

## **Channel 4—written evidence (FON0028)**

### **House of Lords Communications and Digital Select Committee inquiry: The future of news: impartiality, trust and technology**

#### **Introduction**

We welcome the opportunity to submit evidence to this House of Lords inquiry into the 'future of news'. Channel 4 occupies an important place in the UK's public service broadcasting (PSB) ecology both in supporting economic, democratic and cultural values, and in ensuring plurality in the news media landscape, through its award-winning news and current affairs provision.

PSBs play a vital role in sustaining British democratic culture. Our high-quality news content creates a public space where national conversations take place. PSBs have a responsibility to ensure people have access to authoritative and trusted information on matters of national debate and significance and we play an extremely important role in tackling the spread of misinformation, particularly online.

News and current affairs sit at the heart of Channel 4's schedule, with 208 hours in peak, and are amongst the most important and impactful ways in which we fulfil our public service remit. Our remit enshrines a commitment to "support and stimulate well-informed debate on a wide range of issues, including by providing access to information and views from around the world and by challenging established views." We are proud that Channel 4 news remains proportionally the youngest profiling news show of the UK mainstream channels.

In 2022, Channel 4 News, produced by ITN, began co-hosting from its dual offices in London and Leeds. This makes Channel 4 News the first national evening news programme to co-present from two locations and is part of a renewed focus on reporting and representing voices from across the UK. We also have a dedicated C4 News Scotland Correspondent based out of our Glasgow bureau.

Channel 4 News has been steadily growing its presence on digital platforms in recent years, in recognition of the need to make its content available wherever its potential audiences – young people, in particular – are spending their time. The Channel 4 News team posts over 100 bespoke videos per week across Facebook, Snap, Instagram and YouTube, as well as our daily live 60-minute show.

We agree with the focus of this inquiry on issues that affect the future of news including access to trusted information, challenges posed by new technologies such as AI and the need for the UK to have a future facing legislative framework that supports PSB delivery of news. Our response addresses the questions posed by this inquiry thematically. Overall, our key messages are:

- As consumption of news increasing moves onto digital platforms, the role of PSBs as providers of trusted, duly impartial news content is more important than ever. In the short-term, swiftly passing the Media Bill with robust

prominence provisions is crucial to ensuring accessibility to PSB content such as trusted public service news and sustainability of our services. Duly impartial, trusted sources of news must be easy to find on digital platforms.

- The shift in audience habits towards consuming more news online is having a fundamental impact on how news providers are serving audiences with trusted news, and on the underlying business models that support news provision. Third-party platforms now act as powerful intermediaries between news providers and audiences. Newsrooms are also grappling with the implications of widespread distribution of AI-generated content and the risk of misinformation at an unprecedented scale.
- We support the passage of the Digital Markets, Competition and Consumers Bill which will improve practices in digital markets. Additionally, we would encourage Ofcom in its implementation of the Online Safety Act to examine issues where global platforms terms and conditions may impact UK domestic laws around freedom of expression.

### **In a changing market, C4 remains an essential provider of trusted news in the UK**

In an age of further fragmentation of news delivery, and growing misinformation and disinformation, the provision of trusted and duly impartial public service news is more important than ever. Trusted news ensures that our national conversations about societal and political issues from across the UK and around the world remain grounded in fact and evidence. Without it, the future of our democracy would be put at risk.

TV has continued to be the most important source of news during major world events such as the Covid pandemic and conflicts in Ukraine and Gaza - underpinning the trust UK audiences have in established PSB brands and viewers' desire for high-quality, trusted journalism. Our own audience research underlines this point:

- 8 in 10 said they have a better understanding of the conflict in Ukraine as a result of watching C4 News;
- 88% felt C4 News' coverage of the Ukraine crisis revealed the reality of the conflict in a frank and honest way;
- 70% of C4 News viewers agreed that Channel 4 is the leading broadcaster for giving voice to the under-represented.

During 2023, the weekday evening programme was watched by over half a million viewers on average. While overall viewing of Channel 4 news declined by 7% between 2022 and 2023, this was due in part to a particular peak in major news stories in 2022 (such as the death of Her Majesty the Queen, and the war in Ukraine). All PSB weekday evening News programmes (bar *5 News at 5*) have declined both their average volume and share per episode in 2023 vs 2022. Channel 4 News' weekday evening news viewing share in 2023 was 7% higher

than it was in 2021, which indicates continuing strong performance for our linear news programmes.<sup>1</sup>

Independent commissioned by Ofcom found that Channel 4 News was highly respected by audiences, who felt it provided unbiased, trustworthy news and that it challenges establishment thinking.<sup>2</sup> The research highlighted that Channel 4 “champion[ed] diverse and challenging viewpoints [and] provid[ed] gritty and authentic news and documentaries” and that “reporters were praised for not being afraid to hold those...in positions of power to account.”<sup>3</sup> Additionally Channel 4 News receives very low “do not trust” scores in the cross-industry Reuters survey, lower than all other broadcast news and all newspapers bar The Financial Times.<sup>4</sup>

