

PRIVATE & CONFIDENTIAL

COLLABORATION AGREEMENT

Between

THE BRITISH BROADCASTING CORPORATION

and

S4C

RE: BBC CYMRU WALES NEW BROADCASTING HOUSE, CARDIFF

BBC / S4C CO-LOCATION PROJECT

THIS AGREEMENT is made the 29th day of APRIL 2014

BY AND BETWEEN:

- (1) **BRITISH BROADCASTING CORPORATION**, a public corporation incorporated under the laws of England and Wales by Royal Charter, whose principal office is at Broadcasting House, 1 Portland Place, London W1A 1AA ("**BBC**");
- and
- (2) **S4C**, an independent statutory corporation established by section 56 of the Broadcasting Act 1990, whose principal office is at Parc Tŷ Glas, Llanishen, Cardiff, CF14 5DU ("**S4C**").

(Each a "**Party**" and collectively "**the Parties**")

BACKGROUND

- (A) BBC is a public corporation incorporated by Royal Charter and must operate within the duties placed upon it by its Royal Charter and the agreement between it and the Secretary of State for Culture, Media and Sport ('DCMS').
- (B) S4C is a statutory corporation and as such S4C derives its powers from statute and operates within the specific powers granted to S4C by Parliament.
- (C) Whilst BBC and S4C are and remain independent, each with their own statutory identity, the relationship between them is unique. The agreement between the DCMS and BBC in September 2011 states that "*from 1st April 2013 the provision of the S4C Services shall be organised and funded as a partnership between the BBC and S4C...*". BBC and S4C entered into a Strategic Partnership Deed of Agreement in November 2012 ("**the Strategic Partnership**"). The Strategic Partnership between the Parties is not a 'legal partnership', but an agreed process for the Parties to act together with goodwill and co-operation, sharing expertise, both in editorial and operational areas, for their mutual benefit and to deliver value to the licence fee payers. Since 1st April 2013 S4C has been under an obligation to spend licence fee funding in accordance with the terms of an operating agreement between the BBC Trust and the S4C Authority ("**the Operating Agreement**"). In the Operating Agreement, it was also agreed to develop closer collaboration between the BBC and S4C, including contributing towards greater efficiency in the operation of both organisations.
- (D) BBC and S4C have agreed in the spirit of the Strategic Partnership and the Operating Agreement to collaborate and work together on the project detailed in Annex A to this Agreement ("**the Project**").
- (E) The Parties wish to record the basis on which they will collaborate and work with each other on the Project. This Agreement sets out:
- (i) the key objectives and principles of the Project;
 - (ii) the principles of collaboration;

- (iii) the governance for the Project;
 - (iv) the respective roles and responsibilities the Parties will have during the Project; and
 - (v) the key milestones and approval paths for delivery of the Key Objectives of the Project.
- (F) As the Project progresses, the Parties may (subject always to the necessary approvals of each Party as more particularly set out in clause 4 below) agree to formally commit to the co-location of S4C's staff and technical broadcasting services in the BBC's proposed new BBC Cymru Wales headquarters in Cardiff and may formalise their agreement and other arrangements relating to the co-location by executing other legal documentation, which may include without limitation any or all of the "Contractual Deliverables" set out in clause 4.3. The Parties envisage that (a) if they commit to co-location, this Agreement shall be superseded and extinguished by the terms of the Overarching Agreement fully executed by the Parties; or (b) if they do not commit to co-location and the Project ceases, this Agreement shall be terminated in accordance with the provisions of clause 9.

In consideration of the various agreements, contributions, undertakings, objectives and mutual benefits set out in this Agreement (the sufficiency of which is agreed and acknowledged by both Parties), **IT IS AGREED** between the Parties as follows:

1. Key Objectives and Principles for the Project

- 1.1 The Parties shall undertake the Project to evaluate and achieve the key objectives set out in Annex A to this Agreement ("**Key Objectives**") adhering to/aligning with the key principles of the Project, which are also set out in Annex A to this Agreement ("**Key Project Principles**") subject always to the necessary approvals of each Party as more particularly set out in clause 4 below. The Project consists of two initial phases:
- (a) Phase 1 – evaluating the feasibility and benefits of the Key Objectives ("**Phase 1**")
 - (b) Phase 2 – subject to obtaining necessary approvals, progressing towards the implementation of the Key Objectives ("**Phase 2**").

