Your response

Question	Your response
Question 1: Do you agree with our assessment of the potential impact on specific groups of persons?	No response provided.
Question 2: Do you agree with our Welsh language impact assessment?	No response provided beyond noting the absence of any comparable consideration of Gaelic language impact assessment.
Question 3: Do you agree with our proposed approach to setting the new Channel 4 licence?	Screen Scotland broadly agrees – with some significant points of disagreement - Ofcom's proposed approach, as well as C4C's own Future4 strategy, against which we note C4C is making positive progress, while increasing its cash reserves. That said prioritising digital growth over linear ratings is both logical and valuable only if C4 continues to deliver against its core purposes and remit. For Scotland's screen sector C4C's utility is very much weighted towards the role C4 plays in commissioning programmes from Scotland's independent production companies. That commissioning function is a cornerstone of our creative economy, supporting successful indies in a range of genres, many freelancers, and a post-production and facilities subsector. As Screen Scotland's Economic Value Reports [*https://www.screen.scot/binaries/content/assets/screen-scot/funding--support/research/economic-value-of-the-screen-sector-in-scotland-in-2021/full-report-economic_value_of_screen_sector_in_scotland_2021_2023-08-21-1.pdf*] have demonstrated the BBC and C4 continue to account for circa 50% of all production spend in Scotland. The majority of this PSB spend comes from the BBC, with C4 spending on average £20m+ per annum on programmes and films in Scotland. When C4 stops commissioning from Scotland-based indies, shelves delivered programmes and disengages from strategic development with its suppliers, there is a tangible impact on Scotland's production sector, felt by production companies, facilities, and freelancers. For Screen Scotland - and the independent producers, freelancers, and facilities companies we have spoken to - the value in C4 is as a commissioner of distinctive, "lean in" TV from across the UK, in a symbiotic relationship with a wide range of independent producers and the freelancers and facilities that

	those indies work with in turn. C4C's strategic engagement with the development of its suppliers in Scotland would be very welcome, there is no evidence of such engagement currently. --- C4 must also deliver for its audience. By its nature C4 should be provocative, culturally diverse, creatively ambitious and – as C4C's own anti-privatisation campaign declared, 4AlltheUK. Ofcom's research published alongside this consultation has indicated that Channel 4's brand position has become diluted, that the Channel 4 brand has less resonance with audiences, and that for many, the intended target audience for Channel 4 was no longer clear. Ofcom's research suggests strongly that C4 is losing its distinctive identity. Ofcom's research notes, "Those more familiar with Channel 4 content [*i.e. those who actively watch C4*] were able to articulate that, at its best, [still] Channel 4 offered a genuine counterbalance to the 'posher' and 'more establishment' tone of the BBC, as well as the more mainstream 'for everyone' content of ITV. .... Channel 4 was also felt to be more genuinely diverse in its output than the other PSBs, including representing audiences from different racial, gender identity and sexual orientation groups, as well as championing diversity through representation of disability." Will that be the case in 12-months' time if C4's current commissioning freeze persists? There is a risk that in loosening so many requirements, enabling C4C to focus more squarely on winning broad audiences, avoiding "at risk genres" such as current affairs, or specialist factual programming, and being more commercial, that Ofcom is enabling C4's survival at the expense of its purpose, and the expense of what makes it distinctive. --- C4C's submission to Ofcom acknowledged that both technology and viewing habits are changing rapidly. While C4C seeks certainty to plan its long-term business strategy and investments, including "licence obligations that are future-proofed for the entirety of the next licence period", Screen Scotland's view is that this is not possible from the vantage point of 2024. A five-year, mid-point, licence review is necessary. That review would support sustainable delivery of the C4 service, as well as the Channel's core purposes, and allow for the strategic work required to grow its supply of programmes from Scotland.
Question 4: Do you agree with our proposal to retain	Yes, Screen Scotland supports retention of the condition requiring not less than 208 hours of news programmes in peak

