

PSB compliance reporting, 2010

Introduction (I)

- TV broadcasters must comply with a range of programme and output quotas that set minimum levels of types of programmes that they must show. These obligations originate in the Communications Act 2003 ('The Act') or in European legislation, and Ofcom has a duty under the Act to monitor and enforce compliance with these quotas.
- The level of regulatory intervention that Ofcom is required to apply depends on the category of broadcaster – public service broadcasters operate under much tighter regulations than multichannel operators – therefore some quotas apply across the board while others are specific to the PSBs.
- In terms of licensing and regulation, Ofcom has a direct relationship with ITV1, GMTV1, Channel 4 and Channel 5, whose licences carry specific quota compliance obligations, while the BBC is regulated jointly by the BBC Trust and Ofcom. The Trust sets the majority of the BBC's targets and monitors compliance but must consult with Ofcom before changing specific quotas, and must obtain Ofcom's agreement in setting quotas for original productions and out-of-London network productions.
- Ofcom has a duty under the Act to review and report on compliance with programme obligations and in previous years this analysis has been included in Ofcom's annual Communications Market Review or in Ofcom's Public Service Broadcasting Annual Report.

Introduction (II)

PSB quotas and the Communications Act 2003

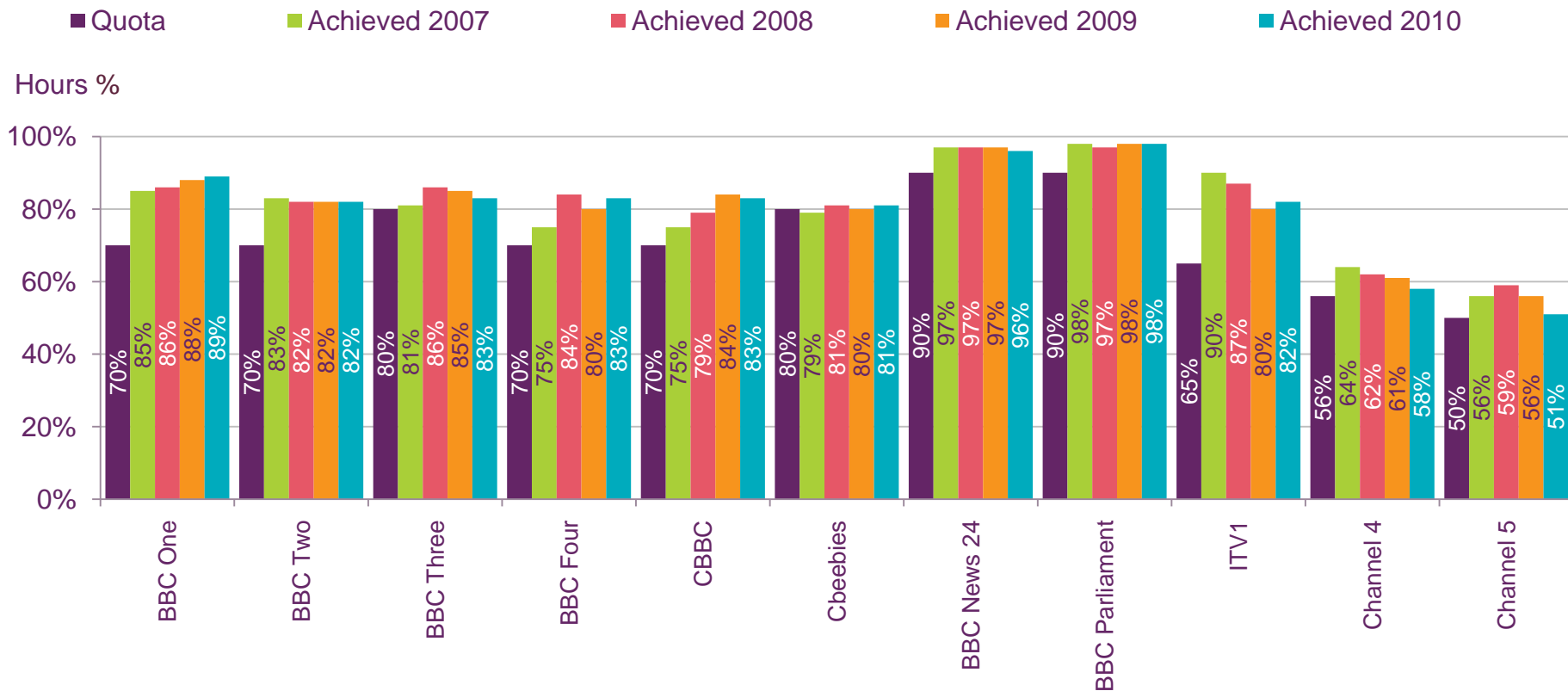
- The Act sets out a range of obligations applying to public service channels, and Ofcom sets appropriate quotas to meet these obligations. When fixing the quotas, Ofcom takes into account the individual remit of each channel and other relevant criteria. These are reviewed as necessary, and the levels may be revised up or down to allow for changes in circumstances and the broadcasting environment.
- A summary of the quotas applying to PSB channels is given below. These are applicable to the BBC's analogue and digital channels, ITV1, GMTV1, Channel 4, Channel 5 and S4C in Wales. They do not apply to the commercial broadcasters' digital services (such as ITV2, CITV, E4, More 4, Five USA, Fiver) or to other multichannel operators. This pack reports of the first five of these quotas:
 1. Original productions – programmes commissioned by broadcasters from in-house production resources or independent producers.
 2. Out-of-London productions – network programmes made in the UK outside the M25.
 3. Independent productions – programmes made by companies that are independent of broadcasters.
 4. Networked national and international news.
 5. Networked current affairs.
 6. Nations and regions programmes on Channel 3 and the BBC – made and shown in the nations and English regions (data relating to these quotas will be reported separately).

