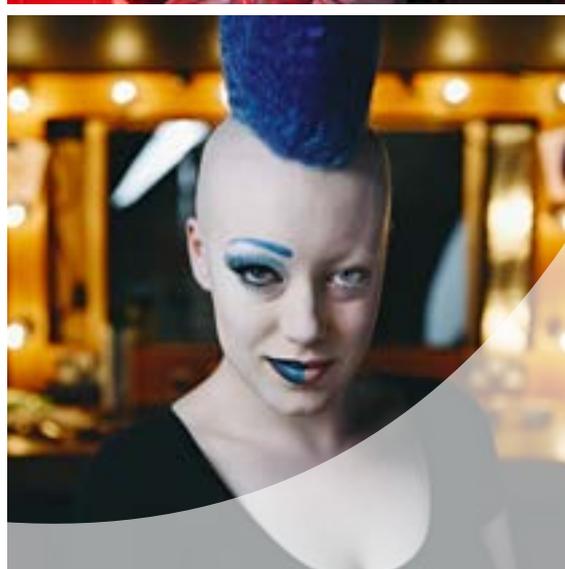


Children's content review

Our response to ITV, Channel 4 and Channel 5's plans



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1. Overview

Public service broadcasters (PSBs) have a collective responsibility to provide a range of high-quality and original content for children.

We have carried out a review of the commercial PSBs' children's programmes on TV and online. We published our findings in July 2018. We identified three main areas of concern about the level of programming for children and teenagers, and asked ITV, Channel 4 and Channel 5 to respond by the end of March 2019.

This document sets out Ofcom's view of their responses, along with next steps. We have published their letters of response alongside this document.

What we have decided – in brief

ITV, Channel 4 and Channel 5 have set out new plans for improving their provision of children's content.

In their submissions to Ofcom, all the commercial PSBs renewed their commitment to children's content. Each broadcaster also committed to creating and investing more in original UK programmes made just for UK children and teenagers, including live action, entertainment and news.

Taken together, our view is that these plans respond positively to the concerns we highlighted in our Children's Content Review last year.

We will monitor the broadcasters' implementation of their plans and continue to work with industry to ensure children and teenagers enjoy a range of high-quality programmes from the PSBs.

This overview is a simplified, high-level summary only; further detail is set out in the remainder of this document.

2. Ofcom's children's content review

Background to the review

Ofcom launched a review of children's content on 29 November 2017 to consider the current provision of programmes for children under the age of 16, amid changing viewer habits. The review was conducted under powers granted to Ofcom under the Digital Economy Act 2017 and framed within our broader duty to consider whether the Public Service Broadcasters, taken together, include a suitable quantity and range of high-quality and original programmes for children and young people.

The children's content review focused on the delivery of children's programming by the commercial PSBs: ITV, Channel 4 and Channel 5. In our analysis, we took into consideration our wide-ranging research on children's media use and attitudes, along with data provided to us by broadcasters on their provision of, and investment in, children's content.

The BBC was out of scope of this review as we consider how it caters for children as part of our separate responsibilities under the BBC Charter and Agreement. However, we note that the BBC is the most significant provider of original UK children's programmes in the UK; and BBC Alba and S4C also make vital contributions to the broader children's programming landscape, providing original, mixed-genre content in Gaelic and Welsh.

We published our review findings in July 2018. We found that the PSBs continue to play a special role in children's media lives, providing widely watched and trusted programmes. However, viewing habits have changed fundamentally with significant growth in on-demand and online viewing, combined with commercial pressures that have led to a decline in the provision of, and investment in, children's programmes.

We identified three specific areas of concern regarding current levels of programming provision for children:

- a) a lack of original, high-quality programmes specifically made for older children across all programme genres.
- b) a limited range of children's programmes that help children to understand the world around them.
- c) a limited range of original, high-quality children's programmes available that allow UK children to see their lives, in all its diversity, reflected on screen.

We wrote to ITV, Channel 4 and Channel 5, asking them to develop and share their plans to address our concerns by the end of March 2019. We also commissioned new research to better understand why children are drawn to online video, how they watch it and why they choose it.¹ We published this research alongside our annual children's media literacy reports in January 2019.

¹ Ofcom, 2019. Life on the small screen: What children are watching and why. Available at: https://www.ofcom.org.uk/_data/assets/pdf_file/0021/134832/Ofcom-childrens-content-review-Publish.pdf

Market Context

PSBs' spending on UK children's content has declined

The collective annual spend on new, UK-made children's programming by PSB channels has fallen from £116m in 2006 to £70m in 2017.² These spend figures relate to broadcast TV only and do not include contributions to the cost of production from third parties, such as overseas broadcasters and independent production companies, under co-production arrangements. We will publish 2018 spend data later this summer.

