



## **Directors UK's response to Ofcom's Consultation on the proposals for the new Channel 4 licence**

### **About us**

1. Directors UK is the professional association of UK screen directors. It is a membership organisation representing the creative, economic, and contractual interests of over 8,000 members — the majority of working TV and film directors in the UK. Directors UK collects and distributes royalty payments and provides a range of services to members including campaigning, commercial negotiations, legal advice, events, training, and career development. Directors UK works closely with fellow organisations around the world to represent directors' rights and concerns, promotes excellence in the craft of direction and champions change to the current landscape to create an equal opportunity industry for all.
2. Directors UK welcomes the opportunity to comment on Ofcom's Consultation on the proposals for the new Channel 4 licence.

### **Consultation question 1:**

**Do you agree with our assessment of the potential impact on specific groups of persons? Please provide reasons for your response, with any supporting evidence.**

3. Directors UK fully supports the UK's Public Service Broadcasting (PSB) ecosystem and the important role played by Channel 4 in providing public service content to the British public. This public service content in both scripted and unscripted form is directed by the members of Directors UK who – in partnership with other creative freelancers and members of staff - turn researched programme ideas, scripts and format concepts into the Channel 4 content which informs and entertains the public throughout the UK and beyond.
4. However, the consultation does not make reference to any potential impact that the proposed changes will have on the creative industry workforce. Directors UK is concerned that the considerable drop in hours of daytime current affairs and original productions and commissions will not only reduce the amount of work for freelancer workers, but will also impact the entry points and training opportunities for screen directors across the UK. This is because directors often enter the industry and learn their craft in lower tariff programming such as daytime lifestyle shows. This was acknowledged by Channel 4 who noted in its 19 October 2023 statement about the cancelled series '*Steph's Packed Lunch*' that it was an 'outstanding springboard for developing local talent behind the scenes'.
5. These productions provide the opportunities for up and coming directors to build up their experience, gaining the work background needed to convince the industry that they are ready for bigger budget shows on peak time. The failure of the industry to provide directors with meaningful career paths is resulting in directors quitting the industry for better paid and more rewarding roles elsewhere. This means that, as established directors retire, the UK television

sector will lack sufficient numbers of experienced directors to take over their mantle, which risks stifling the future growth and success of the UK's television industry.

6. We are also concerned that these reductions in daytime current affairs and original commissions will have an impact on the progress of diversity in the UK's television industry as fewer up and coming directors from across the UK and from under-represented groups will be offered the chance to direct such shows and so forge their directing careers. Indeed, the planned reductions to daytime programming are likely to affect women directors in particular due to unwelcome industry siloing. A Directors UK report called '*Who's Calling the Shots*' in 2018<sup>1</sup> found that a higher proportion of woman directors work on daytime lifestyle shows than any other genre. Moreover, a 2023 Creative Diversity Network<sup>2</sup> report into the diversity of writers and directors in the television industry found that the contributions of women directors to programming making has been in decline over the last three years.
7. Directors UK is also concerned that the proposals to increase the budget available for higher value productions could lead to cuts in programme budgets at the lower end. This is something that can have a considerable impact on the health and safety of production teams. Successfully completing a project on time and within budget is often down to the expectation and willingness of production staff to work longer hours, without additional compensation, and which is detrimental to health and well-being. For TV and film directors their creative reputation is dependent on the success of their last work, which feeds into this willingness to overwork in order to deliver a good end product. These very long and stressful shooting days can have severe impacts on mental health and well-being. This is borne out by the findings from the Film and TV Charity 2022 '*Looking Glass*'<sup>3</sup> survey of the screen sector workforce which reported that 83% of respondents stated that the industry culture had a negative impact on their well-being. Of those surveyed, 60% had considered quitting the industry due to mental health concerns.
8. Directors UK wants the UK PSB ecosystem to remain vibrant and appreciates that a key part of Channel 4's remit is to serve younger audiences. However, Directors UK is concerned that Ofcom has highlighted that certain groups in society such as older people and people from lower socio-economic groups may not have access to the internet and thus may have difficulty in accessing Channel 4 content that has been commissioned specifically for the digital platforms. Furthermore, we note that the Media Bill will allow Channel 4 to meet its public service remit through its qualifying audiovisual services. We are therefore concerned that such groups may never be able to access some public service digital content because Channel 4 – under the terms of this licence - has not been placed under the obligation by Ofcom to repeat such public service digital content on its linear channel. We note that Channel 4 has stated to Ofcom that some of its digital current affairs content may be repeated on its linear channel, but this undertaking is not qualified or guaranteed.

