



## Scottish Affairs Committee

### Oral evidence: [Public broadcasting in Scotland, HC 574](#)

Monday 20 September 2021

Ordered by the House of Commons to be published on 20 September 2021.

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Members present: Pete Wishart (Chair); Mhairi Black; Deidre Brock; Wendy Chamberlain; Alberto Costa; Jon Cruddas; Douglas Ross.

Questions 73 - 156

#### Witnesses

[I](#): Alex Mahon, Chief Executive, Channel 4; and Deborah Dunnett, Commissioning Editor, Channel 4.

[II](#): Alan Clements, Managing Director, Two Rivers Media; Jane Muirhead, Managing Director, Raise the Roof Productions; and Nicole Kleeman, Managing Director, Firecrest Films.



## Examination of witnesses

Witnesses: Alex Mahon and Deborah Dunnett.

Q73 **Chair:** Welcome to the Scottish Affairs Committee as part of our small inquiry into broadcasting in Scotland. Today we are absolutely delighted to be joined by Channel 4 and subsequently by some of the independent producers who access the platform of Channel 4 in Scotland. We are very grateful to both of you for turning up. I will leave it to Ms Mahon to introduce herself and her colleague.

**Alex Mahon:** Hello. Thank you so much for having us. I am Alex Mahon, the CEO of Channel 4. I am with my colleague Deborah Dunnett, who is Commissioning Editor for Daytime and Features at Channel 4.

Q74 **Chair:** I am grateful for that very concise and to the point introduction. I will kick off. We know that Scotland has played a major part in the whole story and history and profile of Channel 4 throughout the past four decades—I think it has been now—and although we did not quite secure the HQ, we do have one of the creative hubs. I think everybody is very grateful for that and we look forward to seeing how that progresses and works across the whole broadcast environment in Scotland.

Could you talk a little bit about your commitment to Scotland and where we are in ensuring that we get a fair representation for the regions and the nations across Scotland, across all platforms in the broadcast footfall and environment in the UK? I will come to you, Ms Mahon.

**Alex Mahon:** Thank you. First of all, that representation is very important to us. You will have seen—and I am sure this Committee knows well—that we launched our “4 All the UK” strategy almost three years ago. We have come a long way on it in just three years.

The first piece is, as you have mentioned, we have set up the other offices. We have a big office in Leeds and creative hubs in Glasgow and Bristol. That is partly about spreading people and jobs across the UK but, fundamentally, it is about having a different set of people making creative decisions inside the organisation. Our belief is that if you have people from places other than London particularly, you are going to get different mindsets, different opinions, more creative output and ultimately more success with few risks. That is the first piece.

The second piece—and by far the piece that I believe makes the most difference—is in spreading how we spend money. We spend only about £60 million to £70 million on actual wages but we spend about £600 million to £700 million a year on commissioning programmes. We have committed to have 50% of our qualifying spend across the UK, not from London. In fact, we will hit that 50% this year, two years ahead of schedule, and we will talk more about that and what that really means as we go through.



Then it is about ensuring that we have the news coming from places other than London. We started last week co-hosting the news multiple nights a week from outside of London. We have the news bureau in Glasgow. That is about getting stories from elsewhere and not doing all of our coverage from a single mindset, London perspective.

There are other things I know you will come on to question us about, such as where our departments are. The biggest spending department is located in Glasgow. The team in that department is responsible for about 50% of our hours that are commissioned across the UK. We have film as well. We make quite a lot of film in Scotland. This is a switch for us as an organisation. It has been going on for just under three years and it is fundamentally about representing the UK differently. I know that Deborah can talk a little about what that means for what we make in Scotland.

**Q75 Chair:** Deborah can probably be spared by us looking at the information you gave us. I think you can confirm that this is the biggest spending you have throughout the UK and Film4 is going to be based in Glasgow. That is right, yes. Could you tell us what happened previously with Channel 4 in Scotland? Why has it taken this creative hub to come along before we are beginning to see some more activity from Glasgow?

**Alex Mahon:** Film4 is not based in Scotland but we make quite a lot of films in Scotland. We can talk about that. Part of the "4 All the UK" strategy, rather than having a sort of micro office—I think Deborah was in the micro office—was to switch the most senior creative decision-makers and spread them across the UK. Jo Street, who runs features and daytimes, is Glasgow-based. That department, "4 All the UK", has the biggest project of any Channel 4 department for editorial commissioning.

The switch has been fundamentally to move powerful decision-makers, or the jobs of powerful decision-makers, to places other than London and to have the editorial decision-making determined by them from a different part of the UK. We have done that fundamentally to represent the UK differently, in the belief that it will give us more success with audiences because we will have a wider range of perspectives.

**Q76 Chair:** Ms Dunnett, did you want to come in? I think you were invited to by your CEO.

**Deborah Dunnett:** Yes, I wanted to talk about the representation. I have been excited about the range and the different places that we have been filming in since I started my job in commissioning and since the Glasgow hub opened, which was around the same time. We have been everywhere—and I am counting during Covid as well as more recent stuff that has not been on the telly yet—from Thurso, in which I have a vested interest, all the way down to Galashiels. Ciaran has been representing in Shetland and Fraserburgh and I have a very long list of places where we have been filming in Scotland. More importantly, quite often we are filming real people doing real jobs or things that they are passionate about. To me, that is really authentic, whether you send in a presenter or



whether it is a documentary. I am very chuffed about the range of voices that we have been seeing.

**Q77 Chair:** I think I heard you say, Ms Mahon, that you have exceeded the voluntary commitment that you gave yourselves to have 50% of content from outside London. Is that anything to do with the Government's consultation increasing the regional impact in Channel 4 or is it just efforts that you have made of your own volition?

**Alex Mahon:** We launched our strategy to go across the UK and there was not any change in what the quota should be. I think I am right in saying, Deborah, that the quota is 35% but we made our own voluntary quota of 50%. During the pandemic there was quite a strategic decision to make on whether or not we would row back on those commitments. As a management team, we felt that it was something we had undertaken to do and that we were seeing real change in the editorial outputs on the channel, so we should continue to push forward on our nations and regions commitments. I am delighted that we will hit 50% now, two years early, because during the stress of the pandemic we could have made other decisions.

We are only just starting to see the impact of what that means to audiences. It takes quite a lot of time to make shows and to make them represent differently. We are only beginning to see what those impacts are with the things that the audiences react to. It is clear that we have not only made a commitment to Scotland. It is about making bigger commitments to that as part of the "4 All the UK" strategy.

**Q78 Chair:** You have increased your production from Scotland. You are a profitable company and you seem to be extending your reach. Your new services seem to be functioning perfectly well. That begs the question—why is anybody even starting to think about privatising such a successful operation?

**Alex Mahon:** It is good that everyone thinks we are successful. That is true. That is delightful and it is music to my ears that that has filtered through everywhere.

Privatisation is a question for the Government and they are entitled to ask that question. It is my belief that you should ask that question periodically. Sometimes the periods in between asking the question seem to get shorter and shorter. Time marches on. The questions are all about what, as a Government and Parliament, people want Channel 4 to do.

Our current strategy is very much about supporting small and medium businesses, No. 1. It is ensuring that we invest money with them and that they go on to make money through exports, through the growth of their businesses. That is because we give away the intellectual property through our publisher broadcaster status. That is one thing that we do.

The second thing that we are very focused on doing is shifting to being truly representative across the UK. That takes time. I think, frankly, a



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shift to 50% of spend in less than three years has been going some, but that is important. It takes time and it takes time for that to come through on screen.

The other thing is a real focus on ensuring that we are bringing young people into the industry. A couple of weeks ago we announced another £5 million for training 15,000 young people a year. We particularly focus on young people who might—

**Q79 Chair:** We will come on to that. I watched your very impressive evidence to the Digital, Culture, Media and Sport Committee a few weeks ago on this very issue, the valued efforts of many members of that Committee to try to get your opinion about privatisation and your more than impressive responses. You went into issues—just like you gave me there—about a variety of other things that I didn't ask about. You are among friends with the Scottish Affairs Committee. What do you really feel about the possibility of a privatised channel? Go on—you can tell us.

**Alex Mahon:** You had to be exposed to hours of me giving evidence. I think the question is simply: what do you want the organisation to do? That is the Government's priority to decide. If we want it to do those things I do not believe there is any data or evidence that under private ownership the company would continue to focus on those things. They are tricky and difficult to legislate for and hard to put in controls for. We go above and beyond our technical remit. We are a very attractive company, so I can understand why people might want to buy the organisation, but the question goes back to: what do we want to achieve with Channel 4 as an organisation?

I have worked for 20 years setting up companies and working out how to make them commercial. Were I doing that with this company, I would not necessarily deliver the same things that we currently put in. They are not highly profitable activities.

**Q80 Chair:** That is what I mean by these very impressive responses to a question that I know you are not very keen to answer. We are going to be hearing from some of the independent Scottish production companies once we have had further contributions from your good selves. We will hear their views, but I will give one example to you now because they are obviously not here to put this to. Mark Downie, the creative director of IWC—which as you all know is probably the biggest of Scotland's independent production companies—says, "Privatising Channel 4 would syphon off tens or hundreds of millions of pounds each year which is currently invested into a range of original British programming and hand that to shareholders as profit. Frankly, we don't see the point of privatisation." What do you have to say to reassure the independent production companies in Scotland that work so closely with you and have done for more than 40 years?

**Alex Mahon:** I cannot reassure them about that. It is definitely true to say that if Channel 4 was privatised, you would have to take money out



of the company to give it a commercial return to a private shareholder. It is most likely that that money would come from a reduction in content spend—there was an independent report last week from Ampere Analysis that says that—and it would come from a transference of value from independent production companies to a private shareholder. Those are the places it would come from.

