

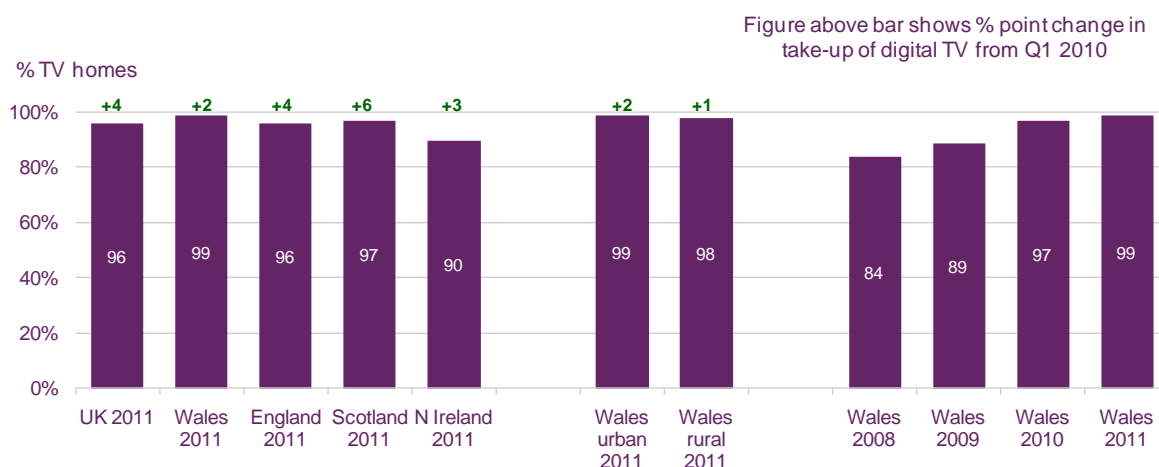
2 Television and audio-visual content

2.1 Digital television take-up in Wales

Virtually all TV homes in Wales receive digital television

Digital switchover in Wales is now complete. Virtually all homes with a TV in Wales (99%) now report that they have access to a digital television service. The remaining 1% of homes which claim that they receive analogue terrestrial TV may be misunderstanding the question, or possibly receiving their service from transmitters across the border in England.

Figure 2.1 Digital television take-up in Wales



Source: Ofcom research, Q1 2011

Base: All adults aged 16+ with a TV in household (n = 3412 UK, 483 Wales, 1941 England, 479 Scotland, 509 Northern Ireland, 234 Wales urban, 239 Wales rural, 797 Wales 2008, 970 Wales 2009, 1060 Wales 2010, 483 Wales 2011)

QH1a. Which, if any, of these types of television does your household use at the moment?

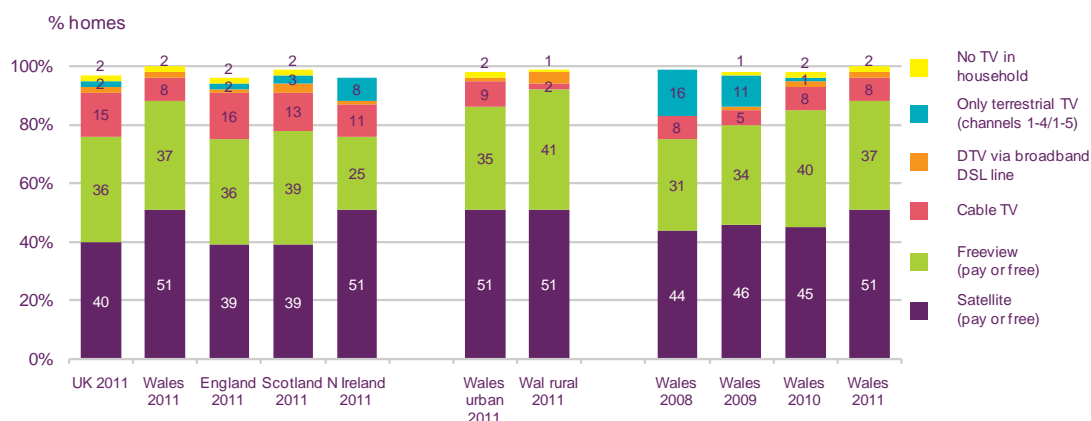
Satellite remains the most widely-used platform on main TV sets in Wales

The mix of platforms used to view digital television in Wales remains broadly similar to last year. Satellite was the most common, with lower levels of cable television take-up than in the other nations (largely because of the lower levels of cable availability in Wales).

Over the past year, the proportion of homes in Wales with satellite TV (whether pay or free) has increased by six percentage points to 51%.

Sixty per cent of adults with a TV at home in Wales have a pay TV service, an increase of seven percentage points since Q1 2010. This compares to 57% of homes taking a pay-TV service across the UK.