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<sup>1</sup> [Directors UK - Campaigns - Gender Equality in UK TV Production](#)

<sup>2</sup> 'Writers, Directors and Producer Directors: A six-year overview of Diamond data 2016/17 to 2021/22', Creative Diversity Network, November 2023

<sup>3</sup> [Looking Glass '22 - Film and TV Charity \(filmtvcharity.org.uk\)](#)

## Consultation question 2:

**Do you agree with our Welsh language impact assessment? Please provide reasons for your response, with any supporting evidence.**

N/A

## Consultation question 3:

**Do you agree with our proposed approach to setting the new Channel 4 licence? Please provide reasons for your response, with any supporting evidence.**

9. Directors UK is not so much concerned with Ofcom's proposed approach to setting the new Channel 4 licence but we are concerned by the long-term impact of far-reaching changes to Channel 4's regulatory content obligations on the freelancer workforce, as outlined above. We would therefore urge Ofcom to consider these impacts on workforce diversity and to engage with workforce representatives such as Directors UK earlier in the review process.
10. This is because the new licence for Channel 4 – which will come under the auspices of the forthcoming Media Act – proposes a number of considerable employment and remuneration implications for directors such as a reduction in the hours of daytime original commissions and productions of 11%, and a 14% reduction in the number of current affairs hours each year. In addition, Ofcom has stated in this proposal that Channel 4 will be allowed to fill the resultant gaps in its daytime schedule (6am-6pm) with acquisitions rather than repeats.
11. Directors of daytime programming will be doubly penalised by these proposed changes through the loss of work opportunities and a likely downward trend in residual (repeat) payments. For example, Directors UK has established that the primary source of repeated Channel 4 programmes on the Channel 4 daytime schedule are Channel 4 daytime original commissions. For the year 2022/23, this was 85% of the total number of daytime repeats by episode title compared to 15% for Channel 4 peak time originals. (This total number of daytime repeats of Channel 4 works by episode title does not include repeats of acquisitions, current affairs programmes, live events or features as this information is not collected by Directors UK). The implications for daytime directors' residual income are clear if such repeats are replaced by acquisitions. Acquisitions of other nations' television programmes and series are of no benefit to the UK production ecosystem as it actually removes investment from vital IP development as well as income from its essential workforce.
12. In addition, the Media Bill states that the PSBs including Channel 4 can meet their public service obligations via other qualifying audiovisual channels than – in Channel 4's case – their linear main channel. Directors UK is concerned that this may create a television directors' workforce of 'haves' and 'have nots' in terms of pay and benefits between the directors of digital distribution only content and the directors' of premium content such as drama, comedy and popular reality shows which are intended for the main linear channel, as well as Channel 4 Streaming, and therefore benefit from higher budgets and residuals.

13. Directors UK recognises that the move to digital may be necessary in order to reach younger audiences but believes that it mustn't be at the expense of the range of content offered to British viewers. Rather than allow the PSBs to deliver less factual content to viewers or via channels that are not available to everyone, Directors UK holds the view that Ofcom should ensure that the SVOD companies should be required to provide a similar broad range of content as the UK's PSBs on a level regulatory playing field. This contrast of content offerings between the SVODs and the PSBs is indeed noted in the Ofcom consultation document which states that 79% of the Netflix catalogue is scripted whereas Channel 4 Streaming has only 31%.
14. Moreover, the SVODs should be required under statutory or regulatory obligation to respect the directors' rights of authorship and not require directors to sign away their copyright residual rights for a small one-off payment. These residual payments are essential for freelancer directors during the sometimes-lengthy periods when they are not in work.