Q81 **Chair:** Could you explain how that works?

**Alex Mahon:** As an organisation, at the moment we spend a higher percentage of revenues on content than competitor commercial organisations, partly because we make lots of things like the Paralympics. We try to nurture small and medium companies and we create lots of content like “It’s A Sin” or the tennis, which we had on last week with Emma Raducanu. Those things don’t make us a profit. We choose to do that because we think it has a good impact on Britain, they are national moments and they are important. It is most likely that you would reduce spend on content because it is by far our biggest expenditure and because we spend above market.

The second thing is that the company would have to make a profit to create a return for shareholders, whereas at the moment we don’t seek to make a profit. The most likely way that you would make that profit is by reducing the number of suppliers we deal with and by ensuring that there was a higher return to this organisation from intellectual property rather than it coming to all the producers.

Those independently are analysed as the likely impacts of a privatisation in terms of how we deal with the sector, so I cannot say to the producers that they would be protected in the case of privatisation. It is obviously up to the Government to think about what conditions they might put on any privatised organisation, which they will be doing now because they have the results of the consultation in. But understandably, it will take them time to analyse that.

Q82 **Chair:** So what we can say to the independent Scottish production companies that are coming here is that they have nothing to worry about other than a reduction in spend and content and a reduction in the number of suppliers, so it is all fine then?

**Alex Mahon:** I am merely saying at this point I could not offer an assurance that there would not be change. Clearly, that is for the Government to analyse as part of this consultation. I am sure that is what they will be thinking about as they get the consultation responses in.

Q83 **Chair:** Lastly from me, have you had a chance to meet our shiny new Secretary of State for culture yet?

**Alex Mahon:** No. We welcome her aboard and look forward to seeing how she goes over the next few weeks—great appointment. I understand that she has been busy opening London Tech Week today, so quite a lot



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in the first week. We are looking forward to going in and meeting with her when her diary allows, but we welcome her on board.

**Chair:** We look forward to asking you back for your first impressions of that meeting. Of course we wish the new Secretary of State all the best in her endeavours. Thank you from me. I will hand over to Mhairi Black.

Q84 **Mhairi Black:** Thanks to our witnesses for giving us your time. We appreciate it.

I know we are going to do a deep dive into privatisation later on in the session, but if I could just focus on some of the comments at the start where you laid out in detail how Channel 4 is making a conscious effort to reduce spend in London. Despite all of these strategies and attempts, right now Channel 4 spending in Scotland is still not hitting the same levels proportionate to Scotland's share of the UK's population. Is that something that you are aware of? Is it something that concerns you or is it something that you would not think twice about?

**Alex Mahon:** Good afternoon. I think I am right in saying that we are about 6% spend with a population of about 8%. I am just checking that we are thinking of the same numbers there. Is that correct?

**Mhairi Black:** Yes.

**Alex Mahon:** We are delighted to see our spend increasing. We do not have a specific target to get to, other than to keep ensuring that we are building the sector in Scotland and to keep ensuring that we are making shows that are nationally represented but go across all of the UK.

We have never set a specific target, partly because, unlike the BBC, which has slightly more predictability in its revenue stream by virtue of the licence fee, we are always wary of slicing our money into smaller and smaller pots, but I hope that you will see that our commitment is to be trying to do more in Scotland over time rather than less. Deborah, do you want to talk about how we are doing that?

**Deborah Dunnett:** Yes. I feel like we are on the right trajectory. We have a lot of people in this Glasgow office. We have an open door policy. Everyone knows it well. As you can imagine, it is a virtual open door at the moment. Everyone knows we had to get hold of ourselves so we grew up with our MDs. They trained me and brought me up through the system. The strategy of just having bums on seats in the right place is working. I thought it was really impressive.

We must not forget what a danger the lockdown and Covid could have been to the industry here. I was really proud that we increased our spend from Scotland during that time and I was really proud of our indies. Within one week of lockdown Red Sky had a commission. We then went on to see Two Rivers and Firecrest went on. As you know, we have big property programmes in Scotland. The property system was on pause but still IWC and Raise the Roof managed to come up with really clever



solutions. STV [*Inaudible.*] does Covid [*Inaudible.*] The indies in Scotland really rose to the challenge and then, not only that, we went on with STV getting our first contestable pot award and then Mighty Scotland getting one of our first global format fund commissions. It feels like we are all working together. We all know where we want to go and we are getting there bit by bit.

**Alex Mahon:** It might be worth saying that the 50% is our voluntary number and it is a floor, not a ceiling. The intention here is to be spending more. Quite specifically, it is about spending more for our channel as a whole with content coming from Scotland, not getting smaller and smaller in the output and where it goes.

Q85 **Mhairi Black:** To follow on from that, you mentioned in your answer a comparison with the BBC. I know that the BBC has a Scotland-specific quota. Is that something that you have ever considered? Would you welcome it or would you see it as a detriment?

**Alex Mahon:** It is a good question. First of all, I think we are at 6.1% and, as I understand it, the market was at 4.1%, so I am glad we are above that. Obviously I would be very worried if we were below that. We have not sought to create for ourselves specific nations targets, partly because we are worried that we are not that big and what if something happened in a year and we didn't make it? Would it be too difficult for us to manage? That is the real rationale for it. The concept is that we continue to spend more and more but our concern is about getting too restrictive on what might happen creatively in any one year.

Q86 **Jon Cruddas:** Good afternoon, everybody. Following on from Mhairi's question about spend, I want to push you a bit on the jobs and where they are, the "4 All the UK" strategy and the desire to get outside of the M25. I read that you have approximately 912 staff. As mentioned, you have the nations and regions team in Glasgow and the features and daytime team there. Of the over 900 staff—and you said you want to get 400 of them located outside of London by the end of the year—how many will be located in Scotland?

**Alex Mahon:** There will be about 400 roles outside of London. In Scotland at the moment it is only in the 15 to 20 range. It is not an immense team. The vast majority of those roles are in Leeds and Manchester. I will be clear, however, that it is not really the job numbers that make a difference to us; it is where we spend the money. By far our economic impact is where the money is spent, who has control of that money, the supply chain. If you look at the GVA-type analysis, there are about 1,000 jobs in Channel 4—I think you said 912—and there are about 10,000 that are supported in the sector. The big difference is where the money is spent. I understand why people focus on headcount, but that is the difference.

Two things have happened since the pandemic—I say "since" like it is over. One thing is that the sort of access to Channel 4 has changed. By



virtue of us all being on small screens like this, it has been much easier for companies that are not based near any of our offices to come in and sell to us and pitch to us. There has been a levelling effect of that, which has created increased access for the people who are not in the same place as the editorial commissioners in Channel 4.

Secondly, it has made a lot of people open to moving. Now we have opened voluntarily to staff to ask whether they would like to relocate to a different office, and we are seeing, not hundreds, but tens of staff come and say, "Do you know what? Now is the time. I would really like to move to Glasgow"—or Bristol, or somewhere that is not London, frankly. I think there has been a change in people's perspectives on careers, and the fact that we have the offices means that we can accommodate that.

Deborah, do you want to say anything more about the volume of people in the office and the types of jobs they are in?

**Deborah Dunnett:** The majority of the people here are working for the daytime and features team. Alex mentioned that is almost 50% of Channel 4's hours that we can be responsible for. We also have decision-making powers over More4, which is an entire channel as well. I always tell people it is one of the best jobs in Channel 4 because our indies can pitch into the majority of the schedule and a whole other channel.

We have digital here, which is great because we all benefit from having Laura and the digital team in the office. Some of you might know me from when I looked after nations and regions. We now have a lady called Rebecca Thompson who is our head of indie relations. That is going to be based in Scotland, which I think is so important because some of you might remember the Alpha Fund and she now runs the Emerging Indie Fund. They are quite important decision-making powers.

Q87 **Jon Cruddas:** Do you have any plans for Channel 4 staffing in Scotland in the years ahead? I know this is not precise science as we come out of Covid and the like, but are there any more specific plans to increase the—

**Alex Mahon:** No. I think the only difference is that we said we would have 300 roles outside of London by the end of 2023. We are going to have 400 this year. The openness here is how can we do more and how can we make more change and now opening up to our staff about where would they like to be. When we eventually come back to offices—although we are in one today and most people are—we will switch to a 50:50 manifesto, which is 50% of your time in the office, 50% of your time wherever you want. That has changed the perspective of the organisation to believe and realise that, of course, you can do your job from any of these offices. You don't have to be in London. That is changing people's approach. My hope is there will be more people over time.

Q88 **Wendy Chamberlain:** Good afternoon to both witnesses. It is lovely to have you here. I want to talk a little bit about working with the new



suppliers, but just to pick up on a couple of points in the evidence so far. You are saying that it is more important where the money is spent rather than the number of jobs, and also that potentially the pandemic has given an opportunity to meet organisations more virtually. I understand that between 2016 and 2020 the number of new suppliers that Channel 4 engaged with went from 70 to 37. Could you say a bit more about the reasons for that? Has that been a consolidation in the sector or indeed are we seeing a difference? Has Covid meant that come 2021 we will see an increase in those numbers?

**Alex Mahon:** Deborah, are you able to answer on the number of new suppliers? I am not sure if that is a pandemic effect or if you know the answer.

