S4C's response to Ofcom's Call for input: Review of broadcast regulation

27 January 2026

S4C welcomes Ofcom's review of broadcast regulation and the opportunity to contribute. We recognise that the UK media landscape is undergoing rapid transformation and that it is critical that regulation does not stifle innovation or deter investment in public service content.

COSTA – Code on the Scheduling of Television Advertising

S4C believes that Ofcom should ensure that advertising regulation under the COSTA Code is not unduly restrictive for public service broadcasters, particularly when compared with the regulatory environment faced by competing online and on-demand services.

S4C supplements its Licence Fee income with advertising and other commercial revenues to enable it to sustain investment in content. Where COSTA Code restrictions go beyond what is necessary to protect audiences, we feel that this disproportionately constrains PSBs' commercial ability to generate income in an increasingly competitive advertising market.

Global online platforms and on-demand services are attracting a growing share of advertising spend while being subject to materially different regulatory constraints. The application of the COSTA Code should therefore avoid placing S4C and other PSBs at a disadvantage that could limit our capacity to invest in original content and fulfil our public service remit.

S4C does not believe that the existing additional PSB restrictions on the scheduling, volume and format of advertising are proportionate and justified in light of current market conditions. Specifically:

- We propose the deletion of the additional 'PSB-specific' restrictions set out in:
    - Rule 4 (hourly minutage);
    - Rule 5 (length of ad breaks); and
    - Rule 6 (number of internal breaks).

  PSBs would then be subject to the same restrictions as non-PSBs set out in the remainder of the Code. We feel this would have a minimal effect on viewers, who are already used to the less stringent restrictions on non-PSB channels. Any change would be managed carefully and sensitively and kept under review for any effect on audiences;

- We also propose the deletion of Rule 7, which notes that teleshopping windows may be scheduled only between 00:00 and 06:00 on PSBs. S4C's evening schedule often finishes at c23:00 and therefore an hour of potential teleshopping revenue is lost each evening. We see no reason why there needs to be an additional restriction on PSBs.

Sponsorship

Sponsorship represents an increasingly important source of revenue to S4C, yet current broadcast sponsorship rules can be more restrictive than necessary, particularly when compared with the flexibility available to online and on-demand services. We believe there is a strong case for relaxing existing sponsorship rules, where doing so would not undermine broadcaster editorial independence or audience protection.

We appreciate the need to maintain the distinction between sponsorship and advertising but feel that this can be achieved whilst also allowing a sponsor to promote its products more explicitly.

In our experience, prospective sponsors are often put off by the inability to include 'calls to action' or to promote their products in sponsorship stings. We feel that some flexibility could be afforded to allow for such promotion, whilst also clearly referencing the sponsorship arrangement between the sponsor and the content. This could help secure revenues whilst continuing to maintain clear editorial separation and transparency for audiences.

Current affairs programmes

Whilst we agree with the provision in Rule 9.15 that news programmes must not be sponsored, we do not feel that this prohibition should automatically be extended to current affairs programmes.

The definition of 'current affairs programme' is very wide, being a programme *'that contains explanation and/or analysis of current events and issues, including material dealing with political or industrial controversy or with current public policy.'*

S4C broadcasts a weekly agricultural magazine programme, *Ffermio (Farming),* which includes a number of factual/magazine style items but also looks from time to time at some of the issues facing the agriculture industry in Wales. Despite plenty of interest, we have not felt able to sponsor this programme as it contains some elements that would fall into the above 'current affairs' definition.

We feel that the existing rules are sufficiently clear without the need for a blanket prohibition on current affairs sponsorship, in that broadcasters must maintain independent editorial control over programming (9.1); and that a sponsor must not influence the content and/or scheduling of a channel or programming in such a way as to impair the responsibility and editorial independence of the broadcaster (9.18).

If Ofcom is not minded to fully remove the prohibition, then we would propose looking again at the definition of 'current affairs programme'. This could include a 'wholly or mainly' provision, so as not to catch programmes such as 'Ffermio' which may include some current affairs elements, but which are not the main focus of the programme.

Guidance notes to Section 9

We believe it would be very helpful for Ofcom to issue new, updated guidance on the rules to section 9, backed by research on audience attitudes and practical examples.

The current guidance on Commercial References dates back to 2016 and there is no question that audience expectations have changed significantly since then, with a far greater tolerance of branding in programming.

The updated guidance should focus on the provisions relating to promotion, undue prominence and product placement. We believe that there is scope to relax these rules, whilst maintaining the current safeguards on broadcaster editorial independence.

Cross promotion Code

We believe that it is important that broadcasters can continue to cross-promote other broadcasting related services, whether within or outside programming, without such promotions being considered advertising and included in the calculation of advertising minutage.

An example is when broadcasters share sports rights to a competition, they should be able to draw viewers' attention to additional matches in the competition shown by the other broadcaster. This is often a condition of a rights agreement, or a sublicence agreement between broadcasters.