A continued recognition that PSB content is regulated and comes from trusted broadcasters is vital as consumption of news increasing moves onto digital platforms. As viewing behaviour continues to evolve – particularly amongst younger audiences – it is crucial for Channel 4 News to reach audiences via the main social and digital platforms where viewers are accessing content. We are investing in reaching new and existing audiences across a range of online platforms. This strategy is seeing real success: in 2023 Channel 4 News videos achieved an average of nearly 93 million views per month across Facebook, Instagram, TikTok and YouTube – including over 30 million views per month on YouTube, and nearly 40 million per month on TikTok.<sup>5</sup> In the early weeks of the Israel / Gaza conflict, there were over 225 million global views on across social platforms since the conflict began – over 10 million of those in the first weekend alone. This shows that, particularly at times of national and international importance, people turn to sources of news they can trust to stay informed about what’s going on. The landscape is more competitive than ever, but PSBs are continuing to deliver.

### Due impartiality underpins audience trust in PSB news

Channel 4 content is regulated through Ofcom’s Broadcasting Code which applies due impartiality across all of our content, including news. We believe that due impartiality is a cornerstone maintaining the public’s trust in news. As the Code makes clear, the concept of “due impartiality” does not mean having an equal division of time given to every view, or representing every argument and every facet of every argument: the approach taken to due impartiality may vary according to context. What matters is that our audiences trust that we are not favouring one side over the other when it comes to matters of public debate.

Public service broadcasters’ regulated commitment to due impartiality gives audiences confidence in our commitment to fair and accurate news coverage, reinforcing trust and mitigating against the increasing spread of misinformation. The latest Reuters research showed that the PSBs have a commendable record on this with Channel 4 News, alongside the BBC and ITV, as the top three most

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1 BARB

2 Channel 4 Corporation Relicensing Research, Jigsaw & Ofcom, 2023 p.g 6

3 Channel 4 Corporation Relicensing Research, Jigsaw & Ofcom, 2023 p.g 6

4 <https://reutersinstitute.politics.ox.ac.uk/digital-news-report/2022/united-kingdom>

5 Source: Social Media Dashboard Data Source (Internal Data Warehouse).

trusted news sources in the UK [Trust 54%/Don't Trust 16%; vs BBC 55/26, ITV 55/18].<sup>6</sup>

Trusted and duly impartial news and current affairs continues to be paramount to Channel 4 in the face of changing viewing and habits and the need to engage young audiences. It is by maintaining this high level of trust – supported by our due impartiality – that we will ensure we remain valued by UK audiences as online news consumption grows. We are proud that we have a clean bill of health from Ofcom for over a decade on due impartiality and we continue to work with our independent production partners, particularly with ITN, to ensure that our standards remain high across all of our output. Channel 4 is supportive of the way Ofcom oversees due impartiality.

### **Key recommendations:**

- The PSB ecology in the 2030s will look markedly different than it does today with higher levels of viewing online and more people accessing news through social media. In this changing market, the crucial role of high-quality news from duly impartial, trusted sources in sustaining our democratic culture must be recognised.
- In the short term, the swift passage of the Media Bill will enable PSBs to meet this transformation in trends, protect audiences, and supports the creative industries and the defining role PSBs play in this ecosystem. For example, securing prominence for public service content must be made a reality as soon as possible – every day without it damages viewers' ability to find the content, such as news, and negatively impacts a sector at the heart of Britain's prosperous creative industries. Given the urgent need for the Bill we are not supportive of any substantive changes to the legislation at this stage.

### **Third-party platforms have a major impact on how providers reach audiences with trusted news, and on the business models that support news provision**

Our ability to deliver news to online audiences increasingly depends on distributing content via third-party platforms such as YouTube, TikTok and Instagram. Our presence on these platforms is essential for a number of reasons. Audiences are increasingly reaching for online platforms as their main gateway to finding news content. If we are to deliver our remit, growing our digital audiences is essential – both in terms of ensuring our news content has wide societal impact, and to ensure that we can grow the digital revenues that support our news provision. More broadly, trusted news from PSBs and other major UK news providers plays an essential role on digital platforms as a counterweight to the misinformation that is available across social media platforms.

One of Channel 4's greatest assets is our ability to be nimble and partnership-focused, and we have had strong success in ramping up our news provision via social media platforms. Channel 4 was the first UK broadcaster to strike deals with global social media companies such as Snapchat and TikTok. Powerful clips

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<sup>6</sup> <https://reutersinstitute.politics.ox.ac.uk/digital-news-report/2022/united-kingdom>

from Channel 4 News on TikTok and YouTube are bringing a new generation to PSB news while our digital first current affairs strand *Untold* is hugely popular with young audiences.

Our commercial deals with major platforms enable us to sell advertising directly against our content which generates additional revenue. This means advertisers and agencies can now access our channels directly from us. Commercially, this gives advertisers reach and access to younger social audiences, but within brand safe, regulated, trusted content. However, the level of revenue that we are able to earn from distributing our content varies considerably between different platforms.