**Deborah Dunnett:** No, truthfully, I don't have that data in front of me. Of course, we can get hold of it.

**Alex Mahon:** Yes. We are very happy to follow up with the Committee. I am just not sure that I know the answer as to whether that is—

Q89 **Wendy Chamberlain:** I accept we are only part of the way through, but given that you have said you think that potentially the pandemic has given more opportunities to engage with people because geography is less of an issue, I would love to see if the figures would prove that anecdote.

**Alex Mahon:** Yes. Let me try to answer it. There certainly has been no intentional strategy to reduce the number of new suppliers. I can definitely say that. I can say that in 2020 all comparisons are somewhat difficult to make, so you end up having to look at 2019 to 2021. So much production was unmakeable or delayed and we have problems comparing between those years. I will follow up with the Committee to get the evidence behind that so that I can answer properly, but there has been no intention to reduce. In fact, if anything, we now have these funds that we should perhaps explain, like the Emerging Indie Fund, to work quite specifically with individual smaller companies specifically across the nation.

Q90 **Wendy Chamberlain:** There has not been a consolidation in the sector then? That is not one of the things that you believe went into those figures?

**Alex Mahon:** There is constant consolidation in the sector, as you will know, but I believe we have not seen any consolidation effects that are stopping us working with new companies.

Where we have seen the switch that I talked about was particularly due to ability of companies to get in to pitch and it was caused by the fact that you only had a half hour. We all started meetings and ended meetings on time in ways that perhaps we did not all do when people were in buildings. No one had to travel for the meeting so it was easier to slot in. Our staff behaved in a way that made more access and people



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also felt that they were all on the same level playing field asking for a meeting. There was less belief that everyone was constantly in the same bar in London.

Maybe, Deborah, you can talk about what we do with the hub days because that is what brings in that ability to work with new companies. Can you talk about an example of how we do that in Glasgow?

**Deborah Dunnett:** Yes. We have had virtual hub days. Prior to Covid, one of the last things we had was using the office for everyone to come down for a day to meet factual commissioners and what a buzz it was. Then, unfortunately, that all changed. We did a lot of virtual communication and we had hub days for Scotland and for Northern Ireland. In Scotland the numbers on the list that I had were 294 people. This wasn't just indies. This was people at school, colleges, but what an amazing democratisation of access. People were dialling in from home and they just wanted to know that these are the commissioners, this is business affairs, looking at some of our funding partners. I thought that was very impressive. I have people on the guest list from Stornoway, Ellon, Stranraer, Tayport, Pyke, Kilmarnock. That in itself I thought was really exciting. I do not come from Glasgow, so I really love it when things like that happen.

I think that truthfully it has been great to have permission to film during Covid but it takes a certain kind of infrastructure to do it safely, so it can be tricky for new indies. If you were me and you were commissioning from Glasgow, the first thing you look for is new suppliers and new voices. My first commission was from a sole operator who had never been commissioned by Channel 4 before. Thankfully I knew her and she felt she was able to approach me because we had worked together in the industry. It was a very fast commission. She had a paid development within a day, and it worked. That is the other thing. It is about portrayal. That show was called "The Scottish Island that Won the Lottery". It performed 204% above share average in Scotland because it came from an authentic place.

One of my next developments was with a new trader. I worked in nations and regions for years and I have seen fewer new entities appearing in the last couple of years. It is not exactly the kind of circumstances where you think to yourself, "I am going to make a big commitment here." But it has allowed people to sit at kitchen tables and e-mail me directly and find a much more direct route to market than they might have had previously.

Q91 **Wendy Chamberlain:** Absolutely. It sounds like consolidation happens all the time. There are new entrants into the market all the time and potentially some of the changes from Covid have allowed people who potentially did not know you or did not work to be able to get into the market. I am conscious of time, so please do tell me a bit about this Emerging Indie Fund. Are there any targets within it? Are you specifically looking at it across the regions and nations?



**Deborah Dunnett:** Yes, sorry, that was actually what Alex wanted me to talk about. If you remember the Alpha Fund, there are similarities. It is definitely there for small and emerging indies. We look at it through the prism of how much capital they already have access to but also what sort of difference it is going to make to the community around them. There is not a target on it of “we must fund so many indies in this region”. We aim for a wide spread. We have just opened up again for another year but we had two indies from Scotland last year. One is Create Anything, who some of you might know. The other one, interestingly, was Hopscotch, Channel X and comedy, which I think is important.

Q92 **Wendy Chamberlain:** Absolutely. You are looking at a number of factors. I am the North East Fife MP and you mentioned Tayport, so I am sure they are very good.

**Alex Mahon:** That fund is only for the nations and regions but I think the difference you are seeing there is, first of all, we are the only broadcaster that gives everyone access, which is sometimes why we have such a high volume of income. We are constantly trying to work out how to manage that best.

The pandemic has had a digital impact where we have had to change our ways of working. That has had benefits, first to the volume of people that come into us simultaneously, because you can have lots of people on Zoom versus a physical meeting. It doesn't cost people anything to come and see us so it changes the game for small companies. There are some ways that accessing us digitally doesn't feel as much of a barrier. It is having positive ways of us lowering the barriers to entry. The work for us is to ensure that we are helping nurture those companies as they grow.

Q93 **Wendy Chamberlain:** Are you seeing that from a diversity perspective?

**Alex Mahon:** Yes. The big thing for us—which is perhaps implicit but we haven't been explicit about—is thinking about diversity as diversity of thought and diversity of where you come from as much as it is about other protected characteristics.

**Wendy Chamberlain:** Great. Thank you very much.

Q94 **Deidre Brock:** Hi to both of you and thanks for coming along to give evidence this afternoon. What is the value of the Emerging Indie Fund? Is there a set amount?

**Alex Mahon:** Deborah, Do you know that off the top of your head?

**Deborah Dunnett:** I don't think we put an amount on it last year. We actually ended up giving out some discretionary awards as well because the contingent of nations and regions indies that applied were so impressive. I can get you a figure if we have one, but last year I think we spent more than we had originally set aside.

**Alex Mahon:** We also have this thing called the Growth Fund, which is for the next stage of companies, where we think they have high growth



potential and are already established. We invest cash in them through an equity stake and once they get big enough they go on to bigger shareholders and sell out to us where we encourage them through that phase of growth.

**Deidre Brock:** So an incubator fund?

**Alex Mahon:** Yes.

Q95 **Deidre Brock:** I will turn to your publication of March this year, "The Future of Public Service Media". Under the heading "Supporting a Production Ecosystem in Glasgow" you suggest that you are wanting to represent Scottish culture and values through the content Channel 4 commissions. What are you looking for in supporting that ambition and the production companies that approach you to develop a production?

**Alex Mahon:** Deborah, are you happy to take that because it is about the actual creative work you do with productions and in the companies?

**Deborah Dunnett:** Did you say what are we looking for as commissioners from those—

**Deidre Brock:** Yes, where it says representing Scottish culture and values. You mentioned that you are filming up and down Scotland in lots of places, but of course Scotland can be used as a backdrop but not necessarily use Scottish actors and presenters terribly much. I know that it is great for the crews based in Scotland, and I am really pleased for them, but I am kinda interested to hear about what you are thinking of for presenting Scotland's stories through your commissioning.

**Deborah Dunnett:** I mentioned earlier that there are two sides of it for me. There is popular factual, which makes it sound as if other factual is unpopular, but you can get your news and your documentaries. Coming down the line, for example, we have "Trauma" coming from Firecrest, which is about the Scottish trauma network. I lump news in with that. I think you will all be aware of Ciaran's work and the news bureau that we have here. There are now five of them on that team. That is obviously an authentic portrayal of things that matter.

I am in daytime and features and we tend to provide a bit more comfort and joy. We know audiences absolutely love seeing the parts of Scotland that they did not travel to prior to Covid because they were always busy going abroad but now they want to escape to. When life outside is tough, Scotland is a nice place to get away to from your sofa. We know some of our titles really performed in Scotland, from the Highlands and Islands.

As I said earlier, even if we have presenters, a travelling format, it is always about the people at the heart of it, about their community and what they do in their community. I think people love hearing those stories and meeting those people, as long as we tell them authentically, and I can't not tell them authentically. I have vetoed certain tropes from producers that I do not think are up to date or that we have heard too



much of. I think it is about letting people tell their story and I do think our formats do that.

**Alex Mahon:** It is probably worth saying that we are trying to avoid there being one Scottish cultural voice. We always have an element of that and that might have been what you were referring to. We can sometimes see that in a backdrop in films, can't we—bits or particularly quintessential Scottish scenes?

We have three shows coming up. Deborah mentioned "Scottish Trauma", which is a big show about trauma and how it is treated across Scotland, with helicopter medics and so on. That is a show that we are making there but it is for all of the UK to see. We are making "Screw" with STV, which is a big drama for us and is being shot in Scotland. It is a big prison drama but it is not trying to present a parochial view of Scotland. We are making with Ian Rankin stories "Murder Island", which is an important factual show for us about members of the public and recreating and trying to solve fictional murders on a small island. Again, that is a big, exciting show for us that is in Scotland and being shot in Scotland but is for the whole of the UK. We are trying to move past making a small show that has parochial—

Q96 **Deidre Brock:** Limited appeal, is that what you are suggesting? I get what you are saying. You are basically saying it is more reality TV style stuff that is being commissioned out of Glasgow or—

**Alex Mahon:** No. It is a really wide range of genres. Maybe the next stage in our evolution is to go to big shows that are for all of the UK that are made in Scotland with Scottish producers.

Q97 **Deidre Brock:** I think everyone wants to see that, yes. I suppose my thoughts are really around Scottish literature, Scottish history and the elements of that that I would think would be of interest to the whole of the United Kingdom. I am sure there are plenty of people who would like to share that with the rest of the United Kingdom as well.