Introduction (III)

European 'AVMS' quotas

- All television broadcasters licensed by Ofcom in the UK, including multichannel operators, are subject to the obligations of the Audiovisual Media Services (AVMS) Directive.
- The AVMS Directive replaced the Television Without Frontiers (TVWF) Directive on 10 December 2007 and was transposed into UK legislation in December 2009.
- This requires that on each channel, the majority of programmes must be European (including from the UK) and at least 10% must be made by independents.
- Of these, the majority must have been made within the past five years. The European Commission publishes a report on compliance by all EU Member States every two years and the latest report can be found at <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:52009DC0309:EN:NOT>

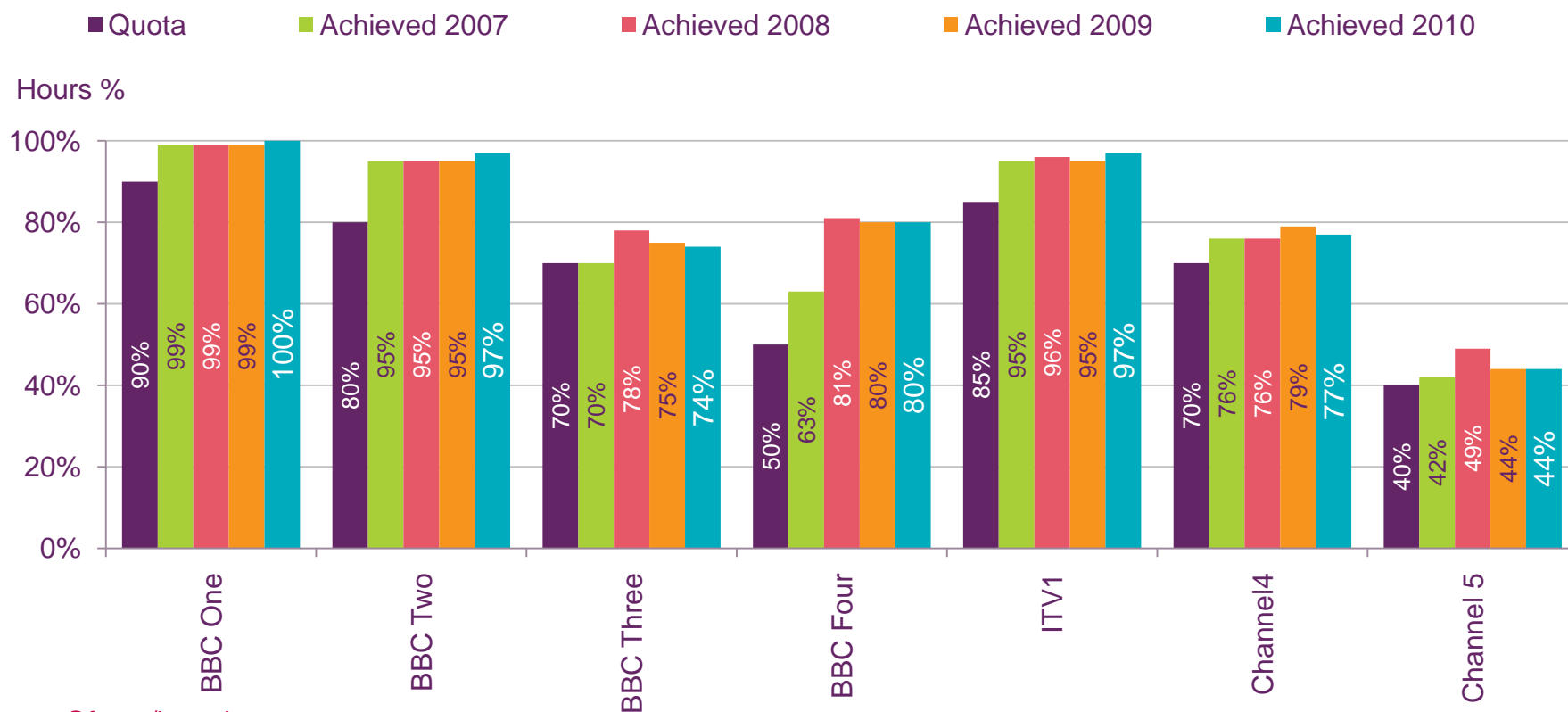
Broadcasters' performance against original production quotas, all time



Source: Ofcom/broadcasters

Note: BBC figures include programmes made or commissioned for other BBC channels. Includes repeats.