2. Principles of Collaboration

- 2.1 The Parties agree to adopt the following principles when carrying out the Project ("**Principles of Collaboration**"):
- (a) to collaborate and co-operate: establish and adhere to the governance structure set out in this Agreement to ensure that activities are delivered and actions taken as required, share information, experience, materials and skills to learn from each other and develop effective working practices, work collaboratively to identify solutions, eliminate duplication of effort, mitigate risk and reduce cost;

- (b) to be accountable: take on, manage and account to each other for performance of the respective roles and responsibilities set out in this Agreement;
- (c) to be open: communicate openly about major concerns, issues or opportunities relating to the Project, subject always to the "**Communications Protocol**" agreed between the Parties and set out in Annex B to this Agreement, and to share on a transparent basis such information held by the Parties as is needed to carry out Phase 1 and Phase 2, so far as it is lawful to do so and subject to Clause 8;
- (d) to adhere to statutory requirements and best practice: comply with applicable laws and standards including without limitation EU procurement regulations, any legislation or regulation relating to data protection and freedom of information;
- (e) to act in a timely manner: recognise the time-critical nature of the Project and respond accordingly to requests for support;
- (f) to use all reasonable endeavours to manage stakeholders effectively;
- (g) to deploy appropriate resources: ensure sufficient and appropriately qualified resources are available and authorised to fulfil the responsibilities set out in this Agreement; and
- (h) to act in good faith towards each other and support the evaluation and (subject to necessary approvals of each Party) achievement of the Key Objectives and compliance with these Principles of Collaboration.

3. Project Governance

3.1 Overview

The governance structure defined below provides a structure for the development and delivery of the Project.

3.2 Guiding Principles

The following guiding principles are agreed. The Project's governance will:

- (a) provide strategic oversight and direction;
- (b) be based on clearly defined roles and responsibilities at organisation, group and, where necessary, individual level;
- (c) align decision-making authority with the criticality of the decisions required;
- (d) be aligned with agreed Project scope and agreed Project stage(s) (and may therefore require changes over time);
- (e) leverage existing organisational, managerial and user interfaces;
- (f) provide coherent, timely and efficient decision-making; and

- (g) correspond with the key features of the Project governance arrangements set out in this Agreement.

3.3 Joint Programme Board

- (a) Under the terms of the Operating Agreement, the Parties have established a joint partnership board, which oversees the development and delivery of initiatives for closer collaboration between the BBC and S4C (including efficiencies through joint working) ("**the Partnership Board**"). Inter alia, the Partnership Board meets regularly (and no less than once every three months) to provide strategic oversight and direction to the Project, subject always to the necessary approvals of each Party as more particularly set out in clause 4 below.
- (b) For the purposes of this Agreement and in so far as it pertains to the Project, the Partnership Board shall be referred to as the "**Joint Programme Board**".

The Joint Programme Board members for the purposes of the Project are:

BBC representatives	S4C representatives
[REDACTED]	

and/or their successor(s) or nominated replacement(s).

- (c) The Joint Programme Board shall be managed in accordance with the terms of reference set out in Annex 1 of the Operating Agreement, but for the avoidance of doubt, the responsibility for the organisation and chairing of each Joint Programme Board meeting shall rotate between [REDACTED] Wales and S4C's [REDACTED] (to include preparation and distribution of all relevant paperwork) and an agreed agenda shall be circulated a week prior to each meeting. Joint Programme Board meetings shall be deemed to be 'quorate' by mutual agreement between [REDACTED] Wales and S4C's [REDACTED]
- (d) The Joint Programme Board will provide strategic oversight, direction and management of the Project, subject always to the necessary approvals of each Party as more particularly set out in clause 4 below and shall have responsibility for the creation and execution of the Project plan and Project deliverables, and therefore it can draw technical, commercial, legal and communications resources as appropriate into the Joint Programme Board and set up other operational / project delivery / work-stream

groups and meetings as may be required from time to time during the Term.

- (e) The Parties agree to continue to review governance of the Project and the arrangements for the management of the Project to ensure that they remain fit for purpose and aligned to the Key Project Principles as the Project progresses. For the avoidance of doubt, this will including ensuring the Principles of Collaboration are adhered to and more particularly that appropriate resources are dedicated to any planned activities that are agreed and that appropriate delivery assurance arrangements are agreed and established as necessary during the term of the Project.

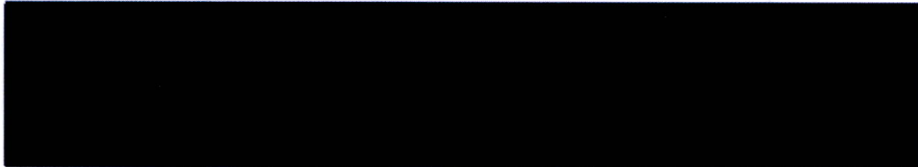
3.4 Reporting

Minutes and agreed actions will be recorded for each Joint Programme Board meeting. Any additional reporting requirement shall be at the discretion of the Joint Programme Board.

