

Channel 4 response to the DCMS TV Licence Enforcement Review

Channel 4 is a publicly-owned, commercially-funded, not for profit, public service broadcaster, with a statutory remit to deliver high quality, innovative, experimental and distinctive content across a range of platforms. Channel 4 operates a social enterprise business model – fully self-sufficient through revenue gained from the commercial market but with no shareholders expecting profit returns. This means we are able to reinvest as much revenue as possible back into content, at no cost to the tax payer.

Channel 4 welcomes the opportunity to respond to the DCMS consultation on the TV Licence Enforcement Review. As one of the UK's main public service broadcasters we take a close interest in the overall health and balance of the broadcasting ecology. While Channel 4 is not best placed to comment on the six policy options for amending the current enforcement regime, we would like to emphasise to the review the importance of maintaining a vibrant public service broadcasting sector, and the BBC's important role within that.

Public Service Broadcasting ecology

The UK benefits from one of the strongest and most vibrant TV sectors in the world, in both cultural and economic terms. At the core of this success is a strong public service broadcasting core – PSBs invest over £2.4bn/year in UK content and attract over half of all TV viewing. This investment supports the independent production sector as well as a strong in-house production force, nourishing creativity, driving thousands of jobs and contributing to the successful exploitation of programmes and formats globally. PSB makes a vital contribution to British cultural life as well as to the UK economy - with the British independent production sector generating international exports of more than £1bn every year.

The UK broadcasting sector is underpinned by a mixed broadcasting ecology in which dedicated public service broadcasters, both publicly and commercially funded, exist alongside entirely commercial operators. The publicly owned Channel 4 and a publicly funded BBC are key components of the UK public service broadcasting system – with different funding models and distinctive public service remits. This plurality of models helps to ensure that PSBs provide a plurality of high-quality content across different genres, each with their own distinctive voice and tone, for the benefit of viewers.

Channel 4 believes that the continued existence of a strong publicly funded BBC, alongside a publicly owned Channel 4 and privately funded models operated by ITV and Channel 5, is vital to maintain investment in UK produced content, to support the production sector and to ensure UK PSB remains the envy of the rest of the world. It is therefore important that no options are considered that could undermine this successful ecology.

Channel 4 also believes that the primary role of the licence fee should be to maximise investment in content. We therefore believe it is vital that any outcome of the TV licence enforcement review should ensure that non-payment is minimised in order that the greatest amount of the licence fee is available for the BBC to invest in UK public service content.

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