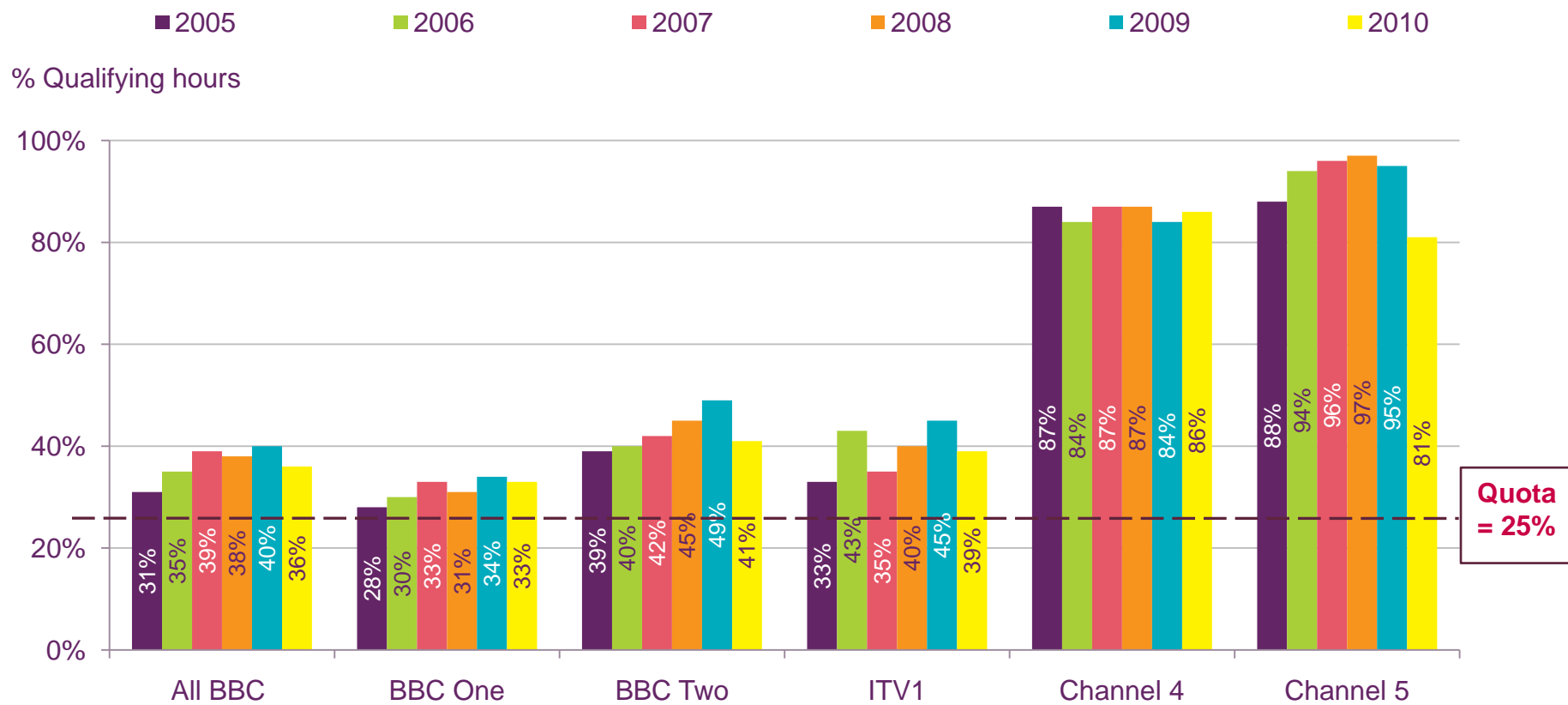
Broadcasters' performance against original production quotas, peak-time



Source: Ofcom/broadcasters

Note: BBC figures include programmes made or commissioned for other BBC channels. BBC Three and BBC Four peak-time hours run from 19:00 to midnight. Includes repeats.

Qualifying hours commissioned from independent producers

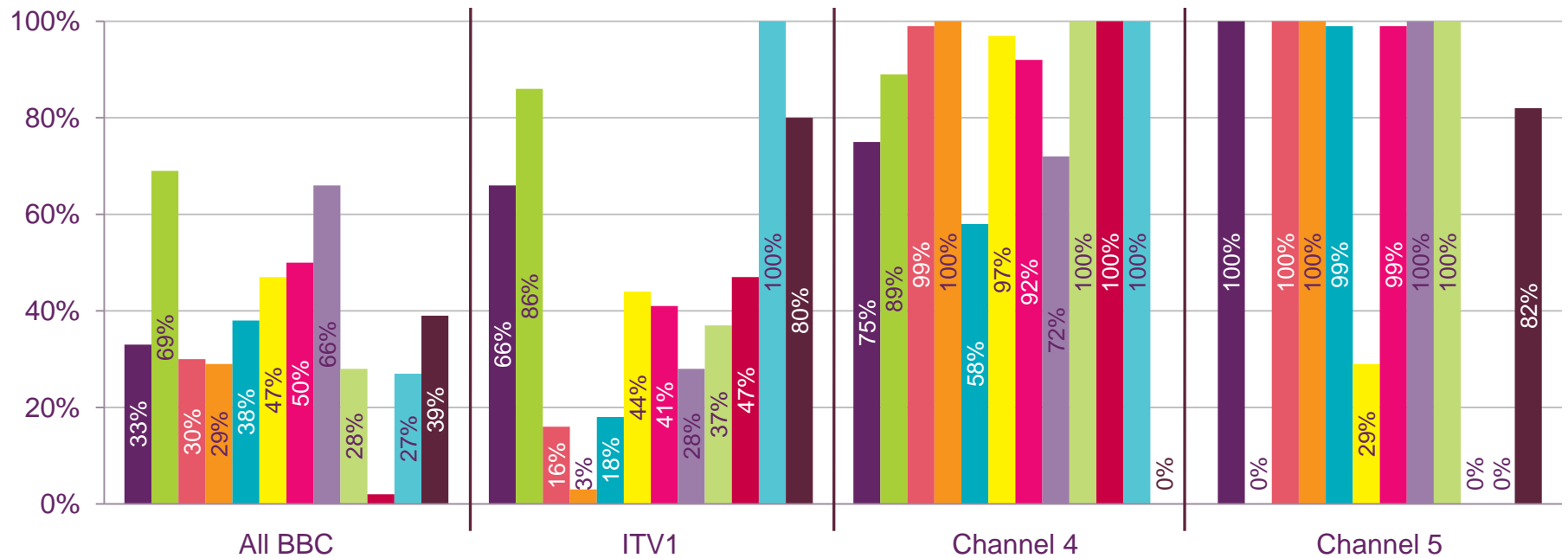


Source: Ofcom/broadcasters

Qualifying independent commissions, by genre

■ Ent ■ Comedy ■ Drama ■ Sport ■ C.Affairs ■ Factual ■ Factual Ent ■ Hob/Leisure ■ Arts ■ Music ■ Religion ■ Childrens