the condition requiring not less than 208 hours of news programmes in peak viewing time to be included in the Channel 4 service in each calendar year of the licensing period?	time within the Channel 4 service. This is made more important by the parallel proposals to (a) remove the licence condition requiring one news programme at lunchtime every weekday, and (b) reduce the number of hours of current affairs that must be broadcast in each calendar year by 30 hours pa, which Screen Scotland does not support.
Question 5: Do you agree with our proposal to remove the lunchtime news scheduling requirement?	No, we feel this will impact a range of groups across society who are not able to access the live peak-time news transmissions, but who rely on C4 News for impartial, comprehensive, and high-quality journalism. Those who work evenings, or who have caring responsibilities in the early evening, and many elderly people, will be impacted by this decision to no longer require lunchtime news on C4. Live viewing will remain important to many groups, including older viewers, across the proposed ten-year renewal period. And, as Ofcom's research indicates, C4's audience is an older audience.
Question 6: Do you agree with our proposal to retain the weekend news scheduling requirement?	Yes, Screen Scotland agrees with the proposal to retain the licence condition requiring one programme a day in the early evening on Saturdays and Sundays.
Question 7: Do you agree with our proposal to require that there are not less than 178 hours in each calendar year of the licensing period of current affairs programmes included in the Channel 4 service which are of high quality and deal with both national and international matters? Do you agree with our proposal to retain the requirement that 80 hours of the 178 hours must be in peak viewing time?	No, Screen Scotland does not agree that the erosion of high-quality current affairs programming in peak hours from 208 pa to 178 pa is necessary to C4C's survival or desirable in terms of the Channel's purposes – including the purposes to provide news and current affairs and promote alternative views and new perspectives. C4 News and current affairs programmes are a vital part of the UK's broad broadcasting ecology, and our democratic dialogue across the UK. C4 has a statutory media content duty to, "promote measures intended to ensure that people are well-informed and motivated to participate in society". Reductions of the type proposed undermine the purpose and value of a PSB, without improving the PSBs viability to any material extent. They reduce the space for debate and undermine the sustainable production of independent current affairs journalism on UK television by reducing commissioning value in that space. The erosion of current affairs on every other commercial broadcaster has been a consistent theme of the last 20 years and each reduction, so far, has proven permanent. As Ofcom notes, Channel 4's remit is intended to be part of a broader public service remit, contributing to the overall purposes of public service broadcasting. Section 264(6) of the

	Communications Act 2003 requires that the PSB ecology as a whole, "… facilitate to an appropriate extent civic understanding and fair and well-informed debate on news and current affairs." The loss of 30 hours pa of current affairs programming from the C4 service impacts these requirements. It is not realistic to expect that the 30 hours will be picked up by the other PSBs and it must therefore be understood as an overall reduction that undermines civic understanding and reduces the space for informed democratic debate within the UK's PSB ecology. Given the quality of C4's current affairs programming this will be a significant loss. Screen Scotland does agree that the licence condition requiring no less than 80 hours of current affairs in peak viewing time be retained.
Question 8: Do you agree with our proposal to require that: a) at least 45% of the hours of programmes included in Channel 4 in each calendar year are originally produced or commissioned for the service; and b) at least 70% of the hours of programmes in peak viewing time are originally produced or commissioned for Channel 4?	While Screen Scotland agrees with the second proposal, (b), and recognises the need to reduce the annual target for original content to support C4C's transition to a non-linear service we do not see compelling evidence for a near 20% reduction as proposed under (a). A 20% reduction to 45% of hours will have a significant impact on C4C's remit and duties to innovate and take creative risks, to make a broad range of high-quality content that appeals to the tastes and interests of a culturally diverse society; and to support the development of people with creative talent; promote alternative views and new perspectives. Ofcom's evidence to date does not justify such a significant, instant, and permanent reduction. Screen Scotland is particularly concerned about the impact of a 20% reduction in original peak hours on the Scottish production community, freelancers, talent, and production companies. In 2023/2024 we have already witnessed the impact C4's commissioning freeze has had on so many who previously enjoyed creative, successful careers working on production commissioned by C4 and enjoyed by audiences across the UK. The proposed reduction in original hours combined with the focus on fewer/bigger productions in "peak time"/non-linear will accentuate and embed these deep sectoral impacts in Scotland where – because of both C4's commissioning priorities across the last 15 years and C4C's comparative lack of engagement in strategic supplier development outside of London across the same period – Scottish producers have been focused on lower value daytime and features shows. The clear evidence for this is C4's Hub in Scotland only hosting commissioners from these genres on a permanent basis. No entertainment, drama, specialist factual or documentary commissioners have been

