



Digital Economy Act 2010

2010 CHAPTER 24

Channel Four Television Corporation

22 Functions of C4C in relation to media content

(1) Before section 199 of the Communications Act 2003 insert—

“198A C4C's functions in relation to media content

- (1) C4C must participate in—
 - (a) the making of a broad range of relevant media content of high quality that, taken as a whole, appeals to the tastes and interests of a culturally diverse society,
 - (b) the making of high quality films intended to be shown to the general public at the cinema in the United Kingdom, and
 - (c) the broadcasting and distribution of such content and films.
- (2) C4C must, in particular, participate in—
 - (a) the making of relevant media content that consists of news and current affairs,
 - (b) the making of relevant media content that appeals to the tastes and interests of older children and young adults,
 - (c) the broadcasting or distribution by means of electronic communications networks of feature films that reflect cultural activity in the United Kingdom (including third party films), and
 - (d) the broadcasting or distribution of relevant media content by means of a range of different types of electronic communications networks.
- (3) In performing their duties under subsections (1) and (2) C4C must—
 - (a) promote measures intended to secure that people are well-informed and motivated to participate in society in a variety of ways, and
 - (b) contribute towards the fulfilment of the public service objectives (as defined in section 264A).

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- (4) In performing their duties under subsections (1) to (3) C4C must—
- (a) support the development of people with creative talent, in particular—
 - (i) people at the beginning of their careers in relevant media content or films, and
 - (ii) people involved in the making of innovative content and films,
 - (b) 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,
 - (c) promote alternative views and new perspectives, and
 - (d) provide access to material that is intended to inspire people to make changes in their lives.
- (5) In performing those duties C4C must have regard to the desirability of—
- (a) working with cultural organisations,
 - (b) encouraging innovation in the means by which relevant media content is broadcast or distributed, and
 - (c) promoting access to and awareness of services provided in digital form.
- (6) In this section—
- “participate in” includes invest in or otherwise procure;
- “relevant media content” means material, other than advertisements, which is included in any of the following services that are available to members of the public in all or part of the United Kingdom—
- (a) television programme services, additional television services or digital additional television services,
 - (b) on-demand programme services, or
 - (c) other services provided by means of the internet where there is a person who exercises editorial control over the material included in the service;
- and a film is a “third party film” if C4C did not participate in making it.
- (7) The services that are to be taken for the purposes of this section to be available to members of the public include any service which—
- (a) is available for reception by members of the public (within the meaning of section 361); or
 - (b) is available for use by members of the public (within the meaning of section 368R(4)).”
- (2) In section 199(2) of that Act (functions of C4C), for “C4C's primary functions are” substitute “In subsection (1) “primary functions” means—
- “(za) the performance of C4C's duties under section 198A;” and in the heading for that section, at the beginning insert “Other ”.
- (3) In Schedule 9 to that Act (arrangements about carrying on C4C's activities)—
- (a) in paragraph 1(1), after paragraph (a) (but before “and”) insert—
 - “(aa) as soon as practicable after the day on which section 198A comes into force,”

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- (b) in paragraph 10, in the definition of “relevant licence period”, after paragraph (a) (but before “and”) insert—
 - “(aa) in relation to the notification under paragraph 1(1)(aa), the period beginning on the day on which section 198A comes into force and ending on the last day of the first licence period to expire after that day;”, and
 - (c) in that definition, in paragraph (b), for “any other such notification” substitute “any other notification under paragraph 1”.
- (4) Accordingly, in the heading for Part 3 of that Act (television and radio services), at the end insert “ETC”.
- (5) In section 24(1) of the Broadcasting Act 1990 (Channel 4 to be provided by C4C), for “The function of the Corporation shall be to” substitute “The Corporation must”.
- (6) In paragraph 1 of Schedule 3 to that Act (status and capacity of C4C)—
- (a) in sub-paragraph (4)(b), for “primary functions” substitute “Channel 4 functions”, and
 - (b) after that sub-paragraph insert—
 - “(5) In sub-paragraph (4) “Channel 4 functions” means—
 - (a) securing the continued provision of Channel 4, and
 - (b) the fulfilment of the public service remit for that Channel under section 265 of the Communications Act 2003.”