% Qualifying hours

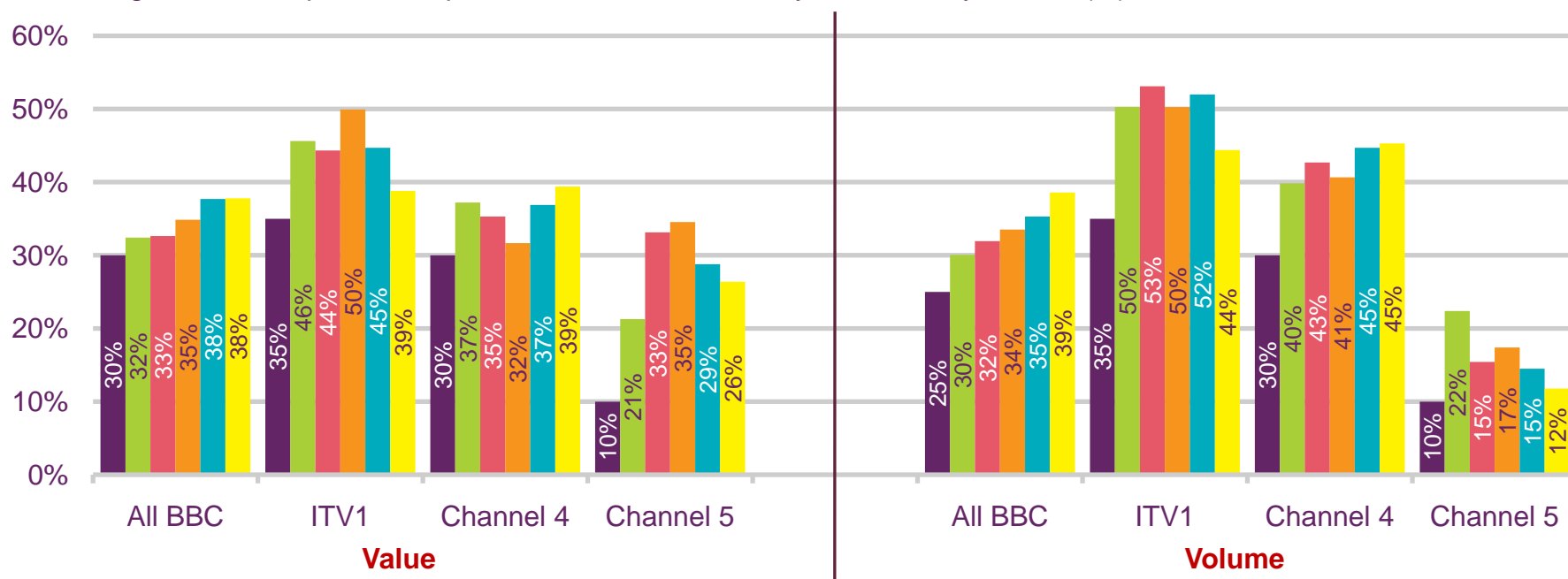


Source: Ofcom/broadcasters

Performance against the out-of-London production quotas

■ Quota ■ Achieved 2006 ■ Achieved 2007 ■ Achieved 2008 ■ Achieved 2009 ■ Achieved 2010

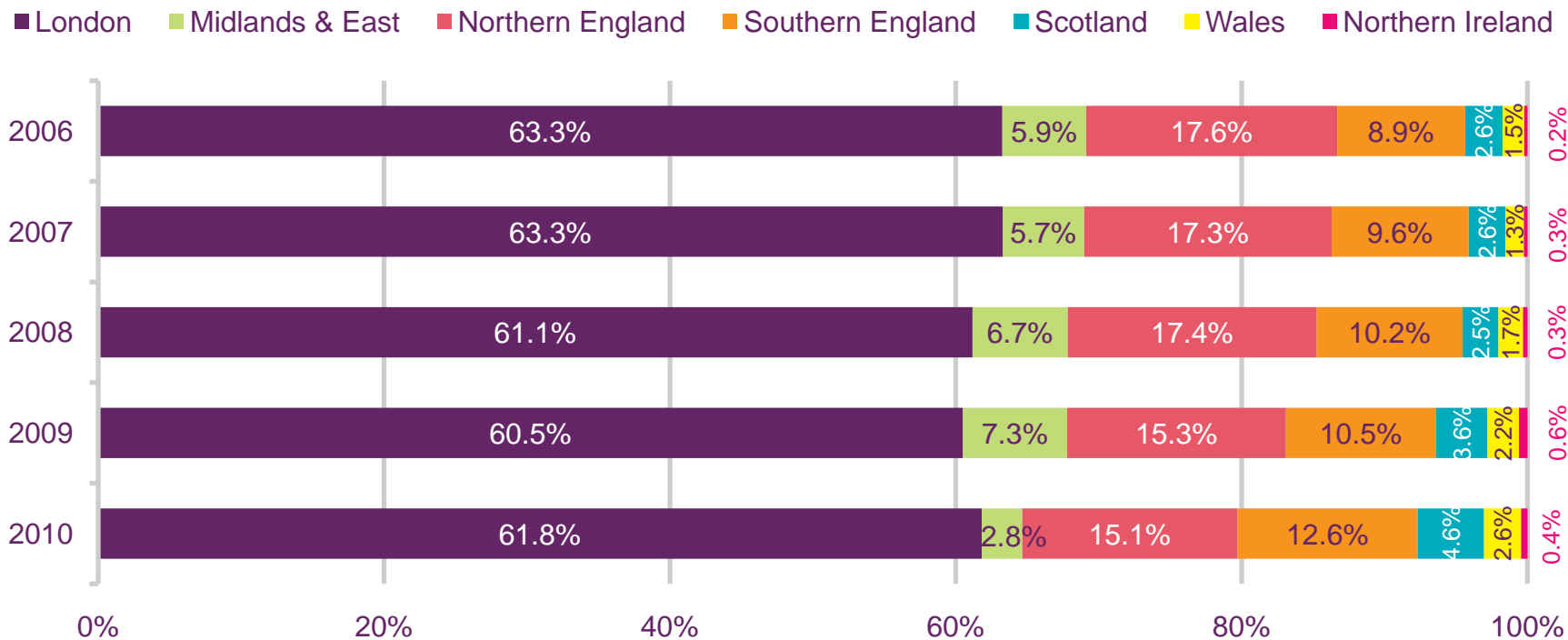
Percentage of network production produced outside London, by value and by volume (%)