	contractually based in the new C4 Glasgow Hub since it open – despite C4C's promises to the contrary when Glasgow bid for a hub. C4C say developing a supplier base in Scotland, Wales or Northern Ireland is "challenging", the basis for this assertion is undermined by the lack of significant effort by C4 to develop strategically outside of London. C4C's longstanding focus on London-to-London commissioning as a preference combined with an England focused quota that only fell to 91% in 2020 – previously 97% of C4's commissioning was focused on producers and productions based in England – is exactly where a regulator should be stepping in with a challenge or two. We would ask that Ofcom look again at this proposal and: (a) if no evidence for the necessity of a cut maintain the current requirement; or (b) if there is clear evidence that no cut materially impact's C4's sustainability make a cut that is no deeper than is necessary and to do so gradually, over the course of the renewed licence.
Question 9: Do you agree with our proposals to retain the requirements that, in each calendar year, at least 35% of the hours of programmes made in the UK for viewing on Channel 4 must be produced outside the M25, and at least 35% of expenditure on programmes made in the UK for viewing on Channel 4 must be allocated to the production of programmes produced outside the M25 and must be referable to programme production at a range of production centres?	No, we do not support this proposal. Screen Scotland's position is that a publicly owned PSB should be operated for the benefit of audiences and the economy across the UK, in line with its agreed remit. Screen Scotland's position is that the at least 50% of the original hours C4 commissions each year should be produced outside of the M25. C4 has consistently achieved 50%+, even when focusing largely on England-based production because of its 91% quota for England (97% for England prior to 2020). Wales, Scotland, and Northern Ireland represent untapped potential for C4. If C4 engages strategically and sustainably in commissioning from all four home nations their ability to consistently achieve 50% outside of London should not be a concern for C4C or Ofcom. The BBC has demonstrated the positive impact it can have across all four nations by engaging strategically with its suppliers across the UK, and through "nation to network" commissioners located in Glasgow, Cardiff, and Belfast. After working to develop its supplier base across the UK the BBC is now looking to stretch its ambitions to 60% OOL (Out of London). Why then is C4C – who avoided privatisation by claiming to be "4AlltheUK" - so focused on London-to-London commissioning? And why is Ofcom not more engaged with the fact that our second publicly owned PSB has not done more to challenge itself, and its preconceptions, around life and creativity outside of London?

	Please also see our detailed response to Question 8 and 10.
Question 10: Do you agree with our proposals to retain the requirements that, in each calendar year, at least 9% of the hours of programmes made in the UK for viewing on Channel 4 are produced outside England, and in each calendar year at least 9% of its expenditure on programmes made in the UK for viewing on Channel 4 is allocated to the production of programmes outside England and referable to programme production at production centres in Scotland, Wales and Northern Ireland?	No. Screen Scotland does not agree that retaining the "outside England" volume and value requirements at 9%, is appropriate or justified by the evidence gathered by Ofcom or presented by C4C. A 91% quota in favour of England is indefensible in the United Kingdom of 2024. Screen Scotland believes that at least 16% of C4's original programming should be made in the UK, outside of England. Screen Scotland can see no argument or evidence in this consultation to justify an out of England volume and value quota for C4 that ensures England has more of a share of C4's commissioning budgets and schedules/programme hours than its population share of the UK can justify. Our view is that both publicly owned PSBs, the BBC and C4, must meet their remit and licence obligations on a fair basis across the UK, delivering across the UK in such a way that no individual nation is unduly advantaged or disadvantaged. There is nothing in this consultation to justify the 9% quota and the continued imbalance in favour of England it drives. The BBC – which has a 16% out of England quota that more accurately reflects the population share of Wales, Northern Ireland, and Scotland within the UK - has successfully and strategically developed its supplier base in each of the UK nations to ensure that it not only meets but exceeds its volume and value quotas each year. Programmes across genres from Scotland, Wales and Northern Ireland regularly find a national audience on the BBC. *Blue Lights, Vigil, Antiques Road Trip, Doctor Who, His Dark Materials, House of Games, Mayflies, Molly & Mack, Shetland, Question Time, Frankie Boyle's New World Order, Line of Duty, Homes Under the Hammer, Mastermind, Only Connect, Sunday Morning Live, The Hit List, Granite Harbour* and *Traitors* are just a few of the shows made by the BBC in Scotland, Wales and Northern Ireland. Each is the result of strategic engagement and investment by the BBC with its suppliers. C4's arguments against similar engagement and investment, and in favour of the current imbalance in favour of England, is that: (a) it is challenging, (b) most production companies are based in London, (c) those outside of England tend to be smaller, (d) as a result they have less capacity to develop creative ideas. There is a chicken and egg element to each of these arguments. Many executives within the BBC would have made the same points in the early 2000s. Yet producers, production companies

