

Non-Executive Members of S4C's Commercial Board

S4C is looking to appoint two Non Executive Board Members onto its Commercial Board.

S4C is a public service broadcaster with a unique role to commission, create and distribute Welsh language content across a range of platforms, reaching audiences across Wales and beyond.

S4C is a public body which is accountable to the Department for Culture, Media and Sport and receives its funding from the licence fee. It supplements this funding with additional income generated from commercial activities.

These commercial activities are conducted through wholly-owned subsidiaries of S4C, which are managed and overseen by a commercial board. S4C is now seeking to appoint two non-executive directors to the commercial board.

Commercial group

There are currently five companies in S4C's commercial group:

S4C Masnachol Cyf
S4C Rhyngwladol Cyf
S4C2 Cyf
S4C Digital Media Limited
S4C PTG Cyf

Further details are set out in the Appendix.

The members of the board of directors are the same for each company. This appointment would therefore be as a non-executive director of all five companies.

The board of each company consists of executive directors, external non-executive directors and non-executive directors from the main S4C Board, and the chair is S4C's Chief Executive.

Commercial activities

S4C's commercial activities contribute an average of c.£1m per year to S4C, which are reinvested in its public services. The net assets of the commercial group are c.£20m, which have been generated from past commercial investments.

In 2022, S4C adopted a new commercial strategy, designed with a clear purpose: to deliver financial and strategic value to S4C, its audience and to Wales.

The strategy is intended to deliver greater financial returns; to enhance on-screen value and S4C's creative reputation; to build stronger direct relationships with S4C's audience; and to support economic growth and skills development in Wales.

The strategy sets out 6 areas of commercial activity:

- Co-production – where S4C increases the volume and value of co-produced content;
- Content IP – where S4C increases the value it generates from content and intellectual property;
- Business growth investment – increasing strategic and financial returns from growth investment by establishing an investment fund to take stakes in businesses close to S4C's remit, that have growth potential;

- Advertising and Sponsorship – developing exciting and enduring opportunities across S4C’s platforms to increase income from advertising and sponsorship;
- Brands – adopting a cross-organisation approach to consumer brand building, to generate financial and audience value from S4C’s current and future brands; and
- Digital – create a base for a commercial digital strategy, including investing in products and tools that support S4C’s digital strategy and have additional commercial application.

These activities are closely aligned to S4C’s core objectives and support its overarching 2022–27 Strategy. The commercial strategy intends to both increase the annual financial contribution from S4C’s commercial activities to S4C’s public service fund, and grow the value of the commercial fund over time to support future reinvestment.

In line with the strategy, two commercial funds were launched in 2023:

- Commercial Content Fund: <https://www.s4c.cymru/en/commercial/page/57609/s4c-international-the-commercial-content-fund/>
- Commercial Growth Fund: <https://www.s4c.cymru/en/commercial/page/57724/s4c-digital-media-the-commercial-growth-fund/>

The activities of the commercial board include:

- Monitoring existing commercial investments
- Scrutinising new investment proposals
- Overseeing performance of advertising and sponsorship activities by S4C’s sales agency
- Overseeing performance of externally managed investment fund.

Commercial Board Member roles:

Position One - Non-Executive Board Member with Advertising Expertise

- Provide strategic direction to support the Commercial Board in meeting its goal of developing opportunities across S4C’s platforms to increase income from advertising and sponsorship.
- Scrutinising the performance of S4C’s advertising sales agency
- Demonstrate significant experience in the advertising sales industry, especially in the television and/or digital sector.

Position Two - Non-Executive Director with Commercial Experience in Production Sector

- Provide strategic direction to support the Commercial Board in its investment activities, especially in relation to the monetisation of content and intellectual property.
- Demonstrate significant commercial experience and knowledge of the creative industries and international content markets.

In addition to the experience above:

- Providing efficient and effective strategic leadership, through the commercial board, of S4C’s group of commercial companies.
- Upholding and working towards the vision, mission, values, behaviours, and objectives of S4C Commercial and ensuring the organisation continues to work towards these.
- Leveraging of networks to support organisational and business development.
- Always acting in the interests of S4C Commercial in relation to assets, property, statutory obligations and management requirements.
- Ensuring S4C Commercial delivers the agreed strategy within relevant legal and governance requirements.
- Promoting prudent and effective management of organisational resources (financial and human).
- Ensuring there are strategies and policies in place that will support the objectives of S4C Commercial.
- Developing and monitoring effective risk management strategies.

- Developing and monitoring internal controls and systems that are transparent and accountable to stakeholders.
- Creating and maintaining positive and productive relationships with stakeholders.

Person Specification

- Evidence of success, within or outside of the creative industries, in business investment or the advertising sales sector.
- Evidence of the ability to act with professionalism and supporting of equity, inclusion, and diversity.
- Evidence of leading in a change environment.
- Experience on other boards or management where strategic planning was part of the role.
- Credibility in and knowledge of the Welsh business / creative sector.
- Awareness and understanding of creative partnerships and their potential.
- Relevant qualifications and experience specific to the expectations outlined in the specific Board role descriptions noted above.
- The ability to communicate in Welsh is desirable but not essential.