**Consultation question 4:**

**Do you agree with our proposal to retain 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?**

**Please provide reasons for your response, with any supporting evidence.**

N/A

**Consultation question 5:**

**Do you agree with our proposal to remove the lunchtime news scheduling requirement?**

**Please provide reasons for your response, with any supporting evidence.**

N/A

**Consultation question 6:**

**Do you agree with our proposal to retain the weekend news scheduling requirement?**

**Please provide reasons for your response, with any supporting evidence.**

N/A

**Consultation 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?**

**Please provide reasons for your response, with any supporting evidence.**

15. Directors UK is against the proposal to reduce the number of current affairs hours provided each year by Channel 4 on its linear channel from 208 to 178. We note the arguments cited by Channel 4 for the reduction in the number of current affairs hours for the main linear channel, but we do not consider them robust enough to warrant changing a Channel 4 public service content obligation that has been in place since 2004. Moreover, Ofcom's Channel 4 licence renewal consultation document noted that older viewers and those from lower socio-economic groups may lack access to the internet. Directors UK is concerned that such groups will be unable to view public service content that is only available on C4's digital services and thus face discrimination from a public service which is meant to be freely available to all.
16. Directors UK is greatly concerned that factual directors across the board will be affected by the digital first strategy. This is because Directors UK foresees the possibility that current affairs is the first step by Channel 4 towards moving more programmes of what Ofcom terms as 'commercially challenging genres' onto their qualifying audio-visual services only. This may result in a reduction in the budgets in order to divert even more investment into more 'profitable programming'. As broadcasters move to a digital first strategy it is important that production budgets are not squeezed as a result of being digital only, and that rightsholders are compensated fairly for the ongoing use of their work in a digital market.
17. In addition, Ofcom is looking to approve Channel 4's plan to replace the loss of daytime current affairs and original productions and commissions with programme acquisitions. As highlighted above, this means that Directors UK members will experience a loss of employment opportunities and, in addition, may see a reduction of their residuals income as the number of repeats in the daytime schedule may actually reduce over time.

**Consultation 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?**

**Please provide reasons for your response, with any evidence to support your position.**

18. Directors UK is opposed to this reduction in the number of hours of original programming included on Channel 4 in each calendar year from 56% to 45%. This is a reduction of 11% of programmes intended for daytime programming, as Channel 4 has stated that peak-time will not be affected by the changes.
19. Directors UK notes that our reporting data shows that in 2022/23 Channel 4 commissioned 872 hours of original daytime programming which followed 868 TX hours for 2021/22 and 760 TX

hours for 2020/21. It should be noted that these figures do not include current affairs original commissions, live sport, live events, feature films or ad breaks. Whilst the precise number of hours that will be lost per year cannot be estimated at this time, it is obvious from these totals that the loss of work will be considerable due to the planned 11% reduction.

20. Directors UK does acknowledge that its members who work in scripted and reality programming may benefit from the changes in Channel 4's commissioning spending but, on balance, these cuts are likely to exacerbate the current employment crisis for the UK's film and television production workforce which include directors. In 2023, Directors UK surveyed its members in a snap poll which reported that 62% of members were not working with 58% facing financial precariousness as a result of this lack of work. A 2023 BECTU poll of its members found that 50% were without work. This unemployment crisis for the UK's television and film freelancer workforce is now entering its second year and is due to a variety of factors such as the downturn of commissioning by the PSBs and the US streaming and media giants, as well as the impact of the Hollywood writers and actors' strikes during 2023.
21. We are also concerned that directors will be further impacted by Channel 4's plan to fill the resultant gaps in the schedule with acquired programming. This means that residual payments for repeats will not rise to compensate directors for the loss of employment earnings and may even result in a loss of residual earnings.
22. As stated in earlier answers, we are also concerned about the implications for equality, diversity and inclusion as daytime current affairs and original programming are a key source of work and training for up and coming directors, and historically have a higher proportion of women directors working on them. The implication for UK freelance directors is that given the challenge in moving upwards to work on higher end productions, more will be faced with the prospect of quitting the industry in order to find employment and more reliable sources of income.
23. There is also likely to be an impact from the proposed reductions in daytime current affairs and original productions and commissions hours on the creative clusters in the Nations and some of the English regions which often rely on lower tariff PSB factual production commissions to keep their workforces in employment. Both Channel 4 and Ofcom must consider the impact on local freelance talent and become much more involved in monitoring and reporting on the location and diversity of freelance staff hired by companies to produce commissions on behalf of Channel 4, and look at ways to develop talent so that they can move across genres. This will enable the long-term planning needed to determine how more programmes in genres such as drama, reality and comedy can and should be produced out of London in order to ensure there are long-term sustainable production centres in the Nations and regions, and that they have the talent to work on and attract these commissions to these centres.