	and talent across Wales, Northern Ireland and Scotland met the market growth opportunity the BBC opened via its 16% out of England quota because producers rise to meet demand. Broadcasters – PSBs in particular – drive that demand. The decisions the PSBs make about the allocation of budget and commissioning engagement determine the shape, scale, and viability of the market. London is the home of UK broadcasting, most production companies and much of the UK's development capacity because it is to London that the broadcasters look to first for new programmes. That is precisely why outside of London and outside of England quotas are required. The preference for commissioners at C4 and the BBC is to look to those companies and individuals they know and have worked with already to come up with and deliver new programmes. Quotas ensure the publicly owned PSBs work with all parts of the UK and deliver for audiences across the UK. C4 has not made a sustained, strategic effort to grow its supplier network outside of England across the last 20 years. It has built a strong features and daytime supplier base in Scotland upon the foundation of *Location, Location, Location*. Through the great work of the commissioners led by Jo Street in the C4 Glasgow Hub – the exception that proves the rule – they developed a thriving sector, but beyond features and daytime C4 has made very limited strategic efforts to develop suppliers in Scotland. Those Scotland based production companies that have won regular business from C4 – Tern, Raise the Roof, Red Sky, IWC Media, Friel Keen, STV Studios, Tuesdays Child, Firecrest – are now suffering as C4 opts to protect its cash reserves and avoid further political interference rather than sustain commissioning at the levels it has achieved across the previous five years. Those companies, and the development/production capacity they represent, are at risk precisely because the creative capital C4 invests in Scotland has been reduced by C4C. Chicken and egg. By contrast the BBC has engaged with its supplier base in Scotland across the last fifteen years. It has evolved its strategy over that period and has reached a position where security of supply for network programmes across genres from the UK nations outside of England is no longer a concern for the Corporation. C4 will argue that because they do not have the in-house production capacity that the BBC enjoys it is harder for C4 to meet out of England quotas but: a) that in-house production will be open to C4C once the Media Bill becomes law, and b) the

majority of the BBC's programme supply from Scotland comes from the independent production sector, not BBC Studios.

Ofcom states in the consultation that, "*One of the risks C4C points to is a reduction in production capacity in the nations and regions. C4C said that if this were seen, "the commercial impact on PSBs of maintaining current levels of outside London production would increase, as there would be less production capacity available to develop and produce the strongest ideas that are likely to appeal most to audiences*." Evidence is then provided via O&O that, "*97% of the producers surveyed strongly agreed that in the future, PSB commissioning budgets will be squeezed, with an increased focus on 'doing more with less.*"

Undeniably there are increased and significant pressures on C4C. The advertising downturn combined with cost inflation across the economy has impacted C4C's ability to commission. But why is a reduction in capacity particularly feared outside of England? Why is that not also a concern for C4C within England or within the M25? How C4C allocates and prioritises its commissioning decisions and budgets determines the strength of its suppliers' production capacity across the UK.

This is a particularly important point for Ofcom to consider as it relicenses C4 for a decade in the context of C4C's stated strategy to, "*invest more in high-impact, high-tariff content that draws audiences to Channel 4 Streaming*." C4 will – as Ofcom anticipates – invest in fewer, more expensive commissions and if London is the primary focus of those more limited commissioning decisions the consequences for the currently thriving production sector outside of the M25 will be profound.

This is precisely where a regulator such as Ofcom should be asserting itself, ensuring both the sustainability of C4C and its broad supplier base across the UK to the greatest extend that is possible. Only through fair application of out of London and out of England quotas that do not prioritise England over Northern Ireland, Scotland and Wales can Ofcom mitigate the impact of the anticipated contraction across the whole of the UK.

A 16% volume and value quota for original commissions across genres is required to: (a) ensure C4 delivers for audiences across the UK; (b) ensure the programme development and production capacity already in Wales, Scotland and Northern Ireland is sustained, and strategically developed; and (c) ensure the UK's second publicly owned PSB delivers for all the UK in terms of representation, democratic engagement, diversity, and inclusion.

Ofcom's current proposal to retain a 91% quota for England ensures that England is prioritised over the other UK nations.