Source: Ofcom/broadcasters

Expenditure on out-of-London production

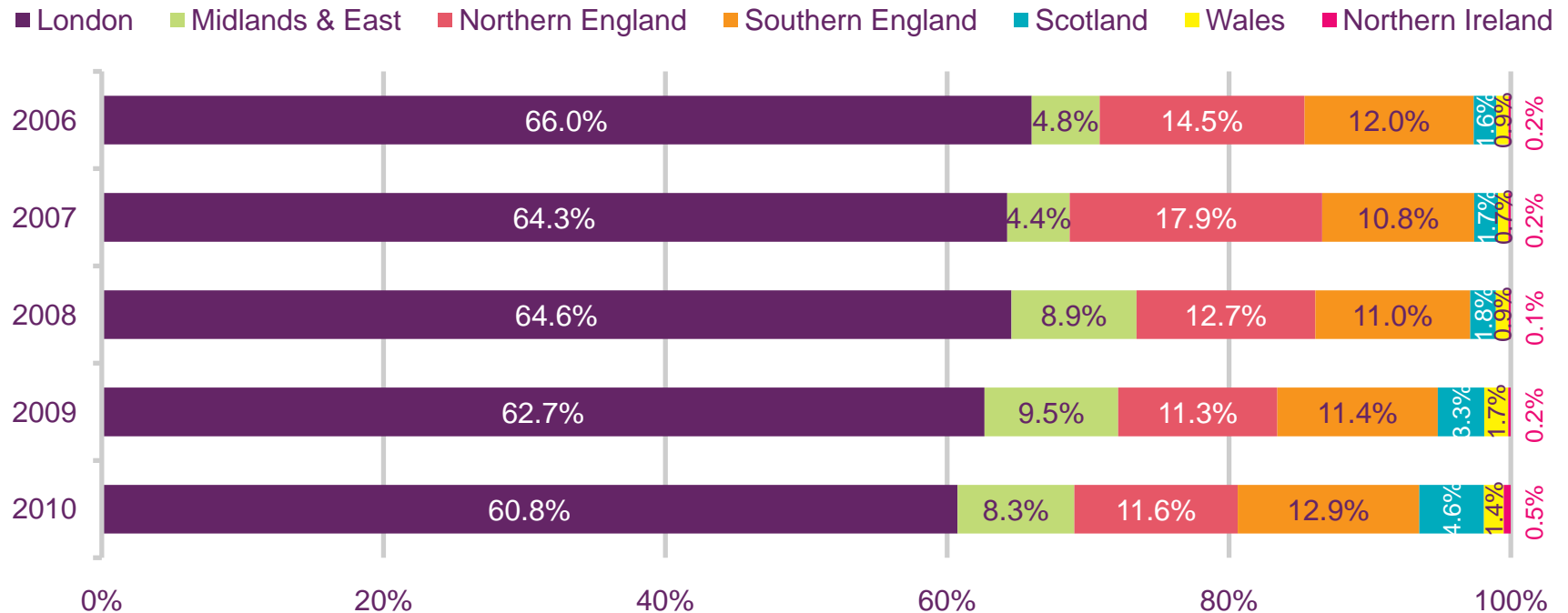
Percentage of production by value (%)



Source: Broadcaster returns

Volume of out-of-London production

Percentage of production by volume (%)



Source: Broadcaster returns

Out-of-London productions by channel/macro-region: value

Distribution of spend on qualifying productions by macro region and channel (%)

	BBC				ITV1				Channel 4				Channel 5			
	2007	2008	2009	2010	2007	2008	2009	2010	2007	2008	2009	2010	2007	2008	2009	2010
London	67.4%	65.1%	62.3%	62.2%	55.7%	50.1%	55.3%	61.2%	64.7%	68.3%	63.1%	60.6%	66.9%	65.5%	71.2%	73.6%
Midlands & East	4.1%	3.8%	3.8%	3.9%	9.2%	13.4%	14.4%	1.4%	2.1%	1.0%	2.3%	1.7%	15.4%	17.4%	16.0%	7.2%
Northern England	10.2%	8.9%	8.2%	7.7%	29.4%	31.0%	25.5%	25.4%	18.5%	18.4%	19.4%	19.7%	3.0%	5.1%	1.8%	0.1%
Southern England	12.0%	14.2%	14.0%	13.0%	3.7%	4.0%	4.1%	11.4%	12.8%	10.8%	12.4%	13.5%	12.1%	8.7%	9.0%	12.1%
Scotland	3.3%	3.7%	6.1%	7.4%	1.9%	1.4%	0.6%	0.4%	1.7%	1.4%	2.5%	4.1%	2.3%	2.9%	1.9%	6.2%
Wales	2.6%	3.5%	4.4%	5.0%	0.0%	0.1%	0.1%	0.1%	0.2%	0.0%	0.2%	0.2%	0.5%	0.5%	0.1%	0.8%
Northern Ireland	0.4%	0.6%	1.2%	0.8%	0.1%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.2%	0.0%	0.0%	0.0%	0.0%
Total Regional	32.6%	34.9%	37.7%	37.8%	44.3%	49.9%	44.7%	38.8%	35.3%	31.7%	36.9%	39.4%	33.1%	34.5%	28.8%	26.4%