4. Key Milestones, Approval Paths and Contractual Deliverables

4.1 Project Milestones

The Parties hereby acknowledge and agree the proposed key milestones for the Project (subject always to the necessary approvals of each Party described in clause 4.2 below) are as follows:

- (a) March 2014: Parties to agree and enter into Heads of Terms (as is more particularly described in clause 4.3 below);
- (b) June 2014: BBC to issue a 'Design & Development Brief' to successful developer bidder;
- (c) 
- (d) October 2014: BBC submission and then determination of planning consent for New WBH;
- (e) November 2014: Parties to agree Draft Technology Service Level Agreement v.*[to be confirmed]* (as is more particularly described in clause 4.3 below);
- (f) June 2015: BBC to agree and exchange BBC agreement for head lease of New WBH; and Parties to agree and enter into S4C Lease/Licence to Occupy New WBH (as is more particularly described in clause 4.3 below);
- (g) June 2015 (estimated): successful developer to commence construction of New WBH;
- (h) June 2016 (estimated): shell and core of New WBH handover and fit-out to commence;

- (i) December 2016: Parties to agree and enter into an Overarching Agreement (as is more particularly described in clause 4.3 below);
- (j) January 2016: Parties to agree Draft Technology Service Level Agreement v.[to be confirmed] (as is more particularly described in clause 4.3 below);
- (k) October 2016: Parties to agree and enter into Technology Services Agreement (as is more particularly described in clause 4.3 below); and
- (l) July 2018 (estimated): New WBH fully operational and migration complete.

4.2 Approval Paths

- (a) The Parties have agreed to undertake the Project with the aim of evaluating and (subject to the necessary approvals of each Party) achieving the Key Objectives set out in Annex A to this Agreement. Neither Party will be in a position to formally commit to the co-location of S4C's staff and technical broadcast services in the BBC's New WBH without meeting their respective internal governance requirements and/or obtaining further approvals, which primarily (but not necessarily solely) in the case of S4C is from the S4C Authority and in the case of the BBC is from the BBC's Finance Committee, the BBC Executive Board and BBC Trust.
- (b) Adhering to the Principles of Collaboration the Parties agree to work together towards the aim of preparing a case for approval regarding the Project and to progress the Project towards both Parties reaching decision(s) regarding formal commitment by the Parties in respect of the S4C Proposed Co-Location and/or any aspect of it/in relation to it.
- (c) This list is not exhaustive, but at the date of this Agreement the BBC's key approvals required in order for it to be mandated to continue to progress the Project and/or have decisions relating to the Project and/or formal commitment(s) in respect of the S4C Proposed Co-Location and/or any aspect of it/in relation to it approved include:
 - Wales BH Programme Steering Group Approval in March 2014;
 - BBC Technology Board Approval in April 2014;
 - BBC Workplace Senior Management Team Approval in April 2014;
 - BBC Finance Committee Approval in April 2014
 - BBC Executive Board Approval in June 2014;
 - BBC Trust Finance Committee Approval in May 2014;
 - BBC Finance Committee Approval in March 2015 following completion of the 'Planning Phase' of the Wales BH Programme;

- BBC Finance Committee Approval in January 2016 during the 'Implementation Phase' of the Wales BH Programme;
 - BBC Finance Committee Approval in September 2016 during the 'Implementation Phase' of the Wales BH Programme; and
 - Further BBC Trust Finance Committee Approval(s) - to be confirmed by the BBC.
- (d) This list is not exhaustive, but at the date of this Agreement, S4C's key approvals required in order for it to be mandated to continue to progress the Project and/or have decisions relating to the Project and/or formal commitment(s) in respect of the S4C Proposed Co-Location and/or any aspect of it/in relation to it approved include:
- S4C Authority Approval in March 2014 for approval to proceed to Phase 2 of S4C Proposed Co-Location project; and
 - such further approvals as may be required from the S4C Authority or Management Team, [REDACTED] S4C Lease/Licence to Occupy New WBH or Technology Service Level Agreement.
- (e) The Parties agree, via the Joint Programme Board, to keep one another regularly informed of their respective approval paths and requirements.
- (f) The Parties recognise the possibility of conditions being attached to any approvals and that the arrangements set out in this Agreement may need to be adjusted to reflect those conditions, provided always that any such adjustments / variations shall be made in accordance with Clause 12 of this Agreement.
- (g) The Parties also recognise the process being undertaken by the BBC with a view to potentially procuring new playout solutions. The Parties acknowledge that this process may affect the Project and the BBC agrees to keep S4C regularly apprised of developments on the potential playout procurement process. Further detail on S4C's stated position regarding playout is set out in the S4C's Key Project Principles section in Annex A.