	--- Ofcom is incorrect in saying that retaining the current level of C4's OOL quota will not have a significant impact on the production sector. Maintaining the current imbalance in favour of England will directly impact producers based in Scotland, Wales, and Northern Ireland by continuing to limit the market for their content within C4. At a time of both uncertainty and significant opportunity globally, this advantages England/London based production companies significantly. This impact will be exacerbated by the "fewer/bigger" commissioning strategy C4 is following, unless Ofcom acts now. Ofcom is also incorrect in stating that spend from SVODS, "*accounts for only a small proportion compared to the PSB's overall spend*", at the same time PSB spend is the foundation upon which the Scottish production sector is built and relies. Within Scotland, as evidenced by Screen Scotland's Economic Reports for 2019 and 2021 (results 2023 will be published later this year), the SVODs now account for a significant and growing proportion of production spend in Scotland. By their actions, those SVODs do not appear to share C4's concern regarding Scotland's supplier base and its ability to produce HETV drama in particular. --- Ofcom notes that, "*C4C's spend on original content produced in the nations across its TV portfolio was £45m in 2022; this represented 20% of total original content spend outside London (£228m), and 8% of overall original content spend (£570m)*." Meaning the current 91% quota in favour of England ensures that from a total original content spend of £570m in 2022 just £45m was spent across Wales, Northern Ireland, and Scotland. C4 argues against any increase on the basis that it would be "*challenging*", and that the loss of a single high tariff commission can impact C4C's ability to meet its existing quota. That is because C4 makes so few high tariff commitments outside of England. *Screw* (now cancelled) and *Derry Girls* (now finished) alone made the difference between C4C meeting its obligations in 2022 or not. That is how thin C4C's commitment to Scotland, Wales and Northern Ireland is. So little is commissioned by the Channel outside England that one or two projects make all the difference. Challenge is exactly what C4C requires. Instead, Ofcom is recommending retention of the 91% quota for England, expressing satisfaction at para 5.139 that the status quo will

	deliver "a marginal positive [GVA impact] to the UK (excluding England)". --- Finally, based on evidence Ofcom says it has gathered but has not published, and a series of assumptions that are at best, unlikely ("*the same genre mix for each nation's content production across all years*" – that would be very welcome but is highly unlikely), Ofcom contends that imposing an out of England quota of 16% on C4 would impact C4C's overall sustainability. This is despite England based production being more expensive in four of the five years studied by Ofcom and highlighted in Ofcom's own research. In only one year was production outside of England marginally more expensive. In four of the five years presented England-based production was demonstrably and consistently more expensive, and by Ofcom's own argument, likely to undermine C4C's long-term sustainability. That, by Ofcom's own count, production in England has consistently been more expensive than production in other parts of UK, suggests instead that C4C's sustainability in the long-term will only be improved by a rebalance of its commissioning away from the current 91% English quota.
Question 11: Do you agree with our proposal to retain the requirement to transmit at least half an hour of schools programmes, excluding presentation material, in each calendar year of the licensing period?	Given that Ofcom has noted that the requirement will be removed once the Media Bill is passed but must remain until the new legislation is in place, Screen Scotland offers no response.
Question 12: Do you agree with on our proposal to retain the condition that provides that in each calendar year not less than 25% of the total amount of time allocated to the broadcasting of qualifying programmes on Channel 4 must be allocated to the broadcasting of a range and diversity of independent productions?	As the Media Bill, if passed as anticipated, will see the independent quota rise from 25% to 35% we will limit our response to noting the erosion of true independent producers' share of Qualifying Programmes on C4. This has already reduced by around one third from 73% in 2014, to 54.9% in 2022. 50% should be a true minimum target in the minds of C4, Ofcom, and the indie supply sector, even if the licence requirement is set at 35%. That 50/50 balance supports diversity of supply. Over concentration by C4 on non-qualifying production companies of scale would likely be contrary to its remit around development of the independent production sector. That sector's creativity and entrepreneurial zeal requires a space for new entrants and alternative voices, and that is squarely why C4 exists.

	The present focus on C4's ability to survive, potentially grow, should – we argue – be always balanced against why C4 exists at all. That is clearly and positively set out in its remit - extending viewer choice, catering to the tastes and interests not catered for elsewhere, encouraging innovation, and supporting the development of the independent production sector. We would ask that Ofcom continue to be constantly alive to these necessary purposes and keep a watchful eye on that 50/50 split that has served audiences, and the UK's creative economy, so well.
Question 13: Do you agree with our proposal that the Channel 4 licence should be renewed for a period of ten years?	Yes, Screen Scotland agrees that a 10-year renewal is appropriate, but we advocate a mid-point review to check progress and make any necessary adjustments given the current pace of change across the broadcasting sector. 10 years without a mid-point review is too long.

Please complete this form in full and return to Channel4LicenceRenewal@ofcom.org.uk.