Nonetheless, the role played by key third-party platforms as powerful intermediaries in the news market presents challenges for news providers. We have no direct control over how third-party platforms serve our news content to audiences. Algorithms and content recommendations systems tend to prioritise engagement and 'clicks' and are driven by commercial imperatives, rather than being aligned with broader public service principles. We also have no influence over the policies that platforms apply that affect how audiences are able to view and access content. There are some instances where platforms' global policies can make it harder for news providers to distribute regulated news content for UK audiences.

There are also implications for the business models that support news provision. Every year we spend around £35m on news, delivering over 210 hours on our main channel (exceeding our Ofcom quota) as well as a high volume of digital news output across social media platforms. We are increasingly operating in, and reliant on, digital markets in which a small number of major platforms are both competitors and business partners. Channel 4 shares the concerns set out by the CMA about the lack of effective competition in digital advertising, which hampers our ability to grow our own digital advertising revenues and fund the delivery of our public service remit in a digital age. Certain firms operate at all levels of the advertising ecosystem, setting the rules of how these ecosystems operate in a way that benefits their own businesses.<sup>7</sup>

### Impact of AI

The recent, significant advancement in the availability of generative AI technology has added further momentum to changes across the whole creative sector, creating both opportunities and challenges for content providers. While there is potential for cost efficiencies and faster production, there are tangible concerns that content could be used to train AI models without any compensation for creators – who are then themselves forced to compete with the outputs of those AI models.

A major area of concern that we have as a news provider is the risk of AI being used to generate fake news and misinformation at an unprecedented scale, in ways that could be misleading to audiences who may not be able to identify the content as not being authentic. Newsrooms are under having to take more time and resources to analyse increasingly sophisticated content to check its

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<sup>7</sup> CMA, 2020. Online platforms and digital advertising: Market study final report

authenticity before using it as the basis for news reports. There is a particular need for swift action in 2024: a year in which at least fifty nations including the UK and the US will hold major elections, creating huge potential for malicious spreading of misinformation to try and influence electoral outcomes. Recent high profile deepfakes of UK political leaders demonstrate that the threat is real.

In response to the challenges of misinformation, Channel 4 News launched its own initiative – *Factcheck* - for the 2005 general election and later re-launched this into a full-time online and social media service in 2010. This award-winning service is an extension of Channel 4's News' commitment to trusted, duly impartial and accurate news. Factcheck has a direct relationship with its audience – often answering questions sent directly to its social media account – and examining the most important policy decisions and announcements of the day. However, there is a limit to what individual news organisations can achieve, and a potentially significant increase in the volume of fake news enabled by AI technology is a serious concern.

At a time when the risk of AI-enabled disinformation is increasing, PSBs like Channel 4 are more important than ever as trusted sources of news and information, and shows how important it is that audiences can easily find us across online platforms.

### **Key recommendations:**

- Ensuring that major technology platforms operate fairly in such a way that supports competition in digital markets is essential for all news providers. We therefore support the passage of the Digital Markets, Competition and Consumers Bill which will give essential new powers to the Digital Markets Unit (DMU) within the Competition and Markets Authority (CMA). This Bill will ensure fairness for UK businesses operating in digital markets and ensure that PSBs and other trusted news providers can engage with platforms on fair terms.
- The Online Safety Act will ensure that social media platforms operate in a way that is consistent with Ofcom standards to protect audiences. The inclusion of an exemption for public service broadcasters under the 'recognised news publisher' definition within the Act is a vital safeguard for PSB content to not be taken down without due process and is an important recognition our content is already robustly regulated by Ofcom. However, the gap between the Online Safety Act becoming law and implementation has left some uncertainty for news providers. We would encourage Ofcom in its implementation of the Online Safety Act to examine issues where global platforms terms and conditions may not reflect the approach of UK domestic laws around freedom of expression.
- Addressing the impact of AI on the future of news should be a strong area of focus for the Government. We welcome the Government's [recent commitment](#) to launch a call for evidence on AI-related risks to trust in information, and to consider the tools available to verify election-related content online. However, we think there is scope for the Government to take a more pro-active approach – for example, establishing a dedicated taskforce focused on addressing the harmful impacts that generative AI may have on

trusted news provision. This is in line with the recent House of Lords Communications and Digital Committee report on [Large Language Models \(LLMs\) and Generative AI](#), which recommended that the Government should prioritise focusing on immediate risks from AI, including the risks of significantly more disinformation.

- We also support the recommendations from the Lords Communications and Digital Committee for the Government to definitively resolve the dispute between rights holders and LLM developers, ensuring that rights holders receive fair reward when their works are used to train AI models. This is crucial for ensuring that the wider creative ecosystem that supports PSB news provision remains viable, and follows on from the Government's decision to abandon a broad exemption of copyright for text and data mining – helping to protect the value of journalism.

### **Conclusion**

Channel 4's commitment to news is core to our identity, and it will remain at the heart of how we deliver our public service remit as we transition to become a truly digital-first public service streamer. It is clear that engaging audiences with trusted news content in an era of digital transformation is a significant challenge for UK news providers. But in this year of elections around the world, the crucial importance of duly impartial, high-quality news reporting grounded in evidence cannot be overstated. We therefore welcome the Committee's inquiry into this subject, and we call on the Government to make the future of trusted news a key area of focus – particularly in view of the risks posed by the widespread use of generative AI.

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