

16<sup>th</sup> November 2010

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*Dear Terry,*

#### **Guidance Note for completion of C4C Statement of Media Content Policy**

As you know, Ofcom is required under the Communications Act 2003 (as amended by the Digital Economy Act 2010) to issue guidance to Channel 4 Corporation on the preparation of an annual Statement of Media Content Policy (SoMCoP). I attach Ofcom's draft proposed guidance, which covers both the SoMCoP, and preparation of the Statement of Programme Policy (SoPP) that C4C is required to prepare in relation to Channel 4. At the same time as writing to you, we are seeking comment from other interested parties (please see below).

Government has signalled the intention, through the Public Bodies Bill, to withdraw the separate requirement under the Communications Act, for Channels 3, 4 and 5 to prepare a SoPP for their main public service channels. However, for now at least these obligations remain in place. The proposed guidance note is designed to incorporate fulfilment of both these requirements for Channel 4 Corporation, and so enable the C4C Board to generate a single document encompassing the full range of content across all the corporation's distribution platforms. As such, we are proposing that the combined guidance note would supersede the existing separate Ofcom SoPP guidance insofar as it relates to Channel 4. We will make small consequential amendments to the combined guidance note, as the changes in relation to SoPPs become effective.

As we have discussed, we believe the C4C Board has a key role in ensuring and overseeing the delivery of public service content across all platforms. One key feature of this is in assuming responsibility for completion and sign-off of the annual policy statements. We at Ofcom also attach great importance to C4C's engagement with Ofcom, and consulting us at senior board level during the preparation of the statement. This duty under the revised Act to consult Ofcom is a significant difference in the new policy statement process, from the one that preceded it.

We intend to publish both this letter and the proposed guidance on our website to allow other interested parties an opportunity to comment on the draft guidance note. We will allow a period of eight weeks for this, and will notify you of any changes we intend to make as a result.

Yours ever,

Colin.



# Draft guidance note for completion of C4C combined statement of programme and media content policy

Statement

Publication date:

# C4C Combined Statement of Programme and Media Content Policy

## Introduction

This guidance note represents a new approach to the regulation of C4C's duty to provide public service content across the full range of its media platforms, including Channel 4, other digital channels, Film 4 and on-line.

The note is a key element in the accountability framework for C4C's expanded remit, as introduced by the Digital Economy Act 2010 ("the DEA"). The DEA amends the Communications Act 2003 ("the Act") to set out a new requirement for C4C to prepare an annual statement of media content policy (in addition to the existing requirement to prepare a statement of programme policy for Channel 4), which will include a report on its performance in carrying out the proposals contained in the previous year's statement.

In preparing each statement, C4C must have regard to guidance given by Ofcom. This note provides guidance in relation to C4C's preparation of *both* statements as a combined statement of programme and media content policy. As such, it replaces the existing guidance<sup>1</sup> in so far as it applies to Channel 4. The guidance is intended to reinforce the clarity provided by the Act as to C4C's role, while providing the organisation with sufficient flexibility to manage its operations effectively.

## Functions and requirements of C4C

Section 22(1) of the DEA amends the Act to set out at Section 198A the functions of C4C in relation to media content.

In respect of Channel 4, this note incorporates the existing requirement under Section 266 of the Act for public service television broadcasters to produce an annual statement of programme policy, and to review the previous year's performance against the stated objectives.

## Combined statement of programme and media content policy

In preparing its combined statement of programme and media content policy, C4C must have regard to guidance given by Ofcom and must also consult Ofcom in accordance with sections 198B(4) and 266(4) of the Act. The combined statement should contain a set of proposals for the coming year, as well as a report on the previous year's performance. The combined statement should reflect C4C's policy in relation to:

- (a) fulfilment of the new duties set out in various parts of section 198A of the Act: This should include reference to C4C's policy for investing in or procuring:

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<sup>1</sup> [http://stakeholders.ofcom.org.uk/binaries/broadcast/guidance/pst\\_n.pdf](http://stakeholders.ofcom.org.uk/binaries/broadcast/guidance/pst_n.pdf)



- the making of a broad range of relevant media content of high quality that, taken as a whole, appeals to the tastes and interests of a culturally diverse society
- the making of high quality films intended to be shown to the general public at the cinema in the United Kingdom
- the broadcasting and distribution of such content and films
- the making of relevant media content that consists of news and current affairs
- the making of relevant media content that appeals to the tastes and interests of older children and young adults
- the broadcasting or distribution by means of electronic communications networks of feature films that reflect cultural activity in the United Kingdom (including third party films)
- the broadcasting or distribution of relevant media content by means of a range of different types of electronic communications networks.

(b) fulfilment of its duties in relation to the public service remit for Channel 4 as set out in section 265(3) of the Act. This should therefore include reference to:

- the delivery of a range of high quality and diverse programming of mixed genres, including news and current affairs
- how it intends to demonstrate innovation, experiment and creativity in the form and content of programmes
- how it intends to appeal to the tastes and interests of a culturally diverse society
- the delivery of educational material
- examples of distinctiveness.

(c) C4C's contribution to the broader public service remit as set out in section 264 of the Communications Act

(d) the conditions imposed on Channel 4 under its licence dated 17 December 2004 (and as subsequently varied). This should include reference to:

- levels of origination
- commissioning from outside London
- commissioning in the UK nations outside England
- provision of schools-related material
- news and current affairs.

The combined statement should discuss overall strategy and the balance between content provision on the various platforms - including the reasons behind decisions to deploy different platforms, and an indication of the relative levels of investment involved. Relevant platforms include (a) Channel 4 (b) its portfolio of television services (c) on-demand programme service (d) content provided via the internet (e) other means of content delivery such as print, DVDs, games, etc.

C4C should also set out how its media content policy reflects the requirements of section 198A(3) and 198A(4) of the Act. Namely:

- the promotion of measures to ensure people are well informed and motivated to participate in society in a variety of ways
- contributing to the fulfilment of the public service objectives as defined in section 264(6) of the Act

- support for the development of people with creative talent, especially those at the beginning of their careers in relevant media content or films and those involved in the making of innovative content and films
- support and stimulation of well-informed debate on a wide range of issues, including by providing access to information and views from around the world; by challenging established views; and by promoting alternative views and new perspectives
- the provision of access to material that inspires people to make changes in their lives.

In considering these requirements when preparing its statement of media content policy, C4C should have regard to the desirability of working with cultural organisations; encouraging innovation in the means of broadcast or distribution of relevant media content; and promoting access to and awareness of its services provided in digital form.

## Review of previous year's performance

C4C should review its actual performance against the stated policy goals. The review should be rooted in measurable data, but include narrative assessment where appropriate. There should be discussion of how the delivery of content has been balanced across the range of different platforms.

For **television channels** measures may include indicators such as spend and volumes of originations, new programmes, programmes aimed at diverse audiences, and strands using new talent. The review may also include audience data by share, reach, age, ethnicity etc and significant audience research into appreciation and perception judged against the PSB remit.

For **VOD and on-line delivery** measures may include user data (page views; video views; game plays; comments and interaction) and details of both direct spend and spend on development. The review may consider the effectiveness of the on-line strategy, and how linear and on-line delivery of content has been complementary.

## Process for publication of combined statement and review

The combined statement of programme and media content policy and review of previous year's delivery will be prepared annually, and based on calendar years.

It is expected that C4C will consult with Ofcom at board level towards the end of each year, before preparing the document(s). Preparation of both the combined statement and review will start shortly after the beginning of the new year, allowing time for the collation of full data from the previous year.

The combined statement must be published as soon as practicable after its preparation is complete.