

In your recent executive summary of your phase 2 review, 'preparing for the digital future', you state that *"While the BBC is highly valued, stakeholders and audiences want alternatives to it, and do not agree on how to achieve this"*.

The answer may well be a complex mix of funding tiers, channels and hybrid organizations, but one strand of the solution remains straight and clear. Channel 4 already undertakes a Public Service Broadcast responsibility and does so seriously. Channel 4 is currently the only viable contender with the BBC for PSB funding and Channel 4 is a demonstrable example of how to create a quasi-commercial PSB model. A publicly-owned Channel 4 should be at the heart of a new PSB system.

Channel 4, however, deserves proper recognition and support for its work. Because of shifts in the commercial market that are happening with surprising speed and aggression, the Channel is seeing a rift in its funding appear before its eyes. A new funding settlement is urgently needed.

I urge Ofcom to consider the Channel's track record, its current funding vulnerability and the special role that Channel 4 can play in a new PSB market and ask it to respond with a fair and swift settlement.

Yours

Kevin McCloud