

Press release: The future of S4C

- Independent review looking at sustainability of S4C published today
- Key recommendations include increased digital input, changes to governance structure, and greater freedoms for S4C in making commercial decisions
- Government commits to maintaining current annual funding of £6.72m until 2020

The review, led by Euryng Ogwen Williams, presents a package of reforms which have the potential to deliver real change to make S4C a better organisation that more effectively serves Welsh speaking audiences. The review's recommendations will also be instrumental in strengthening the independence of the broadcaster and increasing the transparency of its operations.

As part of its commitment to ensuring a strong future for Welsh language broadcasting, the Government has also announced it will be maintaining UK Government funding for S4C's funding at its current level of £6.762 million for 2018/19 and 2019/20. This will give S4C the funding certainty it needs for the next 2 years to deliver the much-needed reforms set out in the review.

Secretary of State for Wales Alun Cairns said:

S4C undeniably makes an enormous contribution towards the creative industries in Wales, and crucially, to promoting the Welsh language and our culture around the world.

The UK Government recognises the importance the people of Wales place upon S4C. Broadcasting across the UK is a reserved function, that is why this Government will continue to provide funding certainty to the channel as it navigates the recommendations set out in the review over the coming two years.

I am confident that the future is bright for S4C. We want to see the channel continue to evolve to meet the needs of the digital age, and develop some of the UK's most innovative, authoritative and entertaining programming now and in the years to come.

Minister for Digital and the Creative Industries, Margot James said:

S4C has a unique cultural and social value as the world's only Welsh language broadcaster. We want to see it continue to thrive, but, as with all broadcasters, it needs to adapt to the changing media landscape. This review sets out a clear and sensible path for its future, and we are providing the funding certainty that S4C needs to deliver this.

The reviews recommendations are as follows:

- The government should update S4C's public service remit to include digital and online services and remove the current geographical broadcasting restrictions. This will allow S4C to broaden its reach and offer its content on a range of new platforms in the UK and beyond.
- S4C should establish an in-house digital hub to develop and improve S4C's digital footprint and form the basis of a Welsh language digital cluster.
- S4C should establish a language partnership with the Welsh Government and others to help deliver the Welsh Government's commitment to reach 1 million Welsh language speakers by 2050.
- S4C's public funding should be provided entirely through the licence fee from 2022/23 onwards, with all future funding decisions made as part of the BBC licence fee funding settlement.
- The government should consider amending current approval requirements to give S4C greater freedom to invest and generate commercial revenue.
- The S4C Authority should be replaced with a new unitary board comprising executive and non-executive directors.
- The government should consider whether S4C's current financial audit arrangements are suitable, including whether it would be appropriate to appoint the Comptroller and Auditor General as S4C's external auditor.

Chair of the independent review, Euryng Ogwen Williams said:

I was delighted to be asked to lead on this independent review, on a subject very close to my heart.

Being the only Welsh language broadcaster, S4C's role is one of great importance to Welsh speaking audiences in and outside of Wales and I wanted to make sure it can continue to thrive in this new and fast developing media landscape. I hope that my report and recommendations will guarantee S4C's status as an independent broadcaster that can play a major role in the Welsh language partnership, having secured the stability to do so for the years to come.

The government accepts all of the recommendations for government made by the review. We also expect S4C to take forward the review's recommendations and suggestions. Government has now asked S4C to provide a detailed implementation plan by July 2018 on how it will deliver the necessary reforms.

While some of these recommendations will likely require legislative change when parliamentary time allows, the government expects S4C to work flexibly in the interim to deliver these reforms as much as possible within the constraints of the current statutory framework.

Notes to Editors

- The independent review was chaired by Eurnyn Ogwen Williams. Eurnyn has over 50 years of broadcasting experience in Wales, and was appointed based on his understanding of the Welsh language broadcasting sector as well as his knowledge of Welsh language, culture and society.
- The Chair conducted an in-depth 3 month review which considers S4C's public service remit, funding methods and governance structures. During the review the Chair considered a wide range of stakeholder views to inform his conclusions.