Figure 2.2 Main set TV share in Wales, by platform



Source: Ofcom research, Q1 2011

Base: All adults aged 16+ (n = 3474 UK, 493 Wales, 1983 England, 487 Scotland, 511 Northern Ireland, 241 Wales urban, 252 Wales rural, 811 Wales 2008, 987 Wales 2009, 1075 Wales 2010, 493 Wales 2011)

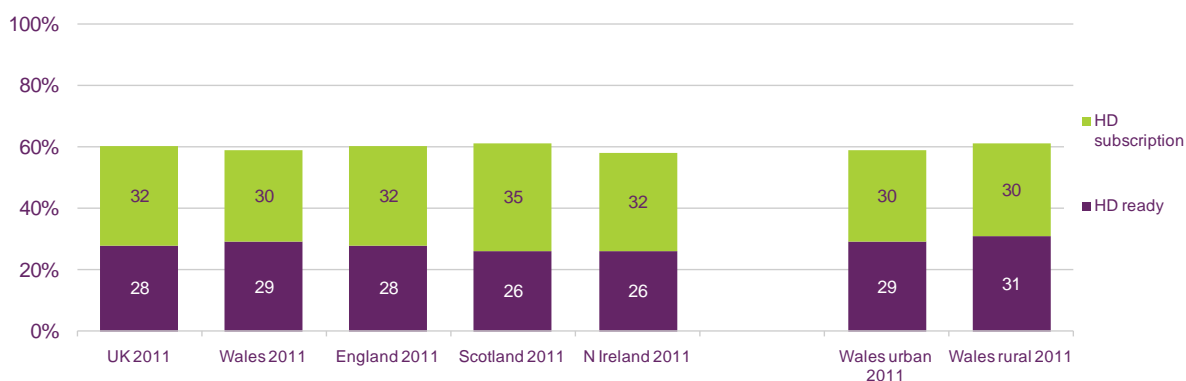
QH1a. Which, if any, of these types of television does your household use at the moment?

2.2 Access to high-definition TV

Three in ten people in Wales have HDTV channels

Six in ten (59%) homes in Wales have an HD-ready TV set, and about half of these also claim to have access to HDTV channels (via cable, satellite or DTT). This equates to 30% of adults in Wales having access to HDTV channels, marginally below the UK average (32%). The most commonly used platform to access HDTV channels in Wales is Sky (used by 66% of HDTV viewers), followed by Freeview (23%) and Virgin Media (7%).

Figure 2.3 Proportion of homes in Wales with HD-ready TV sets and HDTV



Source: Ofcom research, Q1 2011

Base: All adults aged 16+ (n = 3474 UK, 493 Wales, 1983 England, 487 Scotland, 511 Northern Ireland, 241 Wales urban, 252 Wales rural)

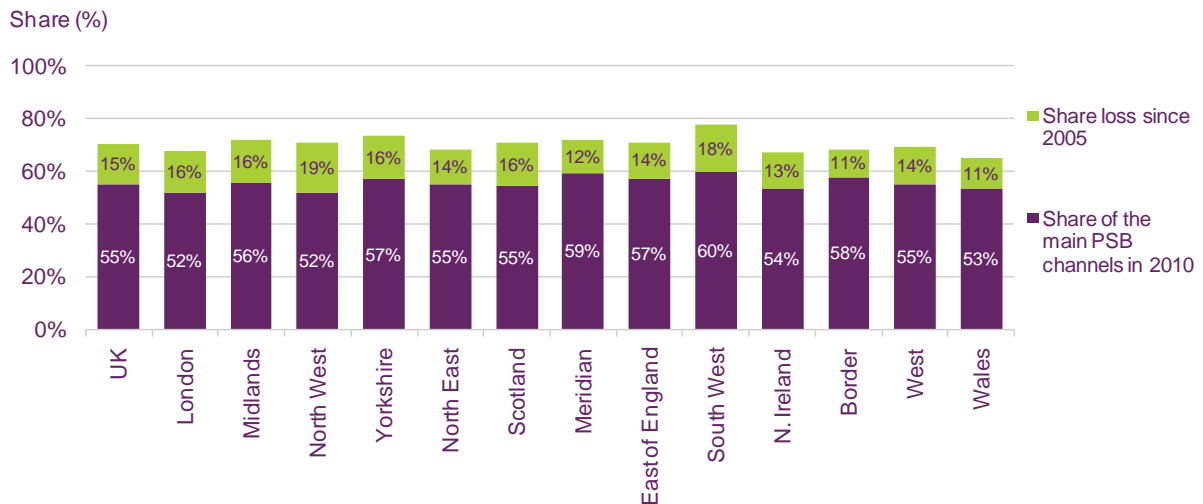
QH53. Is the main TV in your household an HDTV set or HD-ready?/ QH54. For the main TV set, does your household have an HD TV service – from either Sky, Virgin Media, Freesat or Freeview?

