

Consultation response form

Please complete this form in full and return to Channel4LicenceRenewal@ofcom.org.uk

Consultation title	Reconsultation: Channel 4 Licence Renewal
Full name	
Contact phone number	
Representing (delete as appropriate)	Organisation
Organisation name	The Scottish Government
Email address	

Confidentiality

We ask for your contact details along with your response so that we can engage with you on this consultation. For further information about how Ofcom handles your personal information and your corresponding rights, see Ofcom's General Privacy Statement.

Your details: We will keep your contact number and email address confidential. Is there anything else you want to keep confidential? Delete as appropriate.	Your name
Your response: Please indicate how much of your response you want to keep confidential. Delete as appropriate.	None
For confidential responses, can Ofcom publish a reference to the contents of your response?	Yes

Your response

Question	Your response
Question 1: Do you agree with our assessment of the potential impact on specific groups of persons?	No response provided.

Question	Your response
Question 2: Do you agree with our Welsh language impact assessment?	No response provided.
Question 3: Do you agree with our proposals that: a) until 31 December 2029, in each calendar year at least 9% of the hours of programmes made in the UK for viewing on the Channel 4 service must be produced outside England, and at least 9% of the expenditure on programmes made in the UK for viewing on the service must be allocated to the production of programmes outside England and referable to programme production at production centres in Scotland, Wales and Northern Ireland? b) with effect from 1 January 2030, in each calendar year at least 12% of the hours of programmes made in the UK for viewing on the Channel 4 service must be produced outside England, and at least 12% of the expenditure on programmes made in the UK for viewing on the service must be allocated to the production of programmes outside England and referable to programme production at production centres in Scotland, Wales and Northern Ireland?	Confidential? – N The Scottish Government welcomes the opportunity to respond to this further consultation on Channel 4 licence renewal. We do not agree with the proposals set out in parts a and b, and we provide the following response, covering both parts of the question. The Scottish Government recognises the unique role and high-quality outcomes Channel 4 delivers for people across the UK and in Scotland, and we welcome the positive steps that have been taken in recent years. We recognise the critical requirement to ensure that Channel 4 remains sustainable into the future, and we welcome the progress that Channel has made to respond to new challenges while making improvements to the hours and spend on programmes made outside of London and England. Channel 4's spend in Scotland during 2023 reached 7%¹, which is a welcome and positive step in the right direction and one that we want to see continue through the duration of Channel 4's next licence and beyond. It is this level of investment that we expect and would like to see further enhanced. We believe it is vital to protect the continuation of that progress, to provide stability and certainty to the sector in Scotland, and to ensure a fair share of the benefits that Channel 4 as a public service broadcaster brings to the creative industries in Scotland and to audiences here. It is clear from these figures that the skills and talent are present and that progressive quotas are achievable, and certainly, the Scottish

¹ Ofcom (2024) Public Service Broadcasting Annual Compliance Report: 2024, <u>Public service broadcasting annual compliance report 2024 - Ofcom</u>

Question	Your response
	Government, along with Screen Scotland and others representing the sector, believe that 2030 is a date too far down the line to support the aim of equitable development and diversity of the production sector across all parts of the UK.
	The Scottish Government therefore does not agree that more ambitious quotas are unfeasible and we agree with Screen Scotland, Pact and others representing the sector, that a phased increase is a practicable approach towards equitability, with the aim of reaching 12% (alongside individual nation quotas) by 2027 and reaching at least 16% by the end of the licence period in 2034. In 2022, Channel 4 spent 9% of its total first-run origination spend in the Nations, which equated to a spend of £45m. ² If the percentage spent in the Nations in 2022 had been 12%, this would have equated to a total spend of £60m. Based on these figures, there was a £15m underinvestment in the Nations. Similarly, If the percentage spent in the Nations in 2022 had been 16%, this would have equated to a total spend of £80m, which equates to a £35m underinvestment in the Nations when compared to 9%.
	Increasing investment in the Nations from 12% to 16% may be a four percentage point increase, but it is one that, based on figures from 2022, could increase investment in the creative industries in the Nations by 28.6% (an increase of £20m).
	The benefits of sustained spend proportionally across the whole of the UK, are clear, whether that be in developing local production companies, or supporting creative inputs from the diversity of talent across the UK. These benefits are part of the value that our public service

² Channel 4 (2023) Channel Four Television Corporation Report and Financials Statements 2022, <u>Channel Four Television Corporation Report and Financial Statements 2022 (channel4.com)</u>

Question	Your response
	broadcasters bring to our audiences and creative industries. The Scottish Government therefore questions why the consultation document only briefly acknowledges that there could be benefits in increasing the quota to at least 16%. We believe that the overall benefits of increasing the quotas to this level and in a shorter time period are not fully explored.
	The Scottish Government strongly believes that Channel 4, as a publicly-owned public service broadcaster, should deliver for each part of the UK, with fair investment in our creative industries. We strongly urge Ofcom to give careful consideration to the concerns and proposals set out in response to these amended quotas and to work towards a more proportionate approach, which recognises and respects the need for a publicly-owned service to represent and support all parts of the UK that it serves on a fair basis. As we have previously set out, now is a critical moment for Ofcom to ensure that Channel 4 takes action to enable long-lasting benefits to be felt right across the UK and that this should be achieved sooner rather than later.
	As we previously set out, Channel 4 broadcasts the same programming across the UK, which increases and reinforces the need for their production to be representative of all parts of the UK. We believe it is reasonable to expect that Channel 4 makes considerable progress towards increasing its level of network production in the nations on a fairer basis.
Question 4: Do you agree with our proposed guidance for C4C on how it should report on its MoE production in its SMCP?	Confidential? – N The Scottish Government agrees that further guidance will be helpful in ensuring that the aims of the quotas are fulfilled in the most appropriate and positive manner.

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