I notice that there are commissioning editors in the creative hubs that Channel 4 has created around the UK. Will the ultimate decision to greenlight productions still be taken by HQ? Is it a London-based decision ultimately? This is a question I have asked the BBC before as well. It will speak about commissioning editors based in BBC Scotland and yet the actual final decision still rests with central management. I am keen to understand where that sits.

**Alex Mahon:** That is a really valuable question because it is about fundamentally a decision you take to make regional pods, which tend to be ever smaller and controlled more locally, but then the big things being done elsewhere. We made a very specific decision not to do that when we set up our "4 All the UK" strategy, first because we are not big enough, and secondly because we thought it would lead to separation and smaller things—more local audiences.



Each of our genre heads—we talked about Jo Street and we have the head of drama in Leeds—makes their decisions on their budgets. Ultimately, they have to go to their boss, Ian Katz, who is the head of all programming, for him to be happy with their creative decisions, but he has one person who runs all of that genre across all of the UK, who is based in Glasgow or who is based in Leeds. There is not someone above them in their editorial specialism making the decisions. You always have to have one person who is holding the pin for all of the editorial vision across the organisation, which is Ian Katz in this case. But he devolves and trusts those individual genre leaders, and Jo is the person in Glasgow doing that with 50% of the hours for the channel.

**Q98 Deidre Brock:** Very good. Thank you very much. This is jumping on slightly to Channel 4's news service, which I think is excellent, watch very frequently and am a big fan of. I noticed that in Scotland the number of folk using it as a news source stayed the same, whereas for other news channels, like the BBC and STV, for example, their numbers rose in that last year. Are you concerned about that and are you thinking about taking any action to try to address that? I have to commend your excellent reporter Ciaran Jenkins too, who I think is doing an amazing job.

**Alex Mahon:** He is. We have heard. Everyone seems to love him. I am hoping we are not giving him so much love that someone with more money is going to come and steal him.

We did say 25% and you are absolutely right to point out that some other PSBs have seen an increase. STV saw an increase but, as I understand it, BBC Scotland saw a decrease, so I think it is a bit of a mixed picture. We were quite happy to at least keep at the same level. I think that 2020 is quite unique, so it is hard to draw any real conclusions from that and the sooner it is put behind us the better, and 25% of Scotland is slightly ahead of England and Wales. If you are looking at it from our eyes that is probably a good thing, but it is always on us to try to improve. We certainly don't want that to be dropping.

**Q99 Deidre Brock:** All right. I think that is it other than I will make a comment about the whole privatisation issue. I cannot understand what the motivations would be for a Government in intervening in Channel 4 like this. It is not a failing organisation. It is a successful organisation, as I think we are quite clear about. Other than the failed attempt or at least the look at privatisation some years ago, which I think was fought off by a significant number of people who were not in support of it, not least in the House of Lords and the various reports they produced on it, is there precedent for the Government intervening in this way in Channel 4? Is this part of its history? Is this something that you can recall in your time or that you have heard of before? I find it quite disturbing. I realise you will not be able to say that, but that is my point.

**Alex Mahon:** It has definitely been looked at multiple times. I support the right to look at it, as with any public asset. I think we have to go



back to what is the goal. The question of how do we make sure Channel 4 is strong in 30 years or 10 years is very important. The questions of should we always look at change, should we stand still are very important. We should never stand still; we should do more work; we should change. Our remit and purpose was to innovate.

I understand saying, "The market is filling up now, isn't there loads of content?" But I would say, paradoxically, the more choice there is the harder it seems to be to find really good-quality content. We have definitely seen during the pandemic the reliance of the public on truly fact-checked proper news, on information that saves lives and on content that comes from a British perspective in the way that we were in our country. That is quite important and valued by viewers. Although one may think with a cursory glance that public service broadcasting may not be needed any more, it is more important than ever before.

**Q100 Deidre Brock:** It seems to me quite likely that if Channel 4 is privatised it could be sold off to an overseas company. Does that matter? What difference would that make, other than the whole issue of a privatised Channel 4 in itself?

**Alex Mahon:** As the Government come through the consultation, they will think about any ways they wish to take any action and how they might do it. But we would be attractive to all kinds of companies. It is an incredibly strong brand and an incredibly young viewership. My team has made this organisation digital first with 30% streaming growth and 32% advertising growth in digital. We are an extremely successful organisation at doing that. I can understand why lots of people might want to buy Channel 4—and I go back to it—but what do the Government want to achieve with it?

**Q101 Douglas Ross:** Good afternoon to our witnesses. First, how do you think viewers in Scotland perceive Channel 4?

**Alex Mahon:** I would hope well but, Deborah, do you want to take that?

**Deborah Dunnett:** Yes. We have a brand tracker that we use to measure ourselves against our competition and against our own remit. We perform in Scotland on nine of those key markers of 12 better than we do in other nations. I know that they look to us when we cater for audiences that other channels do not cater for and, equally, we have programmes that show different kinds of cultures and opinions. Things that are important to our remit seem to chime with the Scottish audience.

**Q102 Douglas Ross:** What volume of complaints do you get nationally and from Scotland specifically? Do you have a breakdown of that?

**Deborah Dunnett:** We have an official system for viewer inquiries, which can be inquiries, praise or complaints but, equally, we all know that complaints go in lots of different places now. I do not have a specific number for you but they come through in themes.



Q103 **Douglas Ross:** Can I check? You cannot tell us, for example, if people in Scotland complain more or less about certain things than anywhere else in the country?

**Deborah Dunnett:** Truthfully, Alex might be able to do that.

**Alex Mahon:** I am not sure, to answer your straight question, whether we have a cross-referenced breakdown of complaint type by location. I do not believe we do. If we have a major set of complaints, we will analyse what kind of viewer they are coming from. I think Deborah will go on to tell you the most common complaints we get from Scotland, but it would be incorrect to say that we have an analysis of the percentage of a type of complaint that comes from Scotland. The truth is that we have lots of things with a low level of complaint and then every so often we get something with an immense level of complaint. Then we will do a breakdown analysis and look at the viewers by area and what their most common complaints are. Deborah can talk about what they are in Scotland.

**Deborah Dunnett:** One theme is lack of Scottish representation on some of our biggest shows, which I have discussed with Ofcom previously and possibly at sessions like this. We get complaints if we refer to places as "Scotland" rather than the region, the city or the town they are based in. We get complaints if we are stereotyping, like some of the things I mentioned earlier on that I vetoed at my time at the channel, like bagpipes or shortbread. I am sure none of us are appreciative of that. Then there is English-centricity, such as attitudes around football or the monarchy.

Those are the general themes. I have seen examples of those and they were few and far between. This is not one of the things that Alex was referring to. We do not get shedloads of them.

Q104 **Douglas Ross:** On your shortbread point, as the MP representing Walker's Shortbread in Moray, I would have no complaints about that being stereotyped as a Scottish thing.

On your news point, I agree with Deidre Brock's point about how good Ciaran Jenkins is and also Alex Thomson has done good reporting up in Scotland. How do you manage if you are trying to attract Scottish viewers to the news, given that they have the dedicated BBC's "Reporting Scotland" for 30 minutes or STV's Scottish news for 30 minutes? Sometimes Scotland will never get mentioned on Channel 4 news or is very much condensed into a few minutes. Do you think you are doing enough to attract people who want dedicated Scottish news when they have these other options albeit at different times?

**Alex Mahon:** We are not doing dedicated Scottish news and we are not trying to. We are trying to do cross-UK news for the viewer who is interested in a wider range of stories. That is also particularly true with international news. We tend to over-index with minority ethnic groups,



partly because we do a lot of international reporting and a lot of investigative news. We are not trying to compete with local or regional news but we are trying to ensure that when we do items there is a feeling of representation and recognition in them.

**Q105 Douglas Ross:** Would you accept that if there is a major news story in Scotland, people should not tune into Channel 4 news but should watch “Reporting Scotland” or STV News?

**Alex Mahon:** That is a viewer choice, but first, we are trying to ensure that we have the right representation of stories and, secondly, because we are staffed up now with people who are not all from one place, we will get the tone of those stories and the volume of them more right than we used to. We are trying to achieve that balance.

**Q106 Douglas Ross:** Ms Dunnett mentioned some of the complaints about the lack of Scottish representation on your biggest shows. Could you give us an example of that and how you have tried to address it?

**Alex Mahon:** We do not have a lack of representation on one of our biggest shows, “Bake Off”, which had a Scottish winner for the first time, I am delighted to say, but we do get complaints about the lack of representation on “Gogglebox”, which is also one of our biggest shows.

**Q107 Douglas Ross:** When was the last Scottish family on “Gogglebox”?

**Alex Mahon:** I am not sure there has ever been a Scottish family.

**Douglas Ross:** There was, actually, a family from Glasgow in 2016, which raised an awful lot of complaints. I wondered.

**Alex Mahon:** I was going to say not on my watch. I realise that this world existed before me, but I know because I have been asking the question since I joined in 2017 why there has not been. I know because I have investigated it myself—there have been problems with whether they can get a family and the production methodology to work given distance. It is a continued pressure from us on—

**Q108 Douglas Ross:** Sorry, what is the problem if a country with a population of 5.5 million to 6 million people is not able to get a family?

**Alex Mahon:** There have been two reasons. They have not—

**Douglas Ross:** Sorry, I am a big fan of “Gogglebox” and my wife and I watch it every week. In fact, we could be part of it. The response from my colleagues in the Committee room suggests that is not a viable option. However, we have seen many other parts of the country. The couple in Wales is able to do it. Why would we not be able to do it in Scotland?

