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Channel 4's Horseferry Lane HQ in London

Channel



Does it need a shake-up?

Nicola Ross explores the importance of public service broadcasting and the impact that the privatisation of Channel 4 might have on British production companies and the content created in the UK.

When studying A Level Media Studies most of you will explore and discuss public service broadcasting (PSB) at some point during your course. Some courses expect a thorough understanding of the structure and remit of the BBC and some contain texts that explore industry through dramas aired on Channel 4. Following news in late 2020 that the former Culture Secretary, Oliver Dowden, had major plans to shake up the British broadcasting landscape, including the potential sale of Channel 4, it's possibly a good time to now look at the history and importance of PSB.

Channel 4

Channel 4 first aired on 2 November, 1982, opening with the quiz show *Countdown*. The original remit was to show edgy programming aimed at ages 18-35 years and in the years that followed it was a flagship for cult TV and wacky shows such as *Big Brother* (2000-2010), *The Big Breakfast* (1992-2002) and *The Word* (1990-1995) alongside documentaries like *In the Footsteps of Killers* (2021). Its commitment to diversity has helped see a rise in inclusion in the media workforce and also brought us programmes such as *Queer as Folk* (1999-2000), *The Hajj* (2003), *Extremely British Muslims* (2017) and *It's a Sin* (2021), and let's not forget its commitment to enhanced coverage of the Paralympic Games. At its peak it pulled in

13.8 million viewers in 1984 and continues to adhere to its remit – to produce programming which is more niche & less mainstream.

Funding

Channel 4 is publicly owned but commercially funded. Unlike the BBC, which is funded through a yearly licence fee that its viewers must pay, Channel 4 has no financial support from the taxpayer. Instead, more than 90% of Channel 4's income is raised by selling TV advertising in the shows it broadcasts. In 2020, Channel 4 made £934m in total revenues, with digital advertising growing to £161m, due to increased viewing and streaming of shows and box sets during the Covid-19 pandemic. However, this income isn't profit – Channel 4's remit has never been to make profit – instead the money is reinvested in funding and buying programmes and popular formats such as *Great British Bake Off* (2014-) and *Taskmaster* (2019-), and mostly from British TV production companies, such as Kudos Film & TV, if you've studied *Humans* (2015-2018) on the Eduqas syllabus. It doesn't have in-house production studios, so sources production from external companies, such as Kudos or Haut et Court, the French production company behind

The Returned (*Les Revenants*, 2012-2015). Its film production arm, Film4, develops and co-finances feature length films for theatrical release in cinemas but has struggled to compete with Hollywood and new digital television services. However, its funding of films such as *Trainspotting* (1996), *Attack the Block* (2011) and *Slumdog Millionaire* (2008) have brought us some of the best in British film. However, Channel 4 is mainly a broadcaster so it's worth remembering that it needs to attract big audiences to please advertisers and this influences its programme choices; however, the channel also has to keep its eye on its original remit, which is to offer niche and diverse programming and maintain a balance between popular and minority tastes.

So, What's the Shake Up?

Well, the government is looking to privatise this publicly owned broadcaster. Privatisation is when the ownership of a publicly-owned organisation can be transferred to private companies or individuals. Former Culture Secretary, Oliver Dowden, and current Culture Secretary, Nadine Dorries, believe that this would help Channel 4 survive as a British broadcaster amid increasing competition from

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Callum Scott Howells, Olly Alexander and Lydia West in Russell T. Davis' *It's a Sin*



global TV companies, such as Netflix. However, reports suggest that the most likely buyer will be a US Media group and this could change the structure of Channel 4 altogether. Firstly, as a private broadcaster Channel 4 could be allowed to make its own programmes which would be a blow to the independent television production companies that rely on Channel 4 to distribute their work, such as Cornershop TV, True North and VICE Studios. *The Guardian* newspaper recently reported that up to 60 British TV production companies could face going out of business if Channel 4 is privatised. Media and Communications analysts, Ampere, found through its recent research that of 200 media production companies in the UK 'almost 140 relied on Channel 4 for half or more of their TV production work'. It is also thought that the government expect changes to its remit in order to compete with global players, such as Amazon Prime, Disney and Netflix. These changes would allow owners to increase Channel 4's commercial opportunities. For example, allowing more of its programming to be sold globally and potentially moulding the output to be more mainstream to ensure greater commercial success. So there goes niche and minority tastes.

Developing an Opinion

Many are averse to Channel 4's privatisation. Some feel that the government is selling Channel 4 for quick profit; others highlight that as a public service broadcaster Channel 4 is a national asset that supports jobs and UK talent and this must be protected. The Writers' Guild of England argues that the channel's remit

...currently ensures diverse, quality programming at no cost to the public and plays a central role in the financial success of the UK television and film industries, both at home and abroad, as well as the UK's creative industries, worth over £111 billion to the economy each year.

A government consultation ran from July to September this year and following this, Channel 4 published its full response. It argues that Channel 4's revenues are growing and it is responding to the threats of digital media quicker than most of its competitors. It also highlighted that under public ownership it delivers significant benefits to the UK

...delivering distinctive British public service content available to all for free,



Gemma Chan in *Humans*

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being a creative incubator for SMEs (small to medium-sized enterprises) across the UK, levelling up the creative economy, investment in British Film, catering for underserved audiences, nurturing talent, equipping young people with the skills they need, and investing in our Nations and Regions.

Earlier this year Channel 4 put out an open call for production companies to pitch for the role of producing brand-new digital content for 13 to 16-year-olds, made for E4's social media platforms making it clear that 'giving a platform to fresh, unheard voices from across the country, with at least 50% of the content produced by

BAME and nations and regions' was required. When forced to compete in the global market as a private company, content like this, aimed at niche British audiences probably wouldn't get made.

Whichever sources you use to watch TV and whatever your own use of public service channels, make sure you understand the role Channel 4 plays as a public service broadcaster in the television industry and financier in the UK film industry and be sure to follow the ongoing 'shake-up' and consultation outcomes.

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Read More

Sweney, Mark. The great British broadcasting shake-up – all you need to know. *The Guardian*. 23 June 2021. The great British broadcasting shake-up – all you need to know | Channel 4 | *The Guardian*

BBC News website. Twenty Years of Channel 4. 30 April 2002. BBC News | TV AND RADIO | Twenty years of Channel 4

The Guardian website: Channel 4 privatisation 'could shut up to 60 production companies' | Channel 4 | *The Guardian*

BBC Sounds *The Media Show* 'Channel 4 facing privatisation?' <https://www.bbc.co.uk/programmes/m000x4wl>

Film 4 funded: *Attack the Block* which launched the career of John Boyega



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