Children are watching less broadcast TV, but the PSBs remain highly valued

Broadcast television viewing still reaches large numbers but is declining, especially for young audiences. In 2018, an average of 79.2% of children watched broadcast TV each week, a decline of 3.3 percentage points from the year before.³ Half of 5-15s also watch video-on-demand television services like Netflix, and YouTube is becoming the viewing platform of choice, with rising popularity particularly among 8-11s.⁴ Despite these changes, the PSBs continue to be highly rated among parents and carers, with 81% thinking that PSB channels deliver on 'providing a wide range of high-quality, UK-made programmes for children'.⁵

Some children think there are not enough programmes that feature people like them

Our 2018 research continues to show that children want UK content that is made for them. In 2018 around a third of children aged 8-15 said there are not enough programmes with children like them, the same as in 2017. A third of children aged 8-11, and just under half of children aged 12-15, believe there aren't enough programmes that show children who live in the same part of the country as them and 35% of 8-11s and 36% of 12-25s feel there aren't enough programmes that show children who look like them.

Children value choice and the freedom to choose what to watch

As part of our children's content review, we commissioned new qualitative research into exploring the types of content children are watching online, how they are accessing this, and the reasons why they are choosing different types of content.⁶

The findings underlined that children value being able to watch and access content when and how they choose. YouTube and Netflix were particularly valued by children for offering instant control over what they are watching, and easy access to seemingly endless, personalised content. Some parents raised concerns about what children watched independently on YouTube or Netflix on

² Ofcom, 2018. Media Nation UK: 2018. Available at:

https://www.ofcom.org.uk/_data/assets/pdf_file/0014/116006/media-nations-2018-uk.pdf

³ BARB. Children (aged 4-15), average weekly reach criteria: 15+ minutes.

⁴ Ofcom, 2019. Children and Parents: Media Use and Attitudes Report 2018. Available at:

https://www.ofcom.org.uk/_data/assets/pdf_file/0024/134907/Children-and-Parents-Media-Use-and-Attitudes-2018.pdf

⁵ Ofcom, 2018. Media Nation: 2018. Available at: https://www.ofcom.org.uk/_data/assets/pdf_file/0014/116006/media-nations-2018-uk.pdf

⁶ Ofcom, 2019. Life on the small screen: What children are watching and why. Available at:

https://www.ofcom.org.uk/_data/assets/pdf_file/0021/134832/Ofcom-childrens-content-review-Publish.pdf

personal devices. The children in the study still watched broadcast TV, but this was often parent-led. It was seen as an opportunity for the family to come together to watch soaps, quizzes or 'appointment viewing' such as *Strictly Come Dancing* or *The X Factor*.

Trends in the wider market

During our review, several stakeholders highlighted significant challenges in the current market. These include increased competition, both for viewers and for revenue, as well as broader economic conditions including the risk of structural decline in the TV advertising market. There may also be new advertising restrictions introduced around children's exposure to high fat, salt and sugar foods, arising from a Government review.

The broadcasters' plans

PSBs have an important role to play in delivering content for children

To reach today's children and future generations, broadcasters need to exploit the opportunities presented by the internet to ensure young audiences have access to high-quality and original programmes, but in ways that suit and reflect their viewing habits.

We asked the commercial PSBs to set out plans to show us how they will improve their provision for children, in terms of creative ambition, investment and genre mix, across their full range of services and platforms, and particularly to set out how they will exploit the internet.

Each commercial PSB recognises the need to innovate and they have reviewed their provision for young audiences in the light of our findings. The following section summarises their responses which include a renewed commitment to their existing services and new investment in more high-quality, original content across their TV and digital services.

ITV

"ITV makes a significant contribution to children's media in the UK, through the CITV channel which offers original commissions including Scrambled! and Spy School. CITV is the only main linear channel on free-to-air TV that regularly broadcasts content for 6-12 year olds in our weekends block. In 2019, we've increased CITV's budget for children's content by almost 10% and engaged with the Young Audiences Content Fund, aiming to commission more programmes that reflect the lives of British kids today with CITV's unique tone of voice. Our ITV News team are developing a digital news and current affairs service aimed at teenagers, an exciting next step for ITV News."

- Carolyn McCall, CEO, ITV

ITV has a dedicated commercial children's TV channel, CITV, which targets children aged 6-12. In addition, it simulcasts content from CITV on its main ITV channel on Saturday and Sunday mornings. ITV also offers a dedicated area for CITV on its on-demand player, ITV Hub.