4.3 Contractual Deliverables

The Parties have agreed to work together to draft, agree and finalise the following contractual paperwork / agreements between the BBC and S4C (subject always to the necessary approvals of each Party as more particularly set out in clause 4.2 above and using reasonable endeavours to keep to the project milestones set out in clause 4.1 above):

- (a) **"Indicative Terms"**: a non-legally binding document as a 'fore-runner' to the Heads of Terms between the Parties, indicating the proposed terms for Heads of Terms between the Parties for S4C's Lease/Licence to Occupy New WBH;
- (b) [REDACTED]

- [REDACTED]
- (c) **"Heads of Terms"**: non - legally binding Heads of Terms between the Parties as a 'fore-runner' to S4C's Lease/Licence to Occupy New WBH;
 - (d) **"S4C's Lease / Licence to Occupy New WBH"**: legally binding full form lease or licence between the Parties regarding S4C occupation with the BBC in New WBH to be executed at the same time as the BBC enters into the legally binding head lease for New WBH;
 - (e) **"Overarching Agreement"**: a legally binding agreement between the Parties to supersede and extinguish this Agreement, which shall inter alia contain provisions relating to agreed principles of co-location and ongoing collaboration, consolidated charging mechanism, change control, governance and dispute resolution;
 - (f) **"Draft Technology Service Level Agreement v.[to be confirmed]"**: an updated draft technology service level agreement based on S4C's requirements as anticipated in the draft 'Service Outline' document and incorporating service to S4C;
 - (g) **"Draft Technology Services Level Agreement v.[to be confirmed]"**: a further updated draft technology service level agreement based on BBC's specification for meeting S4C's functional and non-functional requirements, as anticipated in the 'Service Outline' document (S4C shall be consulted and actively involved throughout the preparation of the aforementioned specification);
 - (h) **"Technology Service Level Agreement"**: a further updated and legally binding technology service level agreement between the Parties (based on S4C's requirements and the BBC's specification in accordance with sub-clauses (f) and (g) above); and
 - (i) any such other contractual paperwork / agreement(s) as the Parties may agree is/are required as the Project progresses.

(collectively, **"the Contractual Deliverables"**)

If there is any proposal to outsource any element of the Technology Service Level Agreement (whether service or technology elements), such outsourcing shall be consistent with the Technology Service Level Agreement and S4C shall be consulted prior to and throughout the process.

5. Escalation

- 5.1 If either Party has any issues, concerns or complaints about the Project, or any matter in this Agreement that has not been resolved following reasonable discussion with the relevant stakeholders, that Party shall notify the other Party and the Parties shall then seek to resolve the issue by a process of consultation informing [REDACTED] of the issue. Wales and S4C's [REDACTED] If the issue cannot be resolved within a reasonable period of time, the

matter shall be escalated to the Joint Programme Board, which shall decide on the appropriate course of action to take. If the matter cannot be resolved at the next scheduled Joint Programme Board meeting, the matter may be escalated to Rhodri Talfan Davies, Director, BBC Cymru Wales and Ian Jones, Chief Executive, S4C for resolution.

- 5.2 If either party receives any formal inquiry, complaint, claim or threat of action from a third party (including, but not limited to, claims made by a supplier or requests for information made under the Freedom of Information Act 2000) in relation to the Project, the matter shall be promptly referred to the Joint Programme Board (or its nominated representatives). No action shall be taken in response to any such inquiry, complaint, claim or action, to the extent that such response would adversely affect the Project, without the prior approval of the Joint Programme Board (or its nominated representatives) unless such action is required to comply with the law. In respect of requests for information made under the Freedom of Information Act 2000 the Party in receipt of the request shall promptly consult with the other Party and that Party shall respond to the other within [REDACTED] days after receiving the notice if that notice requests the receiving Party to provide information to assist the other Party to determine whether or not an exemption to the Freedom of Information Act applies to the information requested under that Act.

6. Intellectual Property

- 6.1 The Parties intend that any intellectual property rights created in the course of the Project shall vest in the party whose employee/sub-contractor created them, unless otherwise agreed in writing between the Parties.
- 6.2 This Agreement does not affect the ownership of any intellectual property in inter alia, any technology, design, work, invention, software, data, technique, know-how or materials. The intellectual property in them will remain the property of the Party that contributes them to the Project, unless otherwise agreed in writing between the Parties.
- 6.3 At the date of signing this Agreement, the Parties envisage that they may enter into further Contractual Deliverables and that those Contractual Deliverables and/or subsequent arrangement(s)/agreement(s) may contain more specific and detailed provisions regarding the ownership and/or licensing of intellectual property in inter alia, technology, design, work, invention, software, data, technique, know-how or materials ("**Subsequently Agreed IP Provisions**"). In the event of any conflict between any Subsequently Agreed IP Provisions and the provisions of this clause 6, the terms of Subsequently Agreed IP Provisions shall prevail.

7. Communications and Prior Approvals

- 7.1 Whilst this Agreement is in force, neither BBC nor S4C will use the other's name or logo in any press release relating to the Project without first obtaining the other's written consent.

7.2 Whilst this Agreement is in force, all joint press releases relating specifically to the Project or any element thereof shall be determined by means of full and good faith discussion and agreement between the Parties.

