

**The BFI response to Ofcom's Consultation on the
Renewal of the Channel 4 Licence**

October 2013

About the BFI

In 2011 the BFI became the lead organisation for film in the UK. It is now a Government arm's-length body and distributor of Lottery funds for film.

Our mission is to ensure that film is central to our cultural life, in particular by supporting and nurturing the next generation of filmmakers and audiences. The BFI serves a public role which covers the cultural, creative and economic aspects of film in the UK.

It delivers this role:

- As the UK-wide organisation for film, a charity core funded by Government
- By providing Lottery and Government funds for film across the UK
- By working with partners to advance the position of film in the UK.

To that end, the BFI helps ensure that public policy supports film including in relation to the broadcasters and film.

Founded in 1933, the BFI is a registered charity governed by Royal Charter. The BFI Board of Governors is chaired by Greg Dyke.

Executive summary

The BFI welcomes the opportunity to respond to Ofcom's consultation on the renewal of Channel 4's licence.

We think the existing licence is fit for purpose.

The BFI and Channel 4 have common goals across a range of areas relating to film and audiovisual content and we work closely together in a number of ways. The two organisations are holding senior level meetings before the end of 2013 to examine ways to strengthen their collaboration for example in relation to issues affecting archive, education and digital distribution which could boost overall investment in film. Such closer collaboration is designed to bring benefits to both organisations, helping them to further strengthen the delivery of their respective remits.

We agree with Ofcom's assessment of future market challenges, and its proposal that the licence should last for ten years.

Response to questions:

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

Yes, we agree that the licence conditions remain largely appropriate to securing Channel 4's obligations.

In 2012, the Government's response to Lord Smith's Film Policy Review stated that it welcomed "the Panel's recommendation that major broadcasters should do more to support the screening, acquisition and production of independent British film."¹

The BFI will shortly meet hold senior level meetings with C4 to discuss ways in which the BFI can collaborate to help C4 continue to deliver its licence obligations for film in a digital age. Among the areas the BFI plans to discuss are education, C4's role in supporting the National Television Archive and digital distribution as well as film production and acquisition. Such collaboration could deliver significant benefits for each side and represents an opportunity to help stimulate overall investment in film in the UK.

We recognise that Ofcom's consultation is principally focussed on certain quantitative obligations which underpin the licence of the Channel 4 service itself and on possible changes to those obligations. But we are disappointed that, as part of setting the broader context for this consultation, Ofcom has failed to mention at all the important role of Channel 4, as specified by the existing licence, in financially supporting (via payments to Ofcom) the BFI's role as the nominated National Television Archive. This role will continue to be an important part of Channel 4's licence in the future, helping to ensure that the audiences of the future have access to a varied range of British television heritage.

Consultation question 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?

The BFI does not have a view on this question.

Consultation question 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?

As stated above, the BFI plans to explore ways in which it might collaborate with C4 in the delivery of film education but at present we do not have a view on these specific questions.

Consultation question 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?

¹ <http://www.official-documents.gov.uk/document/cm83/8355/8355.pdf>, p.15

Yes, we agree with the assessment. In particular, we agree that "the main challenge for C4C in delivering Channel 4 and its licence obligations will remain its ability to sustain a cross-subsidy model to invest in content that both fulfils its distinctive remit and attracts and retains audiences to view it."²

Consultation question 5: Consultation question 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?

We believe that a period ten years is appropriate, most especially as the BBC Charter runs for an equivalent period of time.

² <http://stakeholders.ofcom.org.uk/binaries/consultations/renewal-c4-licence/summary/c4.pdf> p.48