**Alex Mahon:** I am glad you are volunteering both your family and the snacks for it. Those are two important elements. Your core point is right. It would be better to have a Scottish family on it. I know from previously investigating, which maybe Deborah can expand on, that we have yet



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neither found a family nor superseded our production difficulties on it. But it is a goal for us to do that. You are right to flag that there is a lack of representation on that show.

Q109 **Douglas Ross:** I am sorry if I get bogged down on this, but it will be of interest to people. What would be the production problems of getting a Scottish family on when you can have families from other parts of the United Kingdom?

**Alex Mahon:** Deborah, do you want to expand on that?

**Deborah Dunnnett:** Yes. I have not worked with the indies. They are not one of mine, so it is not a direct conversation I have had. But I have asked through the commissioner previously for reporting to Ofcom.

This is not me saying that things are impossible, but the truth is that there is a fast turnaround in getting the clips, as you can imagine, and getting the crew out to those people's houses and there are a good few houses around the UK getting that footage and then getting it back to the edit. As it was told to me previously, it was the logistics of getting things from the indies, from the production sector, cleared and into the houses of those people, then record enough and bring it back. The edit is in a central spot. The production team is in a central spot.

**Alex Mahon:** We are giving you that as what was the problem, not an excuse for it ever being the problem. The point is well made about finding the right family and addressing it.

Q110 **Douglas Ross:** Okay, but, I am sorry, with all due respect to our two witnesses—and I realise this is not your area of particular dedicated interest at the moment—that sounds like complete rubbish. We have spent the entire hour today so far speaking about how great Channel 4 is because it gets to all the most remote parts of Scotland, up to the islands, up to Dunnet Head and other places in Scotland, yet we cannot get clips to a family in Glasgow, or Edinburgh, Perth, Moray, north-east Fife or anywhere like that. It is just crazy. I cannot believe you would genuinely come to a parliamentary Committee and suggest that that is the reason, when you know that in 2016 you were able to have a family from Scotland on the show.

**Alex Mahon:** I think you are right to find that the priority is to find the right family in Scotland and then make it work for the show.

Q111 **Douglas Ross:** The call goes out from the Scottish Affairs Select Committee to anyone watching our proceedings to suggest a family and, hopefully, you can overcome your production problems.

**Deborah Dunnnett:** We can offer you "Bake Off", "Pottery Throwdown" and "Naked Attraction" from your regions. We will get back to you on "Gogglebox".

Q112 **Douglas Ross:** "Naked Attraction" was advertised on the sides of buses



in Scotland and that had to be stopped after a number of complaints. I do not want to go down that route.

The Chair, understandably, was looking at a different issue when Ms Mahon was mentioning about the 15,000 young people you were looking to get in. Can we get more information on that, because we did not get a chance to pursue that further? What would that mean, potentially, for Scottish young people looking to get into Channel 4?

**Alex Mahon:** We have had a big focus of course, as you will know, historically as Channel 4 about how we train and provide opportunity to people who perhaps traditionally would not have had access to our industry, among which perhaps we would both count ourselves, Deborah.

There has been a particular focus now for us on 4Skills, a virtual academy we launched last year, which puts together programmes for young people. For example, we had a thing for people in the Yorkshire postcode between 18 and 24 who qualified through a Jobcentre scheme with the DWP on behalf of the industry. We have had a lot of success over the past year in training up about 1,000 people. We have announced further funding into that of £5 million a year for 15,000 young people. We will focus particularly on those who might not have otherwise had a route in.

We have yet to work out the specific regions or nations that we focus that spend on. We will be doing that over the coming months. We are greatly interested in understanding how we could make a difference in Scotland and people being trained to come into the industry there.

**Douglas Ross:** The Committee would appreciate more information on that when you have it defined and clarified.

Q113 **Chair:** We have our headline for today's session, "Douglas Ross volunteers his family for 'Gogglebox' on Channel 4". There we go. We will see what the press makes of that one tomorrow.

I know you have been critical of the Communications Act 2003 and we know that the DCMS Committee has said that it is no longer fit for purpose. Your major concern about it is the EPG. For all those who are watching this, that is the electronic programme guide. I suppose your issue is the fact that you are a channel with a number in it and that numbers will be important for your placement. Could you explain your concerns to us? Then I want to go further into where we need to go forward with a possible new Communications Act.

**Alex Mahon:** Thank you. Simplistically, the Public Service Broadcasting Compact is the arrangement by which public broadcasters do things and in return they get other things, whether that is spectrum or a licence. Particularly, they get prominence—that is go high up—on the electronic programme guide, as it was. To be honest, that legislation has not been updated since 2003 and let us assume it started being drafted in 2001 or 2002. The truth is that most people now when accessing long-form content—programmes—do not go through the electronic programming



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guide any more. They go through the Sky interface or the Amazon interface or the Apple interface.

At the moment, public service broadcasters like us, the BBC and others do not have a guaranteed position of being high up there. Therefore, public service media is of lower prominence or lower availability to many people, whether young or not, which is problematic for our programming ecology in this country. We need an update to that and Ofcom has recommended an update. This would be when you go into your smart television and instead of seeing Q10 or other things along the bottom, you might see BBC or Channel 4. We await the Government enacting that legislation.

Q114 **Chair:** That is a reasonable point to make because mostly smart TVs now are all app-based. When you are looking to find your favourite channel or streaming service, they are all there together. Is Channel 4 not readily available in some of these menus?

**Alex Mahon:** Yes. In many of those smart televisions, you have to pay to be up front and the public service broadcasters generally do not pay as much as some other big global commercial companies. They either cannot afford to or they choose not to. This is about ensuring that in this country, for devices and operating systems with a high degree of market penetration, our public service content would be on the first page so that it is easily and readily accessible to everyone and they can find it without having to work too hard.

Q115 **Chair:** Presumably, therefore, you will join with the DCMS Committee in saying that we do need some sort of new Communications Act as we go forward. Other than the EPG, is there anything else you would like to see included in the new media environment we find ourselves in?

**Alex Mahon:** No, that is the biggest ask from us and it is about the preservation of the quality system we have here of public service media for the next 10 or 20 years.

Q116 **Chair:** Okay. On the theme of smart TVs and what is secured from that, what impact have the streaming services such as Netflix and Amazon Prime had on the likes of Channel 4's content in Scotland?

**Alex Mahon:** Clearly, with all of the subscription video-on-demand services, we have seen two things—a decrease in the usage of linear or live television and an increase in the amount of time that people spend watching content. The video day, not for this Committee but for most people, is about five hours of the day. You wonder how people manage to get everything packed in.

The big switch for us as an organisation has been, therefore, investing in and prioritising our streaming service, All 4. We have had to switch our business faster than competitors might because we have such a young skewing audience and the young have changed their behaviour fastest. But if you are 80 and you change to streaming or you change to on-



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demand programming, you have changed. You do not revert back to a different behaviour. The switch for us has been in doing that.

I am delighted to say that we have been successful in it. If you look across the UK, 80% of 16 to 24 year-olds are registered with our service. We had 1.25 billion streams in 2020. We will have much more than that this year. Our digital business is growing at over 30%. We are seeing, if we prioritise our business to making the content available to people on demand, assuming we pick the right kinds of content, great success with young and old because that is how they want to consume the content.

I believe it is possible to change your business to compete with the streamers, particularly because UK audiences have a desire for content with a UK perspective made here.

**Q117 Chair:** Do you work with any other streaming services or do you have any arrangements with them? Did Ofcom recommend to Channel 4 that you should be thinking a little bit more about collaborative work?

**Alex Mahon:** Yes, we do. We make co-productions with Netflix. You will have seen that we have collaboration, frankly, with anyone who will give us one. We have put cricket out from Sky on the channels. We made a deal with Amazon two weeks ago to put on the Emma Raducanu match free for the nation, even though that is heavily loss-making for us. We work with those partners because we are small and we can partner with people.

We were the first broadcaster to sign a deal with Snapchat. We were the first broadcaster to sign a deal with Tik Tok. It means that we can reach young people in lots of ways. When we did the Paralympics only a couple of weeks ago—it seems like a long time ago already—we did a first partnership with Tik Tok where we had all of that content available on Tik Tok. We used text-to-voice to make the content available to different communities in ways that had never been done before.

We are constantly trying to look for those partnerships and think about how we can adapt to make them work. Also, because we have to reach young people on those platforms, that is where we are. We have to go and fish there to make sure we are marketing our content to them adequately. It means we have to work hard to change, though.

**Q118 Chair:** The whole nation was grateful for the fact that you could carry that US Open. You had us all gripped. It was particularly good for your profile when you were able to offer that. Were you able to secure that through an arrangement with Amazon Prime?

**Alex Mahon:** It was an arrangement with Amazon Prime, which was a good partner to us on that. They did it quickly because they are used to working with us and we have partnered before. We did an overnight deal, which was rather punishing on our teams, but we were delighted to do so. They took the money we paid them and contributed it to women's tennis, which is also a great example of partnership together.



Q119 **Chair:** Lastly from me—unless any of my colleagues have any further supplementary questions—with all the things that are happening, we are going through a huge piece of change with the whole media environment and your own little local difficulties or issues with privatisation. Where do you think Channel 4 will be? You have done 40 years. We are all fans around here of Channel 4 and the type of innovative features it offers. Where do you think you will be in the next 10 years?

**Alex Mahon:** I hope we will be stronger than ever and doing more and I hope we will still be doing things for young people. There is quite a fundamental place for us to be doing trusted, valuable, fun, entertaining, often challenging content for young people. Many of us read reports like the one last week about the damaging impact of Instagram on young teenagers' self-esteem. I go back to things I have said here. Public service content that can appeal to them is more important than ever before because it is not like the market is providing stuff that is helping them with their lives.