Other details

- Commercial board meetings are held c.5 times a year and can be held virtually or in person. If needed, board decisions are taken in between the scheduled meetings, which are done virtually.
- Fees are payable at a rate to be negotiated.
- Expenses are payable in accordance with S4C's Travel & Subsistence Policy.
- Term: appointment is for a four (4) year term, unless terminated earlier by either party on two months' notice or otherwise terminated in accordance with the commercial companies' articles of association.
- Appointment is subject to formal approval by the main S4C Board.

Applications

- Applications should be sent by **5 December 2024** to Pobl@s4c.cymru or People and Culture Department, Canolfan S4C, Yr Egin, Carmarthen, SA31 3EQ.
- Interviews will be held with shortlisted candidates.
- Applications may be submitted in Welsh. An application submitted in Welsh will not be treated less favourably than an application submitted in English.
- S4C does not allow discrimination based on gender, race, colour, disability, ethnic background or social-economic background, age, family status, marital status or civil partnership, part-time or full-time roles, religion, politics, sexual orientation, gender reassignment, pregnancy and maternity, language use (except where the ability to communicate in Welsh is necessary for the role) or any other irrelevant difference, and it is committed to considering diversity in a positive way. S4C Commercial welcomes and encourages applications from groups that may be under-represented, including females, black and minority ethnic people and people with disabilities. Open and fair competition principles are in operation and appointments are decided on merit.

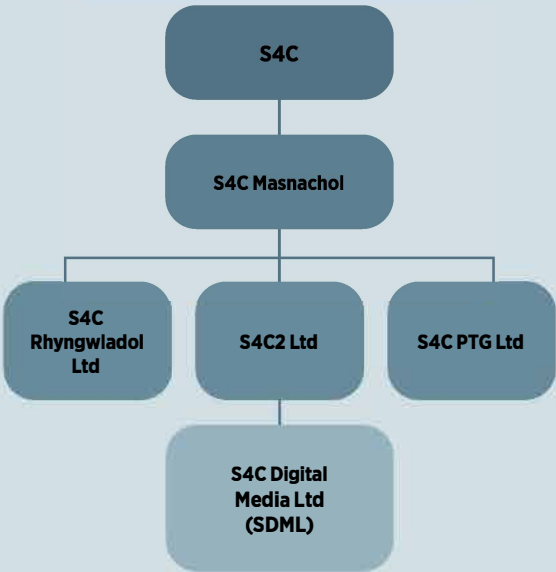
Appendix

Further information on S4C commercial group companies

S4C Masnachol

Structure of S4C's commercial activities

There are currently 5 companies in S4C's commercial group. They are all subsidiaries of S4C, directly or indirectly. The structure ensures that the income from our commercial activities is separate from the public money S4C receives through the licence fee.



S4C Masnachol Ltd

This acts as a holding company and is a non-trading company. It has three direct subsidiaries: S4C Rhyngwladol Ltd; S4C2 Ltd; and S4C PTG Ltd.

S4C Masnachol Ltd pays dividends to S4C on receipt from S4C Rhyngwladol Ltd, S4C2 Ltd, and S4C PTG Ltd.

S4C Rhyngwladol Ltd

The company is responsible for the majority of S4C's commercial activities, including:

- Selling advertising, sponsorship and telesales airtime (via an advertising agent);
- Licensing goods for brands such as Cyw;
- Receiving income from commercial exploitation of S4C's back catalogue;
- Receiving income from co-productions in which S4C has invested in the past;
- Investing in content through the Commercial Content Fund;
- Funding an English language soundtrack on some of S4C's sports and events programmes (where an increase in advertising income can be shown as a result).

S4C2 Ltd

This was the company that used to provide the S4C2 channel, but the channel was closed some years ago.

S4C2 still has an agreement to use a single TV stream in Wales on Freeview. However, this stream is used by another broadcaster through a sub-contract with S4C2. This arrangement was renewed during 2022-23, with the existing sub-contract now in place until 2026.

S4C Digital Media Ltd (SDML)

SDML invested in SDN, the licence-holding company for Multiplex A on Freeview, in 1998. SDML sold its shares in SDN in 2005, and invested the sale proceeds.

SDML now has the following investments:

- Equity investments in content and digital sector companies, including through the new Growth Fund; and
- investment funds managed by an external fund manager.

S4C PTG Ltd

This company was created in 2019 for the acquisition of the Parc Tŷ Glas estate, S4C's previous headquarters, and to run the business of renting units to tenants.

During 2022-23, the sale of the Parc Tŷ Glas estate was completed, following which S4C PTG Ltd ceased trading.

2023-24 Financial Performance

The net assets of the commercial division as at 31 March 2024 were £19.8m (31 March 2023: £19m) and there was a profit on ordinary activities before taxation for the year ended 31 March 2024 of £1.488m (31 March 2023: loss of £0.154m). These profit / loss includes an unrealised profit / loss in an investment fund held within the Group. The profit before the change in market value of the investment fund, tax and dividend transfer was £0.709m (2022-23: £0.816m).

The performance of the commercial subsidiaries are reported within the Group financial statements section of this Annual Report.

During 2023-24, S4C's commercial activities contributed £0.720m to S4C's public service fund (2022-23: £0.825m).

Governance

The directors of the S4C commercial subsidiaries are appointed by the Unitary Board, and these directors serve on the Board of the Commercial Group.

The Commercial Group Board is responsible to the Unitary Board for developing S4C's commercial strategy, and for overseeing S4C's commercial activities in accordance with that strategy.