consider opportunities for both broadcasters to collaborate in various fields, including many operational areas as well as creative opportunities to develop quality content. We look forward to developing new opportunities with one of the world's most prominent broadcasting brands.

There will also need to be a period of preparation to introduce the amendments to S4C's accountability and finance from April 2013.

## **6.2 Financial targets**

S4C's budget will reduce again in 2012. In 2010, S4C's grant was £101m. It will be reduced from £90m in 2011 to £83m in 2012. As a result, more changes will have to be implemented and the effect of these will be seen on S4C's operations during the year. This will create uncertainty for many people within S4C and the sector and we will ensure that plans to implement any cuts are presented and implemented fairly and transparently, showing respect and dignity to individuals and companies.

We will develop targets for efficiency savings during the year and we will try to make sure that the savings to S4C as an organisation by 2015 correspond in percentage terms to the cuts to the content budget during the same period.

As well as cuts to S4C's budget, we will consider further recommendations regarding innovation and efficiency within S4C's activities.

We will work to ensure better value for money – in the context of S4C's own running costs as well as the money invested in S4C's services in the independent sector. The S4C Authority's Audit and Risk Management Committee will be responsible for developing a value for money programme.

For the 2012 budget, we will ensure that £67m is allocated to the content budget. We will continue to plan S4C's budgets for the coming years, preparing a financial plan for 2013 and continuing to plan, as far as possible, for the period 2013-17.

## **6.3 Relationship with the production sector**

Developing the relationship with the production sector will continue to be a priority in 2012. To achieve this, we will continue to hold discussions with TAC and PACT. Developing the creative partnership with production companies will be important in 2012 and the Chief Executive and other staff will continue to visit companies across Wales during the year.

We will revise the Code of Practice and Terms of Trade during the year to make sure that they are suitable for S4C and the producers' needs.

Skills will remain a priority for S4C and we will collaborate with bodies such as Skillset, Cyfle, TAC, PACT, the independent production companies, the Welsh Government and others to make best use of the resources available, to make sure that the available training provision within the Welsh sector offers relevant courses across Wales whilst also ensuring best value for money.

S4C's substantial investment in Skillset's training activities will continue during the year. This investment, a total of £300,000 from S4C, is matched with similar investment from other funds, including European funds and S4C's original investment is a foundation for a significant investment.

## **6.4 Digital and new media**

The Authority has conducted a consultation on the Report of the New Media Forum (established by the Authority in 2011) and will consider the Forum's recommendations and the response to the consultation and prepare a strategy for S4C in the field of digital media. It will also consider the need for specialist advice in this area and the future of the existing Forum.

The Forum has recommended that S4C adopts a series of core values to reflect the importance of new digital media. More information regarding the Forum's recommendations can be found on S4C's website <http://www.s4c.co.uk/newmedia>

The S4C Authority will take these recommendations into account when considering the Forum's Report and will hold talks with the Government with a view to updating the interpretation of S4C's remit so that S4C can provide 'digital content' as well as the television service.

During 2012, S4C will, within its present remit, commission digital content and will also develop plans to ensure that S4C's content is available on additional platforms including Android devices and services such as YouTube.

Guidelines will be prepared for the Digital Fund that has been announced by the Authority. It must be ensured that any new investment in digital content will add value to S4C's present provision and is consistent with the needs and aspirations of the audience.

## **6.5 Masnachol / Commercial**

S4C's commercial subsidiaries will continue to try to attract additional income so that S4C can invest in original content for S4C's services during the year.

We will continue to sell advertisements and sponsorship opportunities, product placement and teleshoping and we'll continue to develop the relationship with the ad-sales agency appointed recently following an open tender. We will aim to increase the income from multi-platform opportunities and increase the number of Welsh language adverts and adverts by companies based in Wales.

We will collaborate with production companies and other stakeholders to ensure that we take advantage of commercial opportunities and that S4C and its partners can gain from these opportunities. Where appropriate, we will work in partnership with others to develop commercial opportunities.

We will continue to invest in the co-production fund to promote co-production activities by independent companies.

More information regarding the work of the subsidiary companies will be published on S4C's website.

## **7. Achieving Ofcom and the S4C Authority's targets**

We will ensure that S4C's services comply with the relevant codes and regulations, including those published by Ofcom, ATVOD and the S4C Authority.

S4C's services will also comply with the relevant targets set by these bodies.

## 7.1 Ofcom's programme targets

- (i) At least 25% of production time to be given to productions from the independent sector.
- (i) 90% of Original programmes <sup>3</sup> (peak hours <sup>4</sup>).
- (ii) 80% of Original programmes (all hours).
- (iii) 60 hours a year of Current Affairs Programmes (all hours).
- (iv) 30 hours a year of Current Affairs Programmes (peak hours).
- (v) 200 hours a year of News Programmes (all hours).
- (vi) 150 hours a year of News Programmes (peak hours).
- (vii) One daily News Programme during peak hours.

## 7.2 Ofcom's access services targets

S4C has a commitment to ensure that as many people as possible have easy access to its services so that S4C can be part of as many people's lives as possible every week. "Access services" is the general term used to describe the scope of services and techniques that are available, including subtitling, audio description and open signing.

We will ensure the continuation of the access services and we will review our provision during the year taking into account technological and budgetary developments.

Ensuring that our viewers can communicate easily with S4C is also important and we will ensure that the viewers' hotline, Gwifren Gwylwyr, is accessible to users.

We will conform with Ofcom's relevant targets to provide these services.

Subtitling 80% of all hours

Signing 5% of all hours

Audio description 10% of all hours.

## 8. Our Viewers' opinions

S4C always welcomes the opinions of our viewers.

If you wish to express your views about our programmes or about the performance of S4C's services against this Work Plan or if you need further information, we'd be glad to hear from you.

You can contact S4C by phone, e-mail, twitter, facebook or by letter.

s4c.co.uk  
@s4carlein  
s4c@s4c.co.uk

Phone: Gwifren Gwylwyr (Viewers' Hotline) 0870 600 4141

Phone: Cardiff Office 02920 747 444

Phone: Caernarfon Office 01286 674 622

S4C  
Parc Tŷ Glas  
Llanishen  
Cardiff  
CF14 5DU

S4C  
Doc Fictoria  
Caernarfon  
Gwynedd  
LL55 1TH

<sup>3</sup> Original = Programmes commissioned by or produced for S4C and is a European work (AVMS directive), whether they are original transmissions or repeats. The total includes hours produced by the BBC.

<sup>4</sup> (Peak hours – as defined by Ofcom= 6.00 – 10.30)