**Chair:** I suppose there are a few of us around the table who were young when we started watching Channel 4 almost 40 years ago and have remained with you since. Thank you ever so much. There are a couple of things that you said you would help the Committee with and further information you would provide to us, but that was fascinating. Thank you for coming along and taking these questions and answering them so candidly. Thank you for your time this afternoon.

**Alex Mahon:** Thank you for having us.

**Deborah Dunnett:** Thank you very much.

## Examination of witnesses

Witnesses: Alan Clements, Jane Muirhead and Nicole Kleeman.

Q120 **Chair:** Our witnesses are all present and correct. Hello, everybody. It is nice to see you all. For reference, please say who you are and who you represent. If you have anything pressing that you need to tell us at the outset of these proceedings, feel free to do so.

**Alan Clements:** Thank you, Chair. I am Managing Director of Two Rivers Media, a fairly new independent production company. Before that, I had a decade leading STV Productions and before that two other companies, IWC Media and Wark Clements. I am delighted to be here to give evidence.

**Nicole Kleeman:** Hello. I am Managing Director of Firecrest Films, a company that makes factual programmes and is based in the former Fairfield shipyard in Govan.

**Jane Muirhead:** Hi. I am co-founder and Managing Director of Raise the Roof Productions in Glasgow. Some of our notable titles are "Kirsty and



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Phil's Love It or List It" and "Kirsty's Handmade Christmas". We are based at Pacific Quay in Glasgow.

Q121 **Chair:** Excellent. Thank you all very much for those concise introductions. I am presuming you were all listening, and heard Ms Mahon talk about Channel 4's future in Scotland and some of the issues around that. I suppose primary among them is the consultation on the privatisation. Were you convinced by what you heard about the impacts on the independent sector in Scotland?

**Jane Muirhead:** Yes, I was convinced by her arguments on Channel 4 privatisation. To give you a bit of background, we set up Raise the Roof in 2010. Written into the DNA of our business plan was Channel 4. We retained the rights. All we made in our first two years of business were programmes for Channel 4. We managed to sell those programmes internationally, which brought money back into the company, which we then managed to invest in our R&D and in our people and skills. On the thought of privatisation, I will not mince my words: it will be devastating to us here in Scotland.

**Alan Clements:** I echo everything Ms Muirhead said. When I set up Two Rivers and attracted three investors—a big international company, Kew Media, Sir Angus Grossart of Noble Grossart, and Channel 4's growth fund—part of what attracted them to the UK model, not just Channel 4 but all the public service broadcasters, is that the independents own the intellectual property or IP in the show. Therefore, they can build up a library of shows and sell those shows internationally. If Channel 4 was privatised, the only two ways the end owner could make money would be either by altering the terms of trade or building their own in-house production. Either of those would be detrimental to the sector in Scotland.

Q122 **Chair:** Ms Kleeman, we were trying to hear some reassurance. There would be only a reduction in services, I think she said, or a reduction in content, which did not seem to be particularly reassuring when it came to what to expect and anticipate.

**Nicole Kleeman:** I am afraid, like others, I am gravely worried about the impact of a privatised Channel 4. Opportunities in Scotland in broadcasting have been transformed in the last few years. We want to see those opportunities bed in. After the upheaval of Covid, we do not want any further upheaval at all.

Q123 **Chair:** Did any of you give any evidence to the consultation? Maybe you could share what you said to the Government on this one. I am seeing you nodding your head there, Ms Kleeman.

**Nicole Kleeman:** Yes, I am happy to. I am clearly not Scottish. I moved to Glasgow 20 years ago. I was a producer on "Panorama" when I moved here and it was seen as an unambitious move at the time; you had to live in London if you wanted to have an ambitious career in television. That has completely transformed over the 20 years that I have lived here. It is



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now possible to live in Scotland and produce world-class content and not to have to move anywhere.

Although Channel 4 is not the sole reason why that has happened, Channel 4 has been instrumental in the growth of the Scottish sector. In our response to the consultation, we talked about our own experience at Firecrest Films and how Channel 4 has stepped in proactively at every significant stage of our growth to ensure that as a small company we had the support that we needed. It invested in our staff, offered us grants to diversify our output and, four years ago, took an investment stake in our business through the Indie Growth Fund, which Alex Mahon referred to. Our turnover tripled in the first year from £1 million to £3 million. We were named as the fastest-growing indie outside London by *Broadcast* magazine, our trade paper.

Channel 4, more than any other company, looks at emerging talent in Scotland and in the other nations and regions of the UK and invests in it. No other broadcaster does that. It would be a terrible loss if that stopped.

Q124 **Chair:** Ms Muirhead, what did you say in the consultation, if you did indeed submit?

**Jane Muirhead:** Yes, I submitted. If Channel 4 were privatised, it would damage the spirit of entrepreneurship that so many of us have and the ambition to start our own companies. We do quite a lot of outreach work. For example, quite a few young people say, "How did you manage to start your own business?" If Channel 4's remit was to change and it became privatised, we are pulling up the drawbridge, in effect, and saying to this next generation of talent that is coming through, "Don't ever think about having the ambition of starting your own business. Yes, you can work in the industry, but you will always work for someone else and you will possibly have to go to London to build your career."

Q125 **Chair:** We know that story only too well. Mr Clements, you have to go to London to pursue your career. Is that what might happen?

**Alan Clements:** Yes, there is certainly a danger of that. Chair, as you and I have discussed on many occasions, because I am so fantastically old, I have lived through many promises of a move out of London for the industry. For the first time in my life, it is happening for real and, more importantly, it is now irreversible. I thought it was irreversible, but a privatised Channel 4, say owned by a big American corporation, would have no incentive whatsoever to continue the policies out of London that Alex has spearheaded as the chief executive.

Q126 **Chair:** We will come back to some of these things, but I want to ask, while I have you all here at the beginning of the session, what is it like now for independent Scottish production companies? Is the terrain and environment reasonable, good or not so good? Are you concerned? We have the Indie Growth Fund, as we have heard about, but a number of funding streams are becoming increasingly available. Pacific Quay has



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worked out as an opportunity for a number of independent companies. Give me a sense of where you think you are and the prospects for indie production companies.

**Nicole Kleeman:** The prospects are better than they have ever been with the support from Channel 4 and the support from the BBC, which has a small indie fund that we have benefited from. You see that lots of new companies have set up in Scotland in the last few years, partly helped by the launch of the BBC Scotland channel. You see the resilience that our sector has had in the last 18 months with the difficulties of Covid and working out how to carry on with productions and how to carry on making programmes. It is an encouraging time for the sector.

Q127 **Chair:** I am looking at your portfolio, Ms Muirhead, and the various programmes you have brought to network. It is quite an impressive list. Are times quite good for the indie sector?

**Jane Muirhead:** They are not bad. It is a challenging sector to work in. It is difficult. The value of what we did sits within our R&D, our development slates. Again, if I go back to the whole thing about privatisation and the ownership of IP, that is the income that we need to work on our programme ideas. Without our programme ideas, we are nothing. Yes, the landscape, notwithstanding Covid, which I am sure we will go on to talk about at some point, could be worse. It is not too bad just now.

Q128 **Chair:** Lastly, Mr Clements, what is it like from your many years of experience in this sector?

**Alan Clements:** It is kind of you to say so.

**Chair:** We are always happy to give compliments, as you know.

**Alan Clements:** It is reasonably good, but privatisation is a concern. There are a lot of companies competing for the business, which is a concern. People quite rightly are seeing opportunities out of London and are setting up satellite businesses, which is absolutely fine. Competition is good for the sector. Anything that grows the sector is good.

My concern, beyond what Nicole and Jane have said, is that margins are being squeezed in production, particularly when you add Covid costs. Therefore, having product you can see is absolutely critical because that is where the profit lies. It is hard to make profit purely on a production.

**Chair:** I want to come back to some of the issues around privatisation in a minute but, in the meantime, I will hand over to Wendy Chamberlain.

Q129 **Wendy Chamberlain:** Thank you all for being here this afternoon. If you heard the earlier evidence session, I addressed a couple of things with Alex and Deborah. One was that money is being spent in Scotland rather than just jobs, and that the money being spent is a more important measure than potentially the number of jobs that Channel 4 has in



Scotland or indeed is supporting in Scotland.

Ms Kleeman, I was taken by the description of the support that you have had from Channel 4 in response to the pandemic. Do you feel that Channel 4 is providing a suitable platform for independent production companies? Does it feel like there is a fair level playing field that anybody has the opportunity to get into with the right idea and the right R&D?

**Nicole Kleeman:** I was talking more about the level of support that we have had from Channel 4 over a long period of time, from when the company emerged through to when Channel 4 invested. Yes, it has been supportive during the pandemic, as most broadcasters have. People were at home and wanted to watch television. Channel 4 was supportive in helping us put together the right environments and safe environments that television could be made in. For instance, last year a lot of production was not viable and people wanted to watch quite different programmes. Channel 4, as other broadcasters were, was reactive. When I look at our output last year, we made 11 hours of current affairs for Channel 4. We were Channel 4's biggest current affairs supplier across the whole of the UK because we were making a lot of fast-turnaround, nimble programming that helped cash flow in the business during a difficult time.

Q130 **Wendy Chamberlain:** You have all been in the sector for a long time. Are there things back in 2008 that Channel 4 was doing well that you would like to see come back in again?