23 Monitoring and enforcing C4C's media content duties

- (1) After section 198A of the Communications Act 2003 insert—

“198B Statement of media content policy

- (1) C4C must prepare a statement of media content policy—
 - (a) at the same time as they prepare the first statement of programme policy that is prepared under section 266 after this section comes into force, and
 - (b) subsequently at annual intervals.
- (2) C4C must monitor their performance in carrying out the proposals contained in their statements of media content policy.
- (3) A statement of media content policy must—
 - (a) set out C4C's proposals for securing that, during the following year, they will discharge their duties under section 198A, and
 - (b) include a report on their performance in carrying out the proposals contained in the previous statement.
- (4) In preparing the statement, C4C must—
 - (a) have regard to guidance given by OFCOM, and
 - (b) consult OFCOM.
- (5) C4C must publish each statement of media content policy—
 - (a) as soon as practicable after its preparation is complete, and

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- (b) in such manner as they consider appropriate, having regard to any guidance given by OFCOM.
- (6) OFCOM must—
- (a) from time to time review the guidance for the time being in force for the purposes of this section, and
 - (b) revise that guidance as they think fit.

198C OFCOM reports on C4C's media content duties

- (1) For each relevant period, OFCOM must—
- (a) carry out a review of the extent to which C4C have discharged their duties under section 198A, and
 - (b) prepare a report on the matters found on the review.
- (2) OFCOM must publish each report under this section—
- (a) as soon as practicable after its preparation is complete, and
 - (b) in such manner as they consider appropriate.
- (3) “Relevant period” means each period selected by OFCOM for the purposes of section 264(1)(b) that ends after this section comes into force.

198D Directions in relation to C4C's media content duties

- (1) This section applies if OFCOM—
- (a) are of the opinion that C4C have failed to perform one or more of their duties under section 198A or section 198B(1), (3) or (5),
 - (b) are of the opinion that the failure is serious and is not excused by economic or market conditions, and
 - (c) determine that the situation requires the exercise of their functions under this section.
- (2) In making a determination under subsection (1)(c), OFCOM must have regard, in particular, to—
- (a) C4C's statements of media content policy,
 - (b) C4C's effectiveness and efficiency in monitoring their own performance, and
 - (c) general economic and market conditions affecting the provision of relevant media content (as defined in section 198A).
- (3) OFCOM may give directions to C4C to do one or both of the following—
- (a) to revise the latest statement of media content policy in accordance with the direction;
 - (b) to take such steps for remedying the failure as OFCOM specify in the direction.
- (4) A direction given under this section must set out—
- (a) a reasonable timetable for complying with it, and
 - (b) the factors that OFCOM will take into account in determining whether or not a failure has been remedied.
- (5) OFCOM must consult C4C before giving a direction under this section.”

(2) After section 271 of that Act insert—

“271A Remedying failure by C4C to perform media content duties

- (1) This section applies if OFCOM are satisfied—
 - (a) that C4C have failed to comply with a direction under section 198D in respect of a failure to perform one or more of their duties under section 198A,
 - (b) that C4C are still failing to perform that duty or those duties, and
 - (c) that it would be both reasonable and proportionate to the seriousness of the failure to vary the licence under which Channel 4 is licensed (“the Channel 4 licence”) in accordance with this section.
- (2) OFCOM may, by notice to C4C, vary the Channel 4 licence by adding such conditions, or making such modifications of conditions, as OFCOM consider appropriate for remedying (entirely or partly) C4C's failure to perform the duty or duties under section 198A.
- (3) If, at any time following such a variation, OFCOM consider that any of the additional conditions or modifications is no longer necessary, they may again vary the licence with effect from such time as they may determine.
- (4) OFCOM must consult C4C before exercising their power under this section to vary the Channel 4 licence.”

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