

*“Working for quality
and diversity in
British broadcasting”*

Founded in 1983 by Jocelyn Hay CBE



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Response from The Voice of the Listener & Viewer to Ofcom's Consultation on

RENEWAL OF THE CHANNEL 4 LICENCE

Voice of the Listener & Viewer (VLV) is an independent, non-profit-making association, free from political, commercial and sectarian affiliations, working for quality and diversity in British broadcasting. VLV represents the interests of listeners and viewers as citizens and consumers across the full range of broadcasting issues. VLV is concerned with the structures, regulation, funding and institutions that underpin the British Broadcasting system. VLV is a charitable company limited by guarantee.

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Registered office: The Old Rectory Business Centre, Springhead Road, Northfleet, Kent DA11 8HN. Registered charity No.
1152136

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Renewal of the Channel 4 Licence

Preliminary and General Comments

- (i) We are grateful to Ofcom for the opportunity to comment on the renewal of the Channel 4 licence. While we realise that this consultation is confined to the main channel, as a civil society organisation we are interested in the range, diversity and quality of C4's overall portfolio and programmes, including online services, websites, download services etc. Some of our introductory comments are made in this wider context.
- (ii) In general it is our view that Channel 4 provides a welcome and distinctive addition to the system of public service broadcasting in Britain, especially in respect of its extensive peak time news and current affairs, its coverage of international issues, its provision for younger viewers (though not for younger children), its extensive web and online services and its provision for mobile web users.
- (iii) We welcome the new requirements introduced by the 2010 *Digital Economy Act* (DEA) including, specifically, an extension of C4C's remit to 'champion and promote creativity and new talent across all its digital media services', to 'appeal to the tastes and interests of a culturally diverse society' and the new emphasis on support for British film through investment in 'high quality films intended to be shown to the general public at the cinema in the United Kingdom'. We also welcome the DEA requirement to 'stimulate well-informed debate on a wide range of issues... by providing access to information and views from around the world and by challenging established views' (Ofcom, 2013: 9-10).
- (iv) The Channel has a good track record of approaching difficult or controversial issues in unusual and challenging ways, which is to be commended. However, it needs to be careful to ensure that this achievement is not prejudiced by an occasional tendency, in some programmes in some genres, to shock for its own sake, not least in the pre-publicity.
- (v) We welcome the information provided by Ofcom that after a reduction in spend between 2007 and 2011 Channel 4's expenditure on original, first run programmes has 'increased by 11% in real terms from £348m in 2010 to £385m in 2012.' We hope that this increased spending is not mainly

attributable to the pressures of sports competition in the year of the Olympics and Paralympics (Ofcom, 2013: 22).

- (vi) We are generally concerned about the continuing availability of free-to-air television, including the television programme services provided by Channel 4. We consider universal access, free at the point of use to be important for UK citizens and for all public service broadcasters. We would not wish to see a universally available service forced off the airwaves and into the compulsory subscription space of internet delivery. At present a rooftop aerial and Freeview box ensures access for all to digital terrestrial television with distribution costs met by the broadcaster, based on an extensive network of transmitters reaching all parts of Britain. We would not wish to see these delivery costs taken on by individual households faced with accelerating broadband bills.

Ofcom's Consultation Questions

1. Do you agree with Ofcom's view that the current licence conditions remain largely appropriate to securing Channel 4's obligations?

Yes, we support the proposed quotas for a minimum proportion of programming to consist of original work commissioned especially for Channel 4 (56% of all programmes with 70% in peak time); for a minimum proportion of qualifying original production to be commissioned from independent producers (25%) and from out of London producers (35% of all hours broadcast, by volume **and** value), and for the continued production of an appropriate quantity of news (an annual quota of 208 hours in peak time) and of current affairs (an annual quota of 208 hours of which a minimum of 80 hours must be in peak time). In most of these categories Channel 4 has, in practice, exceeded the existing quotas (Ofcom: 2013: 18 – 25).

We are concerned, however, that Channel 4 remains vulnerable to changes in the levels of available television advertising revenue.

2. Do you consider it would be appropriate to increase the out of England quota on the Channel 4 service? If so, please set out the reasons for setting a particular level for the quota and for the rate of increase to this level?

Yes, we think it would be appropriate to increase the out of England quota in view of the fact that Section 264 of the 2003 *Communications Act* requires public service broadcasters to 'include... a sufficient quantity of programmes that reflect the lives and concerns of different communities and cultural interests and traditions within the United Kingdom, and locally in different parts of the United Kingdom'. In 2010 Ofcom introduced a new quota requirement that a minimum of 3% of programmes - made in the UK for viewing on Channel 4

- should be made 'outside England' that is, in Northern Ireland, Scotland or Wales. We note that some 17% of the UK population lives outside England and that the figure of 3% of programmes seems inadequate in this context. In the light of devolution and in light of the desirable objective of increased understanding of the cultural diversity embodied in national differences, we think that increased participation by programme makers from these three nations is desirable. Therefore we propose that Channel 4 be required to deliver an increase to at least 9% of outside England production by 2020.

We also strongly support the 'outside the M25' quota in so far as this supports producers based in the English regions.

3. Do you agree with our proposal to leave the existing licence condition for schools programming unchanged? What role do you consider the main Channel 4 service should play in delivery of its education remit? Are the existing licence conditions appropriate to this?

We regret the loss of a major commitment to schools programming and expect a renewal of Channel 4's commitment to adult education through the provision of stimulating, engaging and sometimes provocative programmes of a broadly educational nature.

4. Do you agree with the assessment set out of the market changes and future challenges for C4C in sustaining delivery of Channel 4 and its licence conditions?

Yes, we are broadly in agreement with the analysis of future challenges and changes identified by Ofcom.

5. Do you agree with our view that the Channel 4 licence should be renewed for a ten year period? If not, please set out an alternative duration and reasons for it?

Yes, we agree that Channel 4's licence should be renewed for a ten year period. This is both practical in giving stability from a financial point-of-view and valuable in under-writing some measure of creative diversity from an audience point-of-view.

October 2013

Sources

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