**Nicole Kleeman:** They are still doing it. We have a Channel 4 trainee currently based with us, the ninth trainee we have had paid for by Channel 4 in our company. It is still investing in new talent and is still helping us diversify our talent base. Channel 4 has done well for us in the past to have a much more strategic view about commissioning. For example, we make a consumer series called "Supershoppers". Channel 4 has commissioned at times two series at once, allowing us to offer long contracts to people coming into the industry, which helps diversify the kind of people who work in television. People who come from less affluent backgrounds are not offered four-week contracts or six-week contracts. We can offer them full 12-month contracts and make the industry more attractive to people from a wide range of backgrounds. Channel 4 has always been strategic in developing a talent base in Scotland that can provide programmes for people across the whole of the UK.

Q131 **Wendy Chamberlain:** Arguably, that lets you be more creative with it as well because you have surety with the strategic planning. Ms Muirhead, we heard about the Emerging Indie Fund earlier and that that has replaced the Alpha Fund. Have you had experience of either of those funds? Do you see that the Emerging Indie Fund will do things better?

**Jane Muirhead:** We certainly have experience with the Alpha Fund, especially in our early years. For example, we received some funding from Channel 4 to develop somebody from series producer to exec producer, which allowed us to embed an additional person within the



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production. That was incredibly helpful. That person was Deborah Dunnett, who now works for Channel 4, but never mind.

The other fund you are talking about I believe will be for producers that turn over less than £3 million per year, so we will not be feeding into that. But it is important because we were all producers that had turnover below £3 million. You need that extra help and support to get to the next level and these interventions are incredibly important.

Q132 **Wendy Chamberlain:** That is interesting. In the previous evidence session I was pointing out that decline in new suppliers, but from what you are saying it sounds like that Emerging Indie Fund will help promote those because it is focused on those with lower turnovers.

**Jane Muirhead:** Absolutely, yes. When you reference the number of jobs that Channel 4 has in Glasgow, it is important to remember that when we are being commissioned to make programmes for Channel 4, the spend is important. For example, last year, during the pandemic, Raise the Roof issued 380 fixed-term contracts to freelancers. We can do that only because the money is being pointed in our direction.

Q133 **Wendy Chamberlain:** Great. It is good to get evidence that backs up what we heard in the previous session. Thank you for that.

Mr Clements, finally, you have been around a long time, although your own organisation is the youngest of those here. How well is Channel 4 communicating with producers? Are you clear on the type of productions it is likely to accept?

**Alan Clements:** Yes, it is much better now and they get around the country much better now than what you see on their briefs. Much as I love Channel 4 and I have grown up with it, to be honest it was one of the most infuriatingly metropolitan organisations in the great days of the 2000s, before we get too misty-eyed about it. There was always much talk of the £250 coffee when you went down to meet a commissioner coming down from Glasgow and cancellations at the last minute and a real Soho mentality of which directors worked and did not work.

But they have worked hard, particularly under this current regime, to break that and they should be applauded for that. Particularly in the last five years, it has been much better. The move to Leeds and Bristol, and indeed Glasgow, has been instrumental in that way of thinking because they have people like Deborah and Jo Street who breathe different air and go to different dinner parties and do not all have the same friends. That is important. I know it sounds glib, but it is important in our business.

Q134 **Wendy Chamberlain:** Yes. It sounds like you are enthused and excited about the changes that the hubs have brought.



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**Alan Clements:** Yes, and not just Channel 4, to be fair. The BBC, particularly with the stations and the network strategy, is also a huge player in this, as indeed is the BBC Scotland channel.

Q135 **Wendy Chamberlain:** It sounds like it will make Channel 4 a more agile organisation as well and able to respond more quickly?

**Alan Clements:** Yes, definitely.

Q136 **Mhairi Black:** Thank you to our witnesses. It is informative listening to you. You have already answered a couple of my questions, so I will be brief here. In particular, we have already heard about the indie fund that is developing and the Alpha Fund, but I am wondering how far Scottish production companies have been able to benefit from other funds such as the Global Format Fund or the contestable pot.

**Jane Muirhead:** I think it is STV. None of us, I think we can safely say, but we do know that other companies have. Perhaps we are not in the best position to answer that one.

Q137 **Mhairi Black:** Okay. What means that you are not as involved in those funds compared to other channels?

**Jane Muirhead:** We would certainly pitch into them and it is a competitive process. As independent producers, our development slates are huge and we learn to live with rejection. If it is rejected, we move on. It just so happens that none of us has won any of those pitches. That is not to say that we would not next year, for example. It is always onwards and upwards with us. At least the opportunities are there.

Q138 **Mhairi Black:** Excellent. Does anyone want to add anything there?

**Alan Clements:** Yes. I would like to add that there are other funds out there. For example, like Nicole, we benefited from the Small Indie Fund from the BBC for drama, which was important. Also, I would pay tribute here to Screen Scotland because we have had slate funding in drama and entertainment and indeed from the Broadcast Content Fund. Think of it as a perfect storm. You need all these elements coming together. If you do not get one, you may well get one of the others. Like Nicole, Two Rivers had investment from Channel 4 as a shareholder through the growth fund, which is a slightly different version. They spread the love.

Q139 **Mhairi Black:** That is excellent. Okay. In principle, do you think on the whole that being based in Scotland has been a hindrance or a help in producing things?

**Nicole Kleeman:** When I first moved here, it felt like it was a bit of a hindrance. I was for ever travelling back to London and people thought I had done quite an odd thing. Now I would definitely say it is an advantage for many reasons. First, you breathe different air and you see different stories and you realise that gives you a competitive advantage because people do not see the world the way that we see it here in Scotland.



The initiatives from the BBC and Channel 4 in recent years to push production outside London mean, as Alan said, a number of big London companies setting up satellite offices in other places around the UK. Now if you pitch an idea and it can be made in Scotland, it is looked on in a far more positive way than it might have been five or six years ago.

**Jane Muirhead:** I have lived in London and in Manchester. I am happy to be living in Glasgow and I would not want to live any place else now. Raise the Roof started in 2010. I have seen people start their careers with Raise the Roof and they have managed to stay in Scotland and are now series producers and execs. I hope that that is the way things will continue.

**Alan Clements:** Yes, I could not agree more. Traditionally, as Nicole says, it was a hindrance. It added extra expense and we were seen a bit like the country cousins sometimes. But it is a real advantage. My current self would smile at my younger self thinking that it would be a competitive advantage to be in Glasgow as an independent producer. I have to pay tribute to the BBC as well as to Channel 4 for that. They have transformed the industry in that way. It is great to see the young people in the office next door. It is great if they want to go to London—that is a brilliant experience, but they do not have to. That means that we can offer jobs to people who do not have the bank of Mum and Dad to go and stay in London for six months on the living wage and try to make their way in the industry. That is a fantastic boost for Scotland.

Q140 **Deidre Brock:** Hi, everyone. It is good to see you along today and giving us some great evidence. May I speak about Covid? You have mentioned this, Ms Muirhead. Can you tell us a little bit about how the precautions needed to take account of all the problems around Covid have affected the cost and the content of the productions that you have been producing? Are you able to give us some hope that there is light at the end of the tunnel and that you are feeling like you are getting closer to normal in your approach on productions?

**Jane Muirhead:** Producers lost more than £250 million at the start of the pandemic with the cancelled productions. One of the biggest things that saved us was the Government's restart insurance scheme, which has restarted and supported 230 projects to date and has supported 25,000 jobs within the wider creative economy, so it has been absolutely crucial to our industry's survival.

Nicole said earlier how resilient our sector is and we all managed to come together, all the partners, and now we have in place robust Covid protocols for all our filming. The downside of that is that it has added at least 10% and up to 25% on all our production budgets.

Across all of the broadcasters there has been varying support but Channel 4 has been the most supportive with Covid costs. With the restart production scheme, we have to pay 1% of the total budget, minus overheads, production fees and talent costs, and Channel 4 will pay that



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premium up to £5,000. That kind of protects producers in the smaller bracket that may not have volume and a lower tariff. If it is above £5,000, they allow us to recoup that amount against sales. They are also incredibly understanding. We have conversations about the Covid costs from the start of production. These costs are decided and they cash-flow it through the life of the production and we can go back and have conversations with them.

As an industry, we are also incredibly concerned at this point because everyone who is using the restart scheme now has to start principal photography by 31 October and any Covid claims have to be made by 31 December. At this point we are all concerned and we would absolutely welcome an extension of the scheme.

Q141 **Wendy Chamberlain:** I was going to ask you about how those schemes might be improved, so that is one way. Mr Clements?

**Alan Clements:** Again, Jane gave a full answer and I echo it about the level of the extra costs and the support we have had from the broadcasters.

We made a documentary during Covid called "Killing Escobar", which followed the story of a Scottish mercenary who led a group of guys over to kill Pablo Escobar. We filmed in the UK, Colombia and the US, sometimes with the sound recordist in one room and the cameraman in another. We managed to do it. It would have been a stressful show to make anyway but Covid made it even more so. The joke was that at least if we were approached by some Colombian gangsters, they would be wearing masks, so at least they were not breaking Covid protocols if they were going to kidnap us. It has been a tough time for everybody but there is a resilience and a gallows humour in the industry. Hopefully, we are coming out of the worst of it.

**Nicole Kleeman:** The only thing I would add to Jane's answer, which I thought was comprehensive, is that we had support from the Government's furlough scheme.

I probably speak for all of us when I say when Covid first hit we were all worried about the future of the company and were particularly worried about whether newer, more junior employees that we had, people who had been in the industry only a few years, would be able to stay in the industry at all. As I said before, we try to keep those people off short-term contracts, which are the norm in our industry, because we feel it is discriminatory. But when we had no work at all for those people, it was a real worry that they would leave the industry completely.