## **Consultation 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?**

**Please provide reasons for your response, with any supporting evidence.**

24. Directors UK supports regional production and the proposals to retain the minimum requirement that 35% of programmes for Channel 4 must be produced outside London. We note Channel 4's voluntary commitment to continue to produce 50% of programmes outside of London. However, we are concerned that despite this intention and the retention of quotas for Nations and regions production, the proposed reduction in daytime current affairs and original productions hours are likely to result in a loss of factual programme making in the Nations and regions.
25. Directors UK notes that Channel 4 stated to Ofcom the following "Despite growth in recent years, the UK production sector continues to be significantly smaller outside London. That means there are fewer production companies, often smaller in scale, and therefore with less capacity to develop creative ideas and produce them, in comparison with London."
26. As highlighted above, Directors UK holds the view that Ofcom and Channel 4 must put a plan in place for how it will help the Nations and regions build their factual production and IP capacity as well as expand its production of other genres such as drama and comedy. This will enable the development of diversified production hubs in the Nations and regions which will boost their prosperity and help local production talent to expand their range of experiences. It will also help to build and sustain the hubs' skills base in order to attract a wider variety of commissions.

**Consultation 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?**

**Please provide reasons for your response, with any supporting evidence.**

27. Directors UK supports Ofcom's retention of the requirement that 9% minimum of hours of programmes made in the UK must be produced outside of England. However, Directors UK is concerned that production in hubs such as Scotland appear to be focused on factual programme making of the kind that Channel 4 wishes to make sizeable cuts in original commissions and production hours of 11% (original) and 14% in current affairs.
28. Directors UK notes the statement in the Ofcom consultation which highlighted that the cancellation of high-end television dramas such as *Derry Girls* can determine whether Channel 4 has made its 9% MoE quota for that year. Directors UK is concerned that with the proposed

reduction in original and current affairs hours, this is likely to have a considerable impact on the ability of Channel 4 to meet its Nations' production quotas.

29. As stated in an earlier answer, both Channel 4 and Ofcom must become much more involved in the reporting on the location and diversity of freelance staff hired by companies to produce commissions on behalf of Channel 4. This will enable the long-term planning needed to determine how more programmes in genres such as drama and comedy can and should be produced out of England.
30. Directors UK holds the view that it is up to the PSBs and Ofcom to deliver the level of work that will make living in Scotland, Wales and Northern Ireland a feasible prospect for a creative freelancer in drama, reality and comedy as well as factual. In this way, creative clusters across the UK will become diverse centres of production and so less dependent on particular genres for their prosperity.

### **Consultation 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? Please provide reasons for your response, with any supporting evidence.**

31. Directors UK supports content made for children and young people.

### **Consultation questions 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?**

**Please provide reasons for your response, with any supporting evidence.**

32. Directors UK welcomes the retention of this quota and notes that it will be raised to 35% if the current clauses of the Media Bill are passed into law.
33. Directors UK notes that investment from the PSBs, including Channel 4, has been essential in fostering the development of a UK production ecosystem across the UK. The commissioning of programmes from Channel 4, and the other PSBs, has supported the growth of a wide range of production companies across the UK whose diverse talent has enabled the UK to become the second biggest TV show exporter in the world.
34. However, Directors UK is concerned that the move from commissioning to acquisition for the daytime schedule will result in a loss of return on IP for the UK production ecosystem, particularly if these acquisitions are from overseas producers. There will also be a loss of investment in the UK production ecosystem that could otherwise have been used to provide jobs





to UK freelancers, provide training opportunities for UK directors and foster the growth of the UK's creative clusters beyond the M25.

**Consultation question 13:**

**Do you agree with our proposal that the Channel 4 licence should be renewed for a period of ten years?**

**Please provide reasons for your response, with any supporting evidence.**

35. Directors UK is broadly supportive of the proposal that the Channel 4 licence should be renewed for a period of ten years as it gives some degree of stability for planning and investment purposes. However, Directors UK does not support all the terms of the new licence such as the cuts in the number of hours of daytime current affairs and original productions and commissions and the Channel's intention to replace such programming with acquisitions.

**Directors UK  
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directors.uk.com**