Source: Broadcaster returns

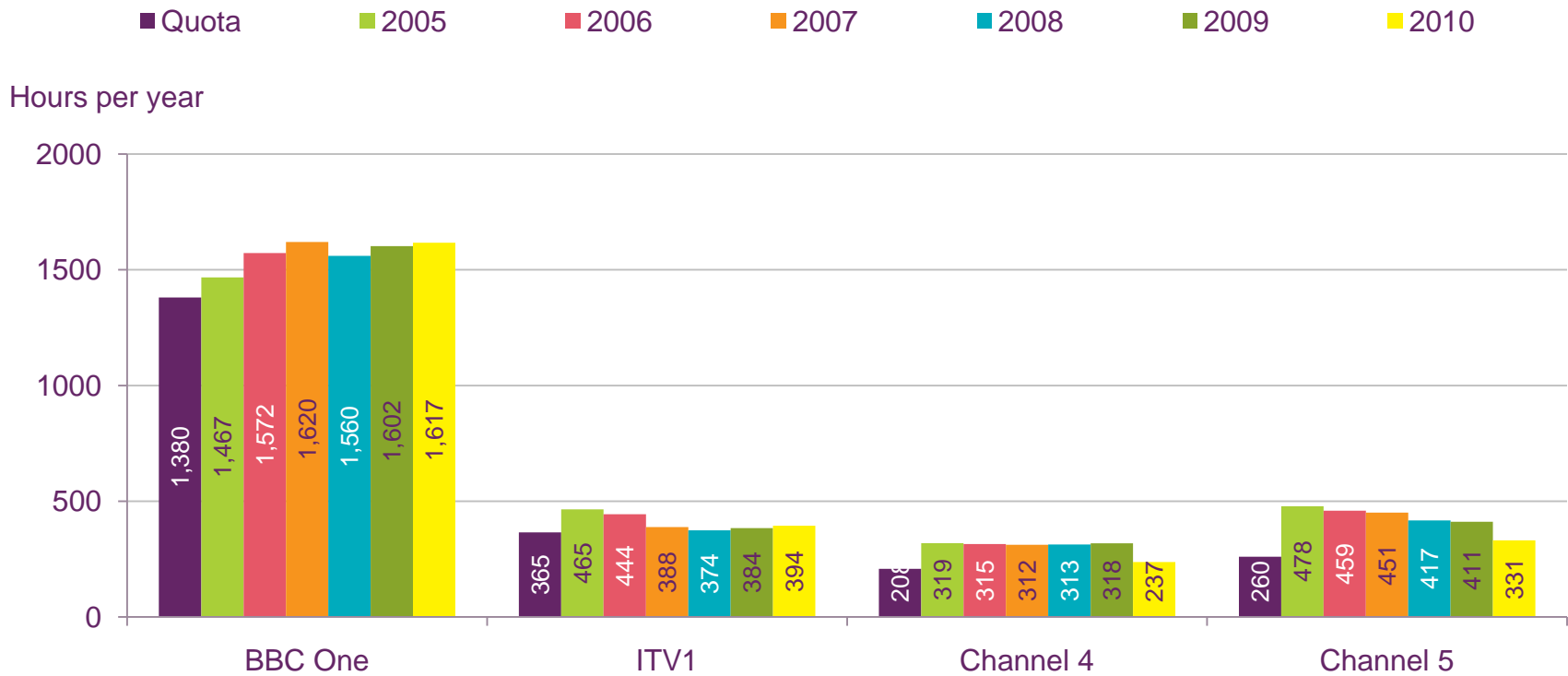
Out-of-London productions by channel/macro-region: volume

Distribution of hours of qualifying productions by macro region and channel (%)

	BBC				ITV				Channel 4				Channel 5			
	2007	2008	2009	2010	2007	2008	2009	2010	2007	2008	2009	2010	2007	2008	2009	2010
London	68.1%	66.5%	64.7%	61.4%	46.9%	49.7%	48.0%	55.6%	57.3%	59.3%	55.3%	54.7%	84.6%	82.6%	85.5%	88.2%
Midlands & East	5.8%	5.6%	5.5%	5.7%	2.9%	21.0%	25.5%	19.8%	0.5%	1.2%	1.9%	2.3%	7.1%	8.7%	6.5%	5.1%
Northern England	6.6%	5.7%	5.1%	5.0%	43.7%	24.3%	20.5%	19.3%	23.5%	22.2%	23.7%	23.3%	3.3%	4.9%	1.5%	0.1%
Southern England	14.6%	17.0%	15.7%	17.6%	6.0%	4.3%	5.7%	5.0%	16.3%	14.6%	15.3%	14.0%	4.6%	3.1%	3.3%	4.4%
Scotland	3.2%	3.4%	6.5%	7.5%	0.4%	0.3%	0.2%	0.2%	1.5%	1.4%	2.0%	3.7%	0.2%	0.6%	0.4%	1.8%
Wales	1.5%	1.5%	2.2%	2.0%	0.0%	0.2%	0.2%	0.1%	0.8%	1.3%	1.6%	1.6%	0.2%	0.2%	2.8%	0.5%
Northern Ireland	0.3%	0.3%	0.4%	0.8%	0.1%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.4%	0.0%	0.0%	0.0%	0.0%
Total Regional	31.9%	33.5%	35.3%	38.6%	53.1%	50.3%	52.0%	44.4%	42.7%	40.7%	44.7%	45.3%	15.4%	17.4%	14.5%	11.8%