In addition to its existing provision, ITV has committed to:

- increase the budget of CITV by almost 10% in 2019, to enable ITV to commission more original high-quality programmes for 6-12s. This content will also be available after broadcast on the ITV Hub; and
- develop a new online news and current affairs offering for 12-15s.

Channel 4

“Public service broadcasters have a significant role to play in providing children with access to high-quality, original programmes that reflect and are relevant to their lives and interests. Channel 4 has always had an incredibly powerful connection with young people and we are excited to be supercharging our existing provision for children by investing in a new teens strand on social platforms, offering short and mid-form original content. This will play a vital role in filling a gap in the market’s provision of innovative and trusted public service content for this younger teens audience.”

- Ian Katz, Director of Programmes, Channel 4

Channel 4 Corporation (“Channel 4”) has a remit to make programmes of appeal to older children, defined by Channel 4 as 10-14s, and young adults. It also provides educational content for 14-19s. The broadcaster currently fulfils its remit through commissioning mainstream, family programmes that have particular appeal to older children in peak-time, pre-watershed slots, such as *Lego Masters*; and programmes that teach life skills that may not necessarily be taught at home or at school.

In addition to its existing provision, Channel 4 has committed to:

- develop a new, digital-first service for 13-16s; this will focus on a new YouTube channel and will include new commissions especially for teenagers.

Channel 5

“We are pleased to have taken part in Ofcom’s children’s content review and its positive outcome. We have committed to doubling our investment in UK original content for Milkshake! on Channel 5, bringing even more quality programming with local flavour to our audience of British pre-schoolers.”

- Alison Bakunowich, SVP, General Manager Nickelodeon UK and Ireland, Viacom

Channel 5 children’s programming is aimed at 2-7s under its ‘Milkshake!’ brand in a morning slot on its main channel.

In addition to its existing provision, Channel 5 has committed to:

- increase the Milkshake! budget by 100%;
- increase original programme hours from 29 to 50 by 2021, representing an increase of 67% and doubling production from 160 to over 300 individual episodes; and
- continue to innovate in engaging with parents and carers through social media.

Our view

The PSBs have a collective duty to provide a range of high-quality, original programmes for children. However, each broadcaster has a different target audience, as well as different creative and commercial strategies. Our view is that these plans reflect these differences and, taken together, respond positively to the gaps we identified in our review. We also acknowledge that these plans have been developed in the face of market challenges. Importantly, these plans should deliver something new and original to young audiences across the UK.

We are encouraged by the attention given to this area by the commercial PSBs and the approaches they have taken to addressing our concerns. We consider that these plans, once fully implemented, will make an important contribution to the range and diversity of new UK content for children across the PSBs. Specifically:

- i) **Original high-quality programmes for older children across genres:** both ITV and Channel 4 are proposing new broadcast offerings aimed specifically at teenagers. ITV's will focus on innovative news and current affairs provision, while Channel 4's will focus on short and mid-form content that engages 13-15s on a key platform for this age group (YouTube).
- ii) **Programmes that help children understand the world around them:** ITV commissioned research that will shape a brand-new news and current affairs offer for teenagers. This proposal will evolve over time and would build on ITV's existing reputation for trustworthy and accurate news. We also note Channel 4's plans to include content that covers topical issues on its new service.
- iii) **Original high-quality programmes that allow UK children to see their lives on screen:** all three commercial PSBs have committed to investing additional funding in new, original programming for children of different ages. Channel 5 are targeting pre-school, ITV are targeting 6-12s and 12-15s with news, and Channel 4 are targeting 13-15s.

The commercial PSBs also stated their intention to engage with the Government's Young Audiences Content Fund. The fund is designed to stimulate provision of PSB content for younger audiences, and its priorities include supporting original programmes that inform audiences understanding of the world and reflect UK cultural identity.⁷

Next steps

Attracting young viewers now, to create the audiences of the future, is in the PSBs' long-term interests. Our research suggests that an important part of this is creating more original, UK-made programmes that children value. The commercial PSBs' plans represent a positive and significant

⁷ The Young Audiences Content Fund (YACF) is a contestable fund of £57 million, managed by the BFI and launched in April 2019. More details can be found here: <https://www.bfi.org.uk/supporting-uk-film/production-development-funding/young-audiences-content-fund>

step, but PSBs will have to continue to innovate their approach to providing stimulating and entertaining content for children and teenagers in the coming years.

We will monitor the implementation of these plans, as well as children's evolving media use and attitudes. We will also factor in the effectiveness of the PSBs' delivery as part of our upcoming PSB Review and ultimately, as part of the next PSB relicensing process. In addition, we will continue to look at the BBC's performance in catering for children as part of our responsibilities under the BBC Charter and Agreement.