7.3 Whilst this Agreement is in force, in order to achieve the aim of effective and appropriate communication both among members of the Joint Programme Board and with wider S4C and BBC staff communities, the Parties agree to use all reasonable endeavours to (a) promptly share the "**Communications Protocols**" agreed between the Parties and set out in Annex B to this Agreement with relevant and appropriate personnel within their respective organisations, and (b) ensure those relevant and appropriate S4C and BBC personnel adhere to the said "Communications Protocols".

8. Confidentiality

8.1 The Parties have agreed to only use each other's confidential information for the purposes of the Project and then only in accordance with the terms of the separate reciprocal (but not identical) non-disclosure agreements the Parties have entered into as follows:

- (a) a Non-Disclosure Agreement dated 8th October 2013 regarding any of BBC's designated confidential information provided by BBC to S4C; and
- (b) a Non-Disclosure Agreement dated 2nd December 2013 regarding any of S4C's designated confidential information provided by S4C to BBC;

or as may be otherwise agreed between them in writing from time to time.

9. Term and Termination

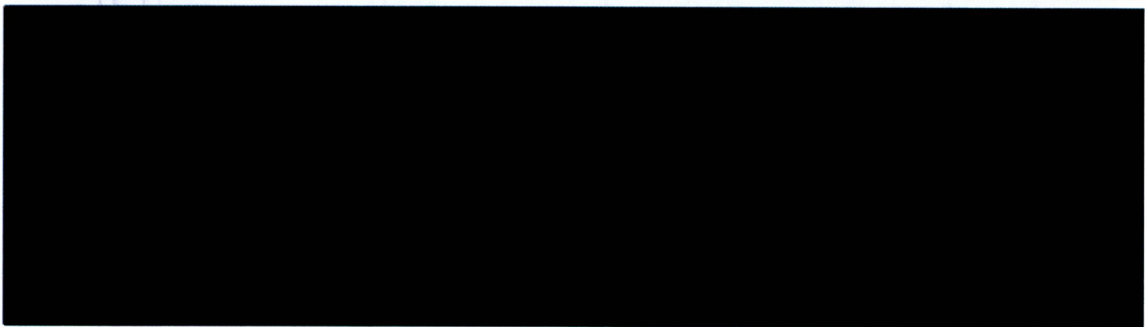
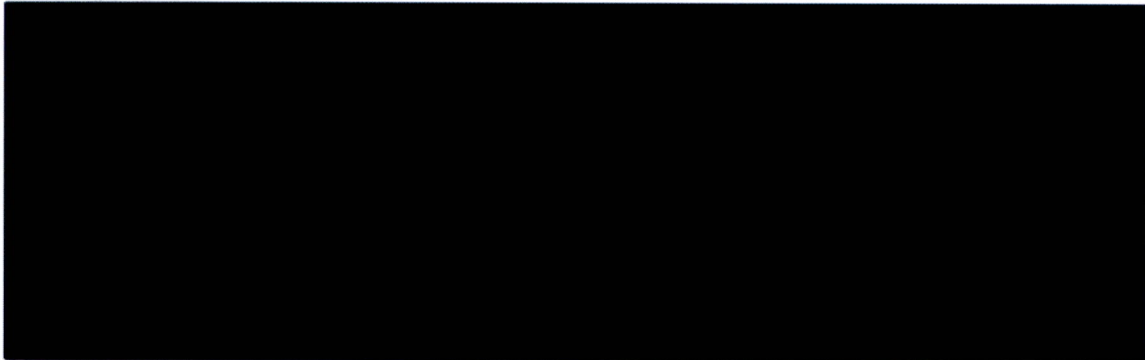
9.1 This Agreement shall commence on the date of signature by both Parties, and shall expire on either:

- (a) the effective date of execution of an Overarching Agreement between the Parties which supersedes and extinguishes this Agreement; or
- (b) such date as is mutually agreed between the Parties if the Project ceases and this Agreement is terminated by mutual written agreement of the Parties.

9.2

9.3 For the avoidance of doubt, expiry or termination of this Agreement (for whatever cause) shall not automatically affect the currency and/or legal status of any other agreement(s) or contract(s) in respect of or relating to the Project between the Parties, such other agreement(s) or contract(s) may continue in force notwithstanding the expiry or termination (for

whatever cause) of this Agreement and shall be governed by the terms and conditions contained in the relevant agreement(s) or contract(s) or as otherwise dictated by law.