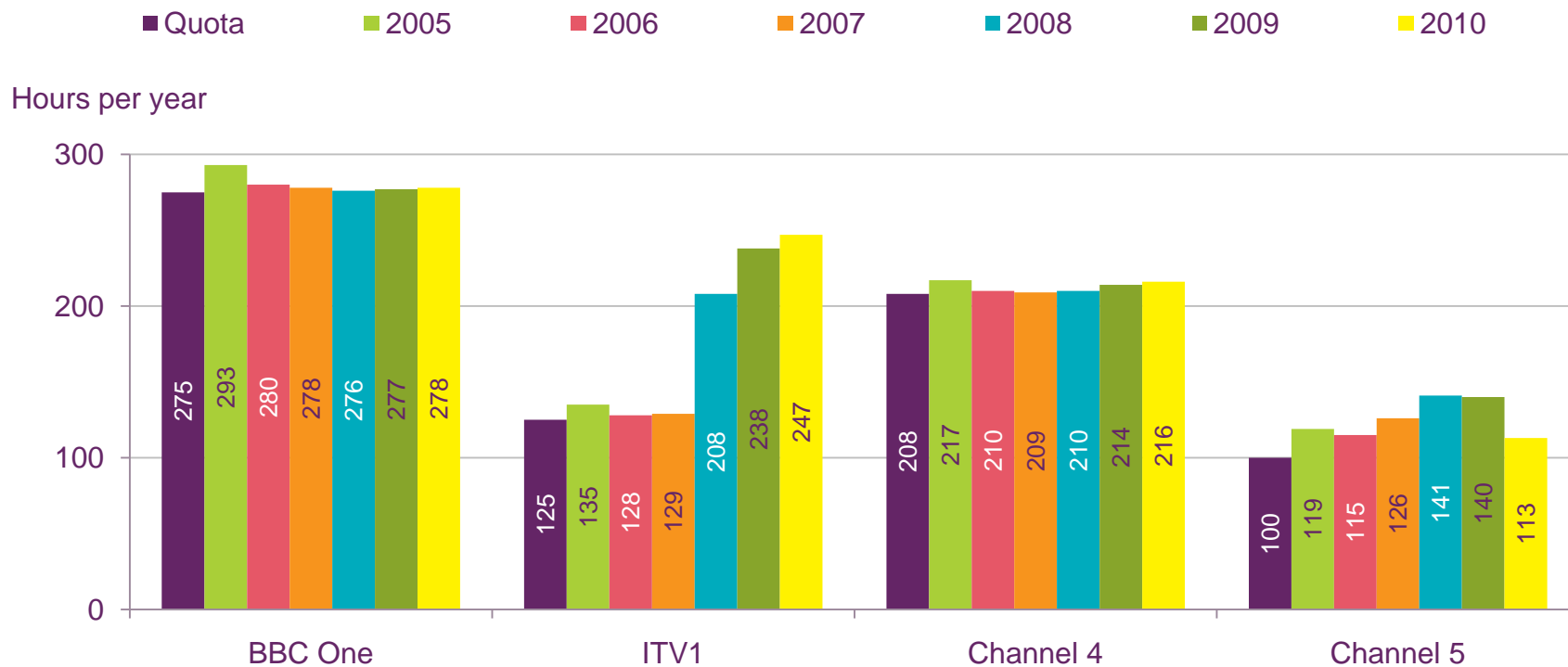
Source: Broadcaster returns

Performance against national and international news quotas, all day



Source: Ofcom/broadcasters

Performance against national and international news quotas, peak-time

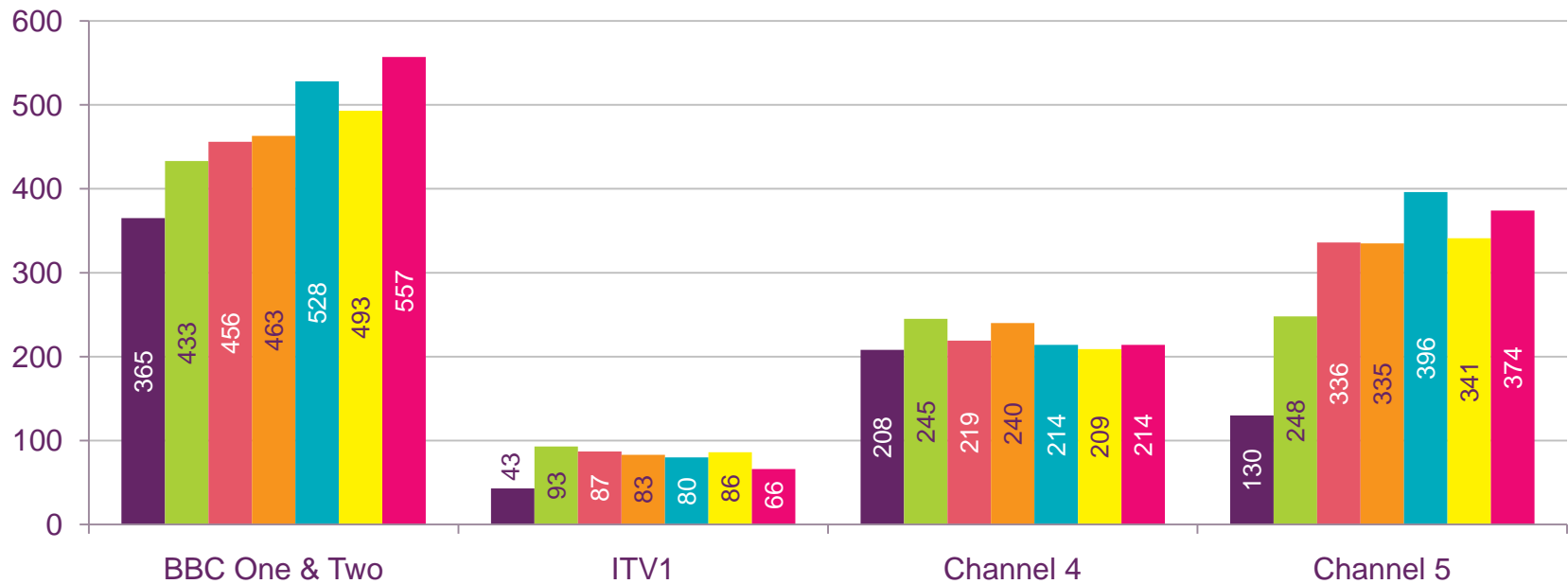


Source: Ofcom/broadcasters

Performance against current affairs, all day

■ Quota ■ Achieved 2005 ■ Achieved 2006 ■ Achieved 2007 ■ Achieved 2008 ■ Achieved 2009 ■ Achieved 2010

