



MINISTERIAL WRITTEN STATEMENT

Wednesday 4 July 2012

S4C GOVERNANCE

Minister for Culture, Communications and Creative Industries, Ed Vaizey): My department undertook a public consultation on proposals to amend S4C's governance arrangements, which ran from 1 February to 4 May 2012. There were fourteen responses to the consultation and these will be published on my department's website shortly. I am grateful to respondents for taking the time to contribute their views.

I have carefully considered the responses and my conclusions are as follows.

In relation to the question of whether the Selection Panel for the appointment of members to the Welsh Authority should include a representative of any body providing funding for S4C, I note the concerns raised that this could undermine S4C's editorial independence and the principle of the S4C-BBC partnership. I do not, however, share these concerns and agree with the viewpoint that it is right and proper for any body involved in the funding and accountability of S4C to be represented on the Selection Panel.

Respondents also raised several points and concerns about the method and level of funding S4C and about governance arrangements generally. I have reflected on these

points but do not believe there is anything that necessitates a change in the provisional agreement reached between S4C and the BBC in October 2011 or in the current Government position on S4C reform which I welcomed at the time and still consider to be a very positive basis for successful partnership.

The consultation sought views on whether it should be a statutory requirement for any body entering into an agreement to fund S4C to have an operating agreement with S4C. There were general objections to having an operating agreement, on the basis that it would undermine S4C's independence. Other respondents favoured an operating agreement, for purposes of clarity, transparency and stability. There was not, however, overwhelming evidence for the need for the operating agreement to be enshrined in legislation. My view is that there is a clear need for an operating agreement but I do not believe the need for an operating agreement need be enshrined in legislation, at least not in the short term. I am keen to provide for an opportunity for the operating agreement currently under consideration by BBC and S4C to work in practice without creating new legislation. I believe that the BBC and S4C intend to consult publicly on the content of this operating agreement later in the summer. If, in the future, it becomes clear that the absence of legislation has caused difficulties in the effectiveness of the operating agreement, then I would be prepared to reconsider the need for legislation. Under the Public Bodies Act 2011, there is provision until February 2017 for an operating agreement to be enshrined in legislation.

As a result of these decisions, I am pleased to confirm that we have now made the new arrangements for the governance and funding of S4C as set out in the Amended BBC Agreement (September 2011).