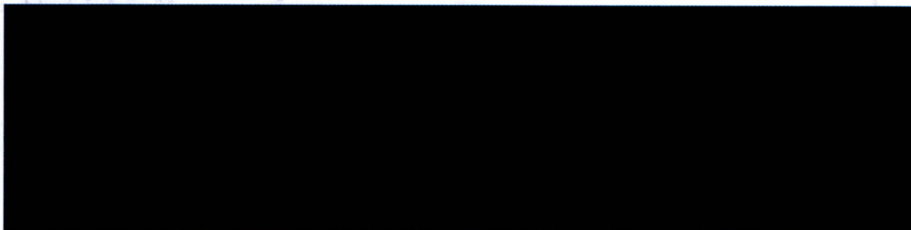


12. Variations

- 12.1 No variation or amendment of this Agreement will be effective unless it is made in writing and signed by each Party's duly authorised representative.

13. Notices

- 13.1 Any notice to be given under this Agreement must be in writing and served at the addresses set out at the head of this Agreement. The Parties' respective representatives for the receipt of notices are, until changed by notice given in accordance with this clause, as follows:



14. Rights of Third Parties

- 14.1 No one except a Party to this Agreement has any right to prevent the amendment of this Agreement or its termination, and no one except a Party to this Agreement may enforce any benefit conferred by this Agreement, unless this Agreement expressly provides otherwise.

15. Authority

- 15.1 Each Party warrants that it has the authority and has obtained the necessary approvals to enter into this Agreement on behalf of all persons having any interest in it.

16. Status

- 16.1 Nothing in this Agreement is intended to, or shall be deemed to, establish any partnership or joint venture between the parties, constitute either Party as the agent of the other Party, nor authorise either of the Parties to make or enter into any commitments for or on behalf of the other Party.

17. Governing Law and Jurisdiction

- 17.1 This Agreement shall be governed by and construed in accordance with the law of England and Wales and, without affecting the escalation procedure set out in clause 5, each Party agrees to submit to the exclusive jurisdiction of the courts of England and Wales.

Signed for and on behalf of

BRITISH BROADCASTING CORPORATION

BY A DULY AUTHORISED SIGNATORY

Signature:

Name:

Position:

Date:

14th April 2014

Signed for and on behalf of

S4C

BY A DULY AUTHORISED SIGNATORY

Signature:

Name:

Position:

Date:

29 APRIL 2014

Annex A - The Project

Background

BBC's existing headquarters for BBC Cymru Wales, Broadcasting House & Ty Oldfield in Llandaff is approximately 45 years old and in need of a full technological refresh and structural upgrade. Without such action being taken, there is a significant and increasing risk to BBC Cymru Wales broadcasting operations together with significant inefficiencies associated with the aged infrastructure.

Investment in new technology and the associated property infrastructure will allow BBC Cymru Wales to design an operating model fit for the 21st Century, encouraging collaboration and creativity, simplifying and streamlining operations and improving the utilisation of facilities, all of which will ensure the organisation can maintain its creative momentum.

BBC's Finance Committee has approved the principle of a proposed relocation of BBC Cymru Wales' existing headquarters to a new purpose-built site to be acquired / developed in the Cardiff area ("**New WBH**") ("**BBC Cymru Wales Proposed Relocation**") and has established a delivery programme with appropriate governance arrangements (the "**Wales BH Programme**") to co-ordinate efforts related to the BBC Cymru Wales Proposed Relocation.

The S4C Authority has approved the principle of co-locating a number of S4C's staff and S4C's technical broadcasting services in New WBH with BBC Cymru Wales ("**S4C Proposed Co-Location**"), subject to a number of caveats.

The Parties have identified that there is scope for significant potential opportunities for each of them, especially in the context of the severe funding constraints facing both Parties. The Parties acknowledge that the strategic requirements of each Party, including editorial, managerial and operational independence in the spirit of the Strategic Partnership and Operating Agreement, will need to be met, but S4C Proposed Co-Location would provide an opportunity to strengthen the Strategic Partnership. For the avoidance of doubt, the Parties may enter into further contracts/agreements whereby they agree to collaborate and/or share responsibilities, such as operational responsibilities or where one Party delegates specific operational responsibilities to the other.

The Parties are collaborating in respect of the S4C Proposed Co-Location and have established the Joint Programme Board (as defined in Clause 3.3 of this Agreement), which inter alia provides strategic oversight and direction to the Project. The Joint Programme Board is chaired alternately by [REDACTED] and [REDACTED] S4C's [REDACTED]

BBC's Wales BH Programme is led by [REDACTED] BBC has engaged a dedicated project manager to liaise with S4C on matters concerning S4C Co-Location and S4C has also nominated staff to collaborate and work with the Wales BH Programme team.

"Key Objectives"

In respect of the S4C Proposed Co-Location and proposed refreshed technology the particular opportunities that exist and need to be explored in detail are:

- A co-location sharing common property infrastructure and service costs;
- One play-out solution which delivers the required service levels at a reduced overall cost for both Parties;
- Joint technology support / provision in respect of broadcast technology, office technology and potentially other business systems;
- Sharing of facilities;
- The potential for editorial benefits through closer collaboration between the Parties; and
- Benefits derived from a strong partnership approach between the Parties can be magnified through strengthened relationships with other organisations in this process – including inter alia and by way of example only, Welsh Assembly Government, Cardiff Council, industry suppliers, academic institutions, etc.

