

Channel 4's economic, social and cultural contribution to the UK

EY report for Channel 4



Building a better working world

EY has carried out quantitative economic analysis of Channel 4's economic contribution to the UK and its Nations & Regions in terms of its contribution to the economy (measured as Gross Value Added or GVA) and jobs. Our analysis considers: economic impacts driven directly by Channel 4 such as GVA and the number of people employed by Channel 4; indirect impacts driven by the goods and services Channel 4 purchases from companies in its supply chain; and induced impacts driven by employees in Channel 4's supply chain spending their salaries on goods and services.

We analysed Channel 4's contribution to the UK as a whole, and to the Nations & Regions¹.

GVA generated by Channel 4 in the UK, 2019

Channel 4 generated **£992m** of GVA for the UK, of which

93% was economic output generated in Channel 4's supporting supply chain

Employment generated by Channel 4 in the UK, 2019

Channel 4 supported over **10,600** jobs in the UK, of which

91% represents jobs supported by Channel 4 throughout its supply chain

GVA generated by Channel 4 in the Nations & Regions, 2019

In the Nations and Regions, we look at the GVA Channel 4 generated throughout its supply chain, as direct GVA is deemed to be a UK-wide impact.


Channel 4 generated **£274m** of GVA throughout its supply chain in the Nations and Regions

Employment generated by Channel 4 in the Nations & Regions, 2019

Channel 4 supported nearly **3,000** jobs in the Nations and Regions, of which

98% related to jobs supported by Channel 4 throughout its supply chain.

¹ Defined in the Communications Act 2003 as outside the M25.



EY also carried out case study analysis to assess the breadth of Channel 4's social, cultural and economic contribution to the UK and its Nations & Regions. Our analysis was commissioned in light of Channel 4's 4 All the UK strategy, which involves establishing a new national headquarters in Leeds and two Creative Hubs in Bristol and Glasgow, as well as increasing Channel 4's spend on first-run original content in the Nations and Regions from 35%, per its quota, to 50% by 2023.

Supporting a production ecosystem in Glasgow

- ▶ Spending £148m on Scottish productions for Channel 4's main channel since 2011, supporting the growth of local producers, contributing to the Scottish economy and representing Scottish culture and values through the content it commissions
- ▶ Investing £97,000 in local producers in 2019 and taking a stake in two Scottish producers
- ▶ Developing a new Creative Hub in Glasgow, home to key creative decision makers

Providing training opportunities

- ▶ Supporting a wide range of training initiatives in line with Channel 4's remit, including the Production Training Scheme, which offers paid places at external production companies
- ▶ Targeting people with disabilities, people from Black, Asian and minority ethnic communities, and people from disadvantaged backgrounds to help improve diversity in the television industry
- ▶ In 2021 the Production Training Scheme will comprise entirely of trainees based in the Nations and Regions

Establishing a new headquarters in Leeds

- ▶ Creating over 200 Channel 4 jobs when fully established, providing opportunities for people from different backgrounds in the Nations & Regions to begin a career in television
- ▶ Building relationships between Channel 4 commissioners based in Leeds and the local external producers, helping the sector develop to the point where local producers can win more commissions with Channel 4 over time
- ▶ Supporting the development of a creative cluster in Leeds

Supporting Black, Asian and minority ethnic talent

- ▶ Committing to commissioning programmes that represent the lives of minority ethnic audiences and improving on-screen representation of minority ethnic talent
- ▶ Committing to improving diversity of off-screen talent and commissioning from more external producers led by people from minority ethnic backgrounds
- ▶ Supporting the careers of people from minority ethnic backgrounds through targeted mentoring, training and skills development

Showcasing UK culture and values to the world

- ▶ Contributing to the UK's economy through international exports of the films Film4 supports and the TV Channel 4 commissions
- ▶ Contributing to the UK's reputation abroad through film and TV exports, showcasing the diversity of contemporary life in the UK and its Nations and Regions to the rest of the world
- ▶ Nurturing talent who have gone on to have globally recognised careers, and who play a role in representing the UK to the rest of the world as a diverse creative hub

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