The furlough scheme was impressive in the way that it was swiftly administered. We were quite fearful at the start that we would pay out a lot and it would take HMRC a long time to reimburse us, but the fact that money came in swiftly at a time when we were worried about our cash



flow was supportive to the company and has kept a cohort of young people working in television.

Q142 **Deidre Brock:** Does the imminent closure of that scheme concern you? What sort of preparations can you make for that?

**Nicole Kleeman:** No. As Jane said, because of the protocols that we have come up with and that we work to in the industry, we are now employing more people than ever. We have six series of productions and we are employing 70 people at the moment. There has been a real resilience. We all hope we are seeing the light at the end of the tunnel and that we will not face another difficult winter. We do not have anybody on furlough and have not had for some time now.

Q143 **Deidre Brock:** Good. Is that the same for you, Ms Muirhead?

**Jane Muirhead:** I would certainly welcome, along with the rest of the sector, an extension of the restart insurance scheme. The commercial market has not moved in to fill that gap yet, so it is quite worrying.

Q144 **Deidre Brock:** The Creative Hub based in Glasgow seems to be more around factual content rather than fictional. I was gaining that impression certainly from our previous witnesses. But I am interested—you touched on the fact, Mr Clements, that you can avoid the £250 cup of coffee now because of them being so close at hand. Are there other ways that you have seen a real difference with the Creative Hub being based in Glasgow?

**Alan Clements:** Yes. If I may disagree slightly, at the moment it is probably more factual-based but if we are going to grow the sector, we will have to up the scripted sector, which by spend is by far the greatest.

Also, a great bugbear of mine is that we do not take the entertainment sector as seriously as we could. A lot of entertainment shows have been shot in Scotland but the IP goes back south because they are using it to take advantage of the quotas. We have funded a full entertainment development team now for two and a half years with a number of shows in development, but the IP would stay in Scotland as well as making the shows in Scotland. There is an important distinction between content in Scotland and content from Scotland. If you want to grow the sector, it has to be content from Scotland and in those high-value areas of drama and entertainment. That is incredibly important.

Q145 **Deidre Brock:** I am so with you on that, Mr Clements. Ms Muirhead or Ms Kleeman, would you like to add to that?

**Jane Muirhead:** I absolutely agree with Alan. I see that as our next phase of development, which should have happened sooner. We all have an ambition that we will diversify and work within other genres. We at Raise the Roof would certainly like to work more in entertainment, but we have to have the opportunities. There is a lot of work going on in Scotland at this point and, again, Screen Scotland has been supportive of



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that and we have Kelvin Hall in Glasgow. The ambition is to grow entertainment.

Q146 **Deidre Brock:** Yes, and the Big Blue Shed in my constituency, of course. I had better mention that. Ms Kleeman, finally, before I finish, is there anything you would like to add?

**Nicole Kleeman:** Only that we have given a positive view of the sector and the resilience of the sector. I would caution and say that all of this could be lost under privatisation of Channel 4. I know you did not ask me specifically about that, but it is of grave concern to us because of the disproportionate way that Scotland and the other nations and regions of the UK would be affected and the loss of the IP.

As Alan said, it is difficult to make margin on production, particularly with the costs of Covid that we have to incorporate into our productions. The IP that we have grows our business and we are incredibly proud to grow a business that returns investment back into Scotland, where we are based. Any move that would remove that investment from Scotland and from the other nations and regions of the UK would be a real backward step.

Q147 **Wendy Chamberlain:** I want to follow up with a supplementary on Deidre Brock's questions around furlough and the restart insurance scheme. My understanding is that a number of people in the sector are self-employed and we have heard talk about the gap of 3 million self-employed workers in many industries, including in the creative sector. Jane Muirhead, if I can come to you on that first as the vice-chair of Pact, has there been a loss of self-employed people from the sector as a result of the lack of support that some of them have had?

**Jane Muirhead:** I do not have any figures on that so I cannot give you any evidence, but there was a major concern that we would lose people. With a lot of the work that is being done around diversity and flexible working, the pandemic has taught us that we can offer alternative working practices to people, such as people that have childcaring duties; many of our people have had to contend with these things over the past 18 months. We have managed to accommodate that and we have seen that we can accommodate that. Hopefully these things will be taken forward and will not be lost. If we have lost people, hopefully it will be temporary and we may see a better industry to come back and work in.

Q148 **Wendy Chamberlain:** Potentially initially in the pandemic when those contracts cancelled there was that lack of support in the first instance, but it is the creative industry and the name is there on the tin. People have been creative in how they have approached things.

**Jane Muirhead:** Yes. Furlough did support a lot of people but a lot of people fell through the cracks. There is absolutely no doubt about that.

Q149 **Wendy Chamberlain:** Ms Kleeman, you have been nodding vigorously. Is there anything you want to add?



**Nicole Kleeman:** I have because it was remiss of me not to mention it. People did not fall through the cracks. It was a serious problem and it was a mistake. I was glad that the furlough scheme was there and the furlough supported more junior people, but the significant lack of support for hundreds of people in our industry was of grave concern to us.

Q150 **Wendy Chamberlain:** Absolutely. Was it fewer junior people but more middle who had gone out by themselves?

**Nicole Kleeman:** That is right, because more junior people tend to be on PAYE, so they could be supported by the furlough scheme.

Q151 **Wendy Chamberlain:** Mr Clements, is there anything you would like to add?

**Alan Clements:** No.

Q152 **Chair:** I would like to end where we began, and that is around the whole privatisation issue and what impact it will have substantially on your sector. I saw something from Ampere Analysis in *The Guardian*. Of course it noted that Channel 4 works with more small production companies than any other platform we have, but it estimated that 60 UK TV production companies could go out of business as a result of some of the decisions taken after privatisation. Do any of you recognise that figure?

**Jane Muirhead:** If Channel 4 is privatised, you are taking one pot of money from the independent production companies and transferring it into the hands of a private entity and shareholders. The first thing that any private entity would do is to free up slots—the 9 o'clock slots, the 8 o'clock slots, the ones that we all have ambition to work in, the ones where they can get the biggest return on their money. They would move from the publisher and broadcaster model and would—I have no doubt whatsoever—end up with in-house production. An in-house production arm is where they will point the money.

Q153 **Chair:** Do you have a sense of the sort of numbers we will lose or is that unnecessary scaremongering about this?

**Jane Muirhead:** It would be interesting to see the research. I have not seen that figure. Yes, if I was talking at a dinner party or something like that, I would probably say a figure like that off the top of my head.

It would be devastating. There would have to be such strong checks and balances in place. Any private owner would chip away at any remit they had for the next few years until we, as a production community based in Glasgow or out of London, would be left with little. The first thing that most privatised companies do is rationalise their physical footprint, so everything would probably be pulled back within the M25.

Q154 **Chair:** Do you think there is a political motive behind this? I saw some of the exchanges in the DCMS Committee. There was a question about whether the Prime Minister has ever appeared as a guest on Channel 4. Do you feel this Government have anything against Channel 4, Mr



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Clements?

**Alan Clements:** I can only say I cannot comment on that. I do not know whether it is a personal vendetta or not. But it seems to me that if you look at the laudable policy of the Government of levelling up across the UK, that seems to be precisely what Channel 4 is doing at no cost to the taxpayer whatsoever. It feels like an odd move when the channel is doing what the Government have said they want it to do. If it had stayed in its London bubble and not made that effort, there would have been a stronger case, but it has not.

I have worked for public limited companies that have shareholders. There is constant pressure to cut costs and to rationalise and to spend the least possible on a programme, whereas that is not the attitude of Channel 4. That would be lost if any of the potential buyers, whether it is Viacom or Discovery or Sky though Comcast, took it over. Naturally, they would rationalise the business and, as Jane said, centre it in London. Why would they not?

Q155 **Chair:** I am trying to think of a motive for all this. It is difficult. I have picked out one statement from the former Secretary of State where he says that Channel 4 “won’t be able to compete with the streaming giants in the future”, but we heard an example of showing the US Open, which had a mass audience and is a perfect example of partnership. If this is the sort of reason they have given and it is not actually the case, it makes us start to think there must be some other agenda at play. Do you have a view, Ms Kleeman?

**Nicole Kleeman:** I find it perplexing because we have not seen the Government set out a case for the benefits that privatisation would bring.

At the start of your question you referenced a report and asked if we recognised the kind of impact it was predicting. I certainly recognised it. A report came out this month from EY about the impact of a privatised Channel 4. It predicted that over 130 Scottish jobs would be at risk a year under a privatised Channel 4. As Alan said, it makes no sense when you set it against the Government’s levelling-up agenda. We have made 20 new hires in the last couple of weeks into our office in Govan, one of the most deprived parts of the UK. It makes no sense to put those kinds of jobs at risk when you have an agenda to level up the nations and regions.

Q156 **Chair:** Ms Muirhead, I know you were keen to come in.

**Jane Muirhead:** We talk about the SVoDs. The PSBs spent £2.5 billion on originations in 2019 and the SVoDs spent £0.4 billion. If you are talking about investment in content in UK Plc, the PSBs are still up there.

**Chair:** Thank you ever so much. We will be following this issue with keen interest as it progresses and decisions are made in Parliament about this. Hopefully, that will contribute to our short inquiry into broadcasting in Scotland. If there is anything else that you feel that we could usefully use



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as part of our evidence, please give it to the Committee. We are always keen to hear from you. But for today, once again, thank you ever so much for your attendance at this Committee.