The Parties expect that these benefits from S4C Proposed Co-location would benefit their audiences and, ultimately, licence fee payers and taxpayers.

The S4C Proposed Co-location may strengthen the business case for the acquisition/development of New WBH, with the attendant benefits which are set out under 'Background' above. Similarly, it dovetails with S4C's proposals for relocation of part of its activities outside Cardiff, by enabling it to have an efficient technical operation in Cardiff.

"Key Project Principles"

Set out below are the Key Project Principles of each Party as at the date of this Agreement. During the progression of the Project the Parties shall collaborate and explore each other's Key Project Principles, including Workplace Design Philosophies, with a view to identifying and agreeing joint Project Principles, including a joint Workplace Design Philosophy and/or agreeing where it may be appropriate to maintain separate Project Principles/Workplace Design Philosophies. The Parties may therefore amend/vary this section of the Agreement from time to time (in accordance with Clause 12).

BBC's Key Project Principles:

Overall

- Affordability, sustainability and value for money are key considerations
- Partnership opportunities shall be explored
- Simplified operations based around BBC Cymru Wales' needs will build on learnings from within and outside the BBC to:
 - Encourage creativity, collaboration and flexibility (layout, adjacencies, systems)
 - Simplify operating processes and maximise the use of technology
 - Remove duplication and the obstacles to success or efficiency
 - Ensure a cost-efficient fit for purpose operation (not gold plated!)
- Production and broadcasting facilities should complement the status of BBC Cymru Wales as a national broadcaster and an important supplier of content to the UK networks
- The location and operational layout should enhance accessibility, strengthening BBC Cymru Wales' connection with its staff, suppliers and audiences

- Layout and systems support the motivation of staff and encourage their involvement
- To positively impact ways of working - expectation management and training paramount

BBC Workplace's Design Philosophy

- A focus on flexibility for future proofing, cost effectiveness and the efficient use of space
- Environment based on working practices used in other new BBC hubs (e.g. in Salford & London W1) – e.g. shared desks, meeting spaces, break-out areas and centralised booking
- All communal / collaborative areas shared and access to all building areas for all staff
- Everyone working open plan - no dedicated offices
- A clean desk policy with personal lockers and team filing
- Flexible use of desks, teams can form and reform as required
- Mobile technology and wireless connectivity will be required to support this agile approach
- Teams based where critical adjacencies dictate e.g. facilities, studios
- Work settings to suit all work styles - change flexibility with little technology or workplace effort
- No dedicated personal parking – total spaces dependent on solution
- Cycling spaces to be provided and sustainable transport initiatives encouraged
- A single central reception

BBC Technology's Design Philosophy

- Technology solutions based on standard BBC-wide applications and common platforms
- Using BBC hubs in Salford and London W1 as examples – a focus on simplicity, flexibility and consistency
- Cost effective and aligned with the wider BBC
- Workflows simplified to free up time to focus on creative tasks and delivery
- Technology to be an enabler, providing available and stable services
- Offices to be technology light, a hard wired network but with both corporate and guest wireless available for occasional use
- Predominant use of mobile technology – laptops, mobile phones etc.
- Different grades of workstation for heavy and light users
- Standardised desk and meeting room provision
- Fully digitised HD systems – networks replacing physical media
- Sustainability and environmental considerations – systems will minimise wasted heat and utilise fresh air cooling with waste heat reclamation where reasonable opportunity allows
- Broadcast continuity requirements and technology resilience to follow BBC standards

S4C's Key Project Principles:

Overall

- Increased visibility of S4C brand and public awareness.
- Affordability, sustainability and value for money are key considerations, and costs may not increase above the level to be set by the S4C Authority
- All partnership opportunities shall be explored
- Production and broadcasting facilities and systems should be in keeping with S4C's supply chain with independent production companies.
- The Welsh language to have high prominence in the workplace and in dealings with suppliers and audiences

- The location and operational layout should enhance accessibility, strengthening S4C's connection with its staff, suppliers and audiences
- Layout and systems support the motivation of staff and encourage their involvement with audiences and suppliers
- To positively impact ways of working – to include the impact of working with our audiences
- No detrimental effect on the quality and range of S4C services
- A catalyst to the creative renewal of S4C

S4C's Workplace's Design Philosophy

- A focus on flexibility for future proofing, cost effectiveness and the efficient use of space, especially as the number of S4C staff occupying New WBH could fluctuate.
- All communal / collaborative areas shared and access to all building areas for all staff with one dedicated S4C meeting room.
- Mobile technology and wireless connectivity will be required to support this agile approach
- Work settings to suit all work styles - change flexibility with little technology or workplace effort
- Cycling spaces to be provided and sustainable transport initiatives encouraged
- A single central reception clearly identified with S4C branding