Hours per year

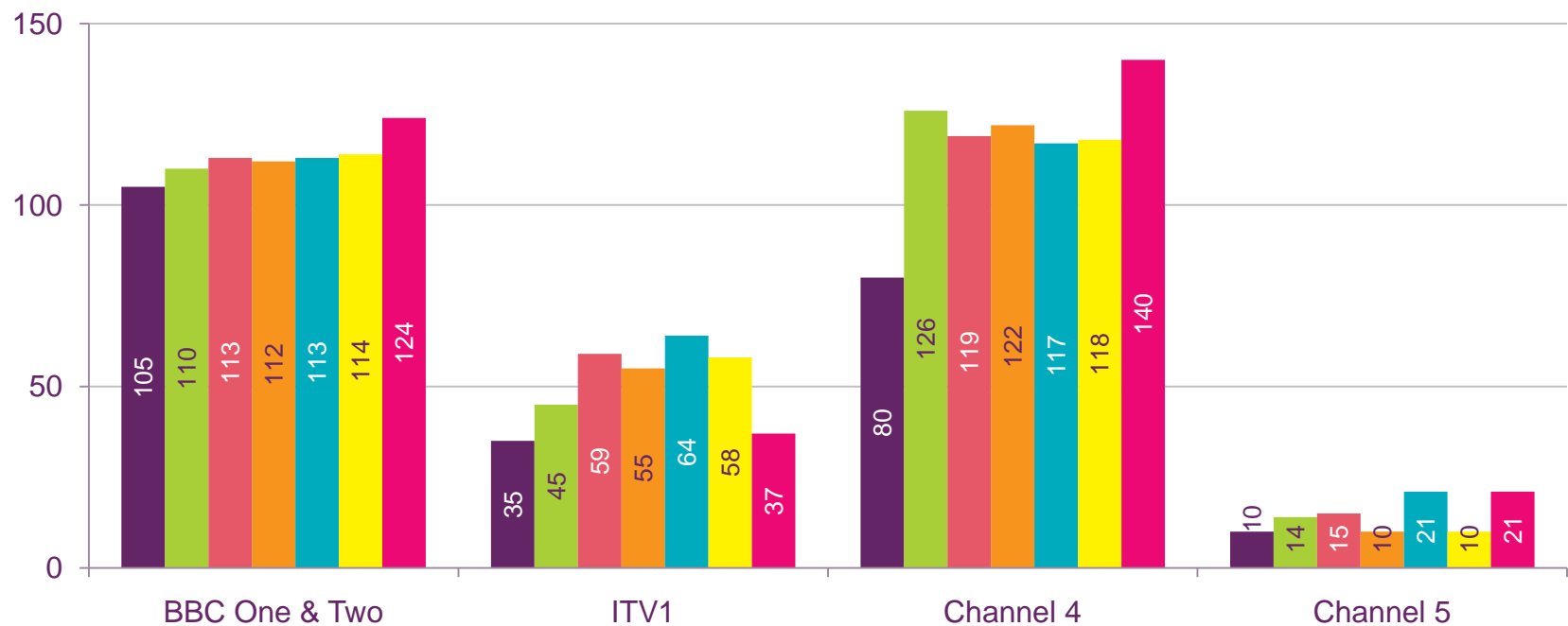


Source: Ofcom/broadcasters

Performance against current affairs quotas, peak-time

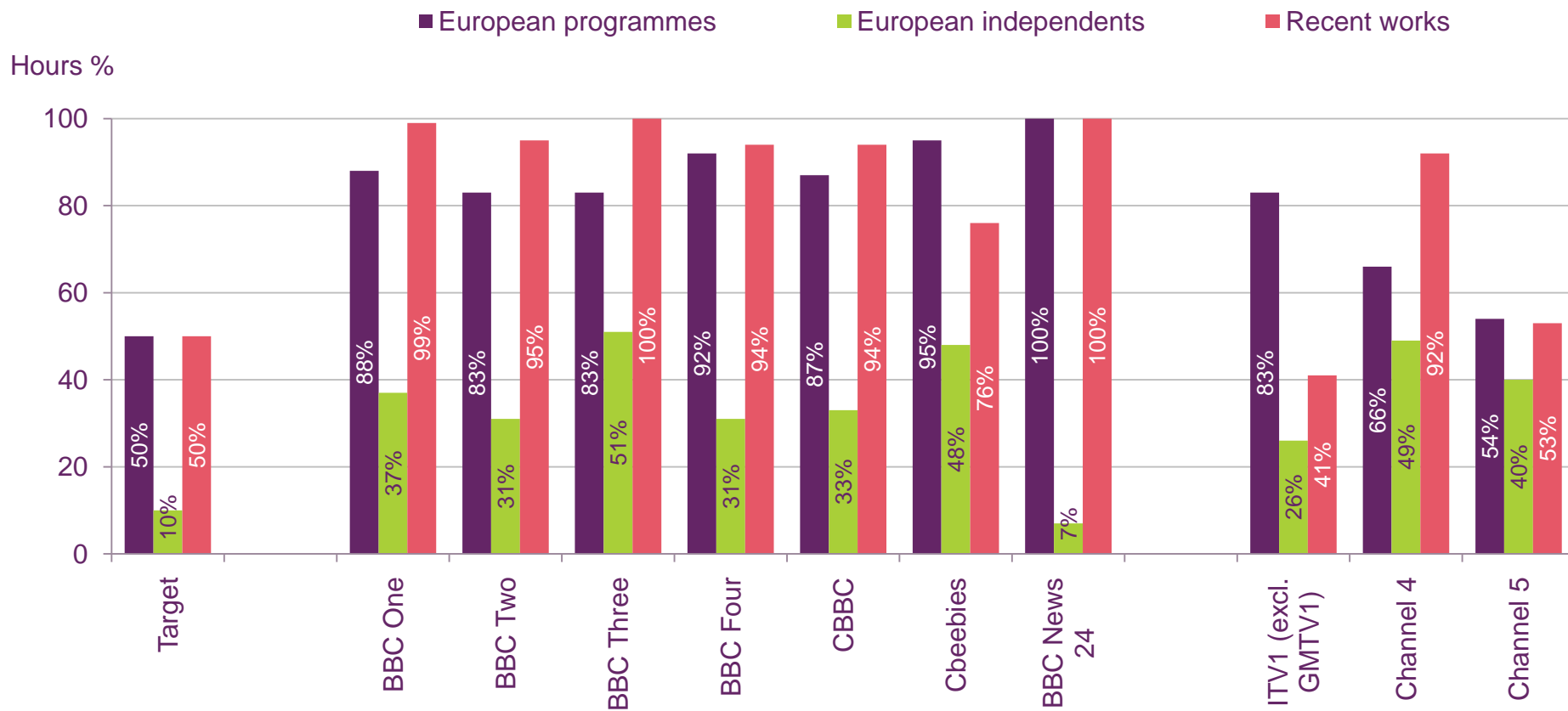
■ Quota ■ Achieved 2005 ■ Achieved 2006 ■ Achieved 2007 ■ Achieved 2008 ■ Achieved 2009 ■ Achieved 2010

Hours per year



Source: Ofcom/broadcasters

Performance against European programming requirements, 2010



Source: Ofcom/broadcasters