



HOUSE OF COMMONS

LONDON SW1A 0AA

The Rt Hon Nadine Dorries MP
Secretary of State for Digital, Culture, Media and Sport
Department for Digital, Culture Media & Sport
100 Parliament Street
London
SW1A 2BQ

Our Ref: ALMG
1st February 2022

Dear Secretary of State,

Re: Possible Privatisation of Channel 4

I am writing to strongly urge your department to reconsider proposals to privatise Channel 4.

I say this for three main reasons, firstly I do not believe that there is an economic case to sell Channel 4. It is a publicly owned, non-profit organisation that invests its income back into commissioning content. It receives no public money and is funded entirely through its commercial activity.

The Channel buys programming from across the UK and helps to fund the creative industries in every corner of the country. Channel 4 commissioning in the UK's nations and regions is worth nearly £1bn to regional economies; it has spent £200m directly in Scotland since 2007, and supports 400 jobs.

I do not understand the economic argument to sell this asset which, as a publisher broadcaster that buys or commissions its programming from companies independent of itself, would have significantly less value to private buyers. The short term financial benefit would be insignificant compared to the long-term loss of tax generated by the supply chain in the creative arts.

Secondly, as a public broadcaster it fulfils a vital role of tackling misinformation, create change through entertainment and represent diverse communities across the country. Evidence suggests that once in private hands broadcasters prioritise shareholder returns, not broader public goals. This was pointed to in the 2016 Lords Communications Committee report that states,

"We are concerned that, notwithstanding assurances given at the point of sale, a private owner may seek to dilute C4C's public service remit in future, in order to maximise profit. We draw attention to the risk involved in a sale: once a company has passed into private ownership—particularly, as is likely, with a C4C sale, into overseas' ownership—there is no mechanism to control or influence its fate."

Finally, Channel 4 delivers on its remit. The Chief Executive gave evidence to the Digital, Culture, Media and Sport Committee stating that it was in very robust health both financially and creatively in delivering the company's remit. What justification can you give to sell off this popular, successful and resilient company?

I thank you for your attention to this matter and look forward to your response.

Kind regards

Alyn Smith MP