S4C's Technology's Design Philosophy

- Technology solutions based on S4C's independent programme makers' requirements.
- Cost effective and aligned with our suppliers' workflows.
- Simplified workflows to free up time to focus on creative tasks and delivery
- New and existing technology to be an enabler, providing available and stable services
- Offices to be technology light, a hard wired network but with both corporate and guest wireless available for occasional use
- Different grades of workstation for heavy and light users
- Standardised desk and meeting room provision for S4C staff alongside others, with one dedicated meeting room for S4C
- Fully digitised systems – networks replacing physical media for archiving
- Sustainability and environmental considerations.
- Broadcast continuity requirements and technology resilience to follow S4C's standards
- Potential for shared archive solutions between BBC Wales & S4C
- Playout technology and operations to be initially based at New WBH
- S4C to maintain editorial control over playout if BBC moves part or all of its playout/transmission facility from New WBH in subsequent technical refreshes or if it is not technologically possible for S4C to maintain editorial control over playout if BBC moves part or all of its playout/transmission facility from New WBH, S4C will have the option to procure its playout/transmission in New WBH. If S4C exercises this option, the Parties shall discuss in good faith how best to implement it, being mindful for the need to maximise value and operational integrity for both Parties.

Annex B – Communications Protocol

In order to achieve the aim of effective and appropriate communication both among members of the Joint Programme Board and with wider S4C and BBC staff communities, stakeholders and the wider public, the Parties agree to use all reasonable endeavours to (a) promptly share the "**Communications Protocols**" agreed between the Parties and set out below with relevant and appropriate personnel within their respective organisations, and (b) ensure those relevant and appropriate S4C and BBC personnel adhere to the following "Communications Protocols":

Site visits:

- In line with past custom and practice, site visits to departments should only occur by prior agreement of both Parties.
- In order to ensure effective communication around such visits, it is recommended that at least one (1) week's prior notice is given to the heads of relevant departments (or, in exceptional circumstances, at least 2 working days' notice with the agreement of each head of the relevant department).
- Staff in departments will be interested in the reason for the visit and sensitive to the nature of the work being carried out by the Joint Programme Board or representatives of it. As a result, staff communication for visits should be agreed by the Joint Programme Board and visitors shall be obligated to agree to adhere to the content of agreed communication.
- Visits should be carefully co-ordinated to minimise disruption to relevant departments.

Relevant Inter-organisational contact:

- Relevant Inter-organisational contact can be defined as any contact between representatives of the BBC and representatives of S4C regarding the work that is being undertaken by the Joint Programme Board in respect of the Project. It includes discussions of any kind relating to the work of the Joint Programme Board or the distribution of Joint Programme Board documentation.
- The development of specific work-streams often calls for regular contact between named individuals in both S4C and the BBC. Contact with the following individuals is authorised for matters within their respective work areas:

BBC representatives	S4C representatives

and/or their successor(s) or nominated replacement(s).

Any contact with individuals not named above should be established via

or
for S4C and
or

- No contact should be established to discuss matters relating to Joint Programme Board work without appropriate consent as outlined above.
- In order to ensure effective communication around the work of the Joint Programme Board, involvement of non-Joint Programme Board members should be kept to a minimum and the Joint Programme Board should be kept fully updated regarding non-Joint Programme Board members undertaking any related work.

Overarching communications protocol:

- Any communication with staff of either organisation regarding the work of the Joint Programme Board or resultant executive decisions should be subject to full and good faith discussion and prior agreement of on behalf of S4C and (or any person within their respective teams who shall have been authorised for this purpose). To date, on behalf of the BBC have been duly authorised for this purpose.
- All communications should be consistent with the work and decisions of the Joint Programme Board and should be cleared in advance with an S4C member and a BBC member of the Joint Programme Board.
- Full and good faith discussion and prior agreement should be reached on content, timing and method of distribution of staff communications.
- Given possible wider interest in decisions around the work of the Joint Programme Board, wider public communications should be jointly considered, discussed in good faith and agreed prior to release.
- For the avoidance of doubt nothing in this Annex or this Agreement shall prohibit:

- (a) the BBC from making internal or external communications / announcements / press releases regarding the BBC Cymru Wales Proposed Relocation (as defined in Annex A) or the BBC's Wales BH Programme (as defined in Annex A), provided information/detail regarding S4C's Proposed Co-Location (as defined in Annex A) is excluded and that clauses 7 and 8 of this Agreement are adhered to; or
- (b) S4C from making internal or external communications / announcements / press releases regarding S4C's relocation, provided information/detail regarding S4C Proposed Co-Location (as defined in Annex A) is excluded and clauses 7 and 8 of this Agreement are adhered to.