



**The Children's Media**  
**FOUNDATION**

## **House of Lords Select Committee on Communications Inquiry into the Sustainability of Channel 4**

### **Response from the Children's Media Foundation**

#### **1. Background**

The Children's Media Foundation (CMF) [www.thechildrensmediafoundation.org](http://www.thechildrensmediafoundation.org) is a not-for-profit organisation supported by public donation, which campaigns for greater range and variety in the content provided for children and young people in the UK, advocates a research-based approach to policy and regulatory decision-making, and supports the production of UK-based programming that offers British children the opportunity to hear their own voices, experience their own stories and explore their own culture and society.

#### **2. Context**

CMF is responding to this Inquiry in the context of Channel 4's provision for older children and young people.

#### **3. Funding**

**Is C4C financially sustainable? Is the revenue provided by advertising sufficient to make Channel 4 Corporation (C4C) sustainable?**

Broadly it would appear so. According to the most recent Ofcom review, published in 2015, Channel 4's real term investment in first run UK originated content increased during the last review period, in contrast to the other Public Service Broadcasters.

However we would argue that there is serious under investment in original content provided for both children under 14, and from 14 to 16 - particularly the former.

**Are there any other commercial/non-commercial revenue streams which could/should be explored?**

We believe that there could be.

[www.thechildrensmediafoundation.org](http://www.thechildrensmediafoundation.org)

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CMF has proposed the creation of a new content production fund specifically to stimulate the production of original UK content for children and young people. We are not advocating a contestable fund as proposed in the recent Government recent Green Paper on the future of the BBC, which is dependent on taking funds from the Licence Fee. We believe a completely new fund should be created using new and alternative sources of finance. These sources could include Lottery funds, the proceeds of levies, new creative partnerships, ethical advertising, educational funds, foundation funding and corporate sponsorship.

This proposal requires radical new thinking, and none of this has ever been investigated in depth. Accordingly we have asked The Secretary of State to commission a feasibility study into a new fund, examining all potential sources of finance, and comparing it with examples in use elsewhere.

Were this fund to come to fruition C4 would certainly be in a position to benefit, provided it committed to producing content within the Fund's criteria – which we would be broadly aimed at addressing market failure, providing more factual and drama content and a wider age-range of content.

#### **4. Viewing**

**Is viewing of Channel 4 (the main channel) and C4C sustainable? To what extent is the decline in reach and share on the main channel a problem for C4C?**

**To what extent is Channel 4 (the main channel) equipped to deal with the challenges posed by new technology and viewing habits such as online and search and recommendation?**

Changes in viewing habits are clearly happening, and certainly speeding up as far as younger viewers are concerned. Equally there is little to attract them to the main channel. C4C has in the past had a good track record in innovation on the main channel and online, using the latter in particular to address the younger audience. They should be looking to build on this, without at this stage abandoning a parallel mainstream provision.



## 5. Remit

**Would changes to Channel 4's remit provide greater sustainability for the broadcaster? Is the current legislation too detailed, or too vague?**

**What benefits/drawbacks could there be to Ofcom's suggestion in its PSB review that PSB obligations be applied to C4C as a whole rather than to the main channel alone?**

**Does the current regulatory system provide for adequate assessment of C4C's performance against its obligations?**

We believe that there could be benefits in Ofcom's suggestion that PSB obligations should be applied to C4C as a whole rather than to the main channel alone as long as this does not result in a diminution of public service overall. The portfolio of C4C channels gives them greater flexibility in their approach to the younger audience. The younger audience naturally gravitates towards E4 and any stimulus which can be put in place to reward C4C for providing public service-type content for the younger audience on that channel should be considered.

**Does the current regulatory system provide for adequate assessment of C4C's performance against its obligations?**

We feel that with regard to provision for children and young people it does not.

The 10 - 14 audience has very particular needs and a special point of view. They are at a very particular stage in their development, educationally, culturally, emotionally, physically and socially. If any audience requires content geared specifically to it, the young teen audience does. It is a difficult audience to reach but that does not mean it should be abandoned by public service providers.

Channel 4 committed to providing content for the 10-14 year-old audience in their last Licence renewal application. However, in the last three years they have made very little content for this age group – in fact only a single short-run series each year.

Ofcom identified this as insufficient, but have since accepted Channel 4's response which sees content provision for under 10's as incorporated within programmes of general appeal. This is insufficient, does not meet the remit agreed in the most recent licence round, but has been accepted by Ofcom without penalty.



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The obligations on Channel Four are not sufficiently clear in terms of age-range, genre etc. We would like to see specific targets introduced and outcomes assessed – based on the commitment made in the Licence renewal application.

## **6. Ownership**

We feel that the privatisation of Channel 4 would be counter-productive to the provision of content for children and young people - as well as to other under-served minority audiences. This is an archetypal public service remit.

We also believe that some of the content appropriate to this audience would be likely to offend a more commercially facing audience. Channel4 has always taken risks. Privatisation would impose limitations.

If as seems likely privatisation resulted in the commissioning of less original content there could be a severe impact on the independent production community, which in the children's area is already suffering badly from the lack of a properly competitive market, with no original commissioning at CiTV or Channel 5.

It would be ironic if Channel 4, the prime creator of the independent production community, were responsible for it's demise!

**Anna Home**

Chair

The Children's Media Foundation

19.4.16

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