For information on consumption of audio-visual content over the internet, see Figure 4.3.

2.3 Broadcast television viewing

There was an 11 percentage point (pp) reduction in the combined share of the main PSB channels in Wales over five years (which stood at 53% in 2010). This reduction was less than the average reduction across the UK (of 15 pp) and lower than the reductions experienced everywhere else in the UK except Border.

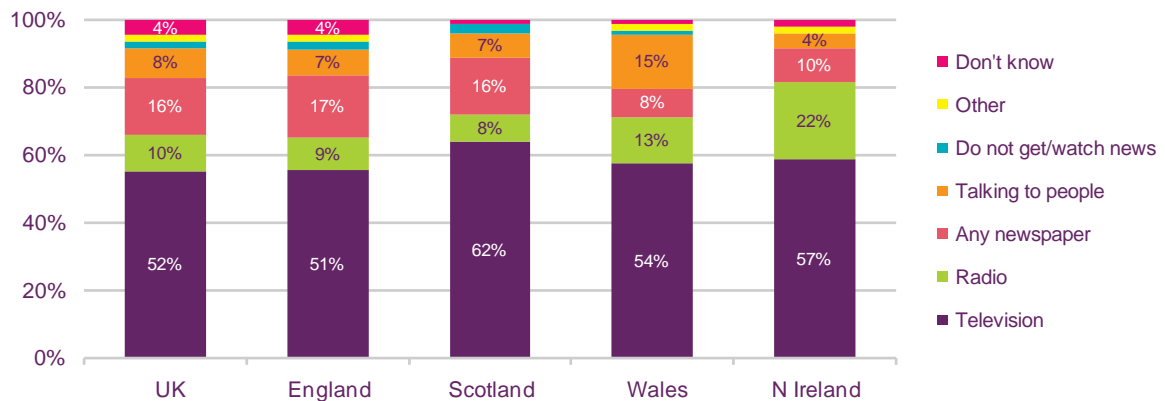
Figure 2.4 Reduction in combined share of the five PSB channels, all homes: 2005 & 2010



Source: BARB

In 2010, 54% of adults in Wales said that TV was their main source of local news, marginally higher than the UK average of 52%. "Talking to people" was mentioned by 15%, significantly higher than the UK average of 8%.

Figure 2.5 Sources of local news in each nation: 2010



Source: Ofcom Media Tracker 2010

Base: All adults 15+. n = 2,141 (UK), 1,726 (England) 194 (Scotland), 113 (Wales), 108 (NI)

Only responses ≥ 4% labelled

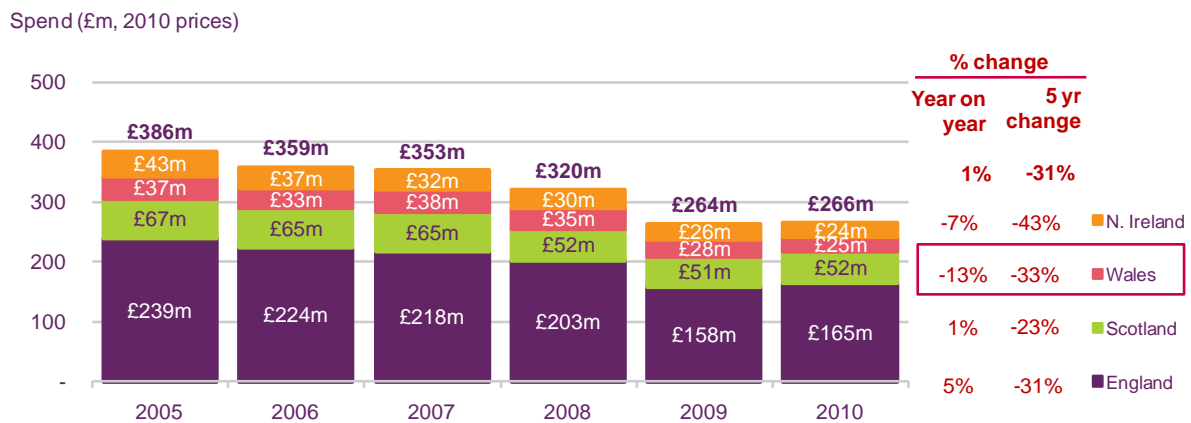
'Can you tell me what, if anything, is your main source of news about what is going on in your own local area?'

2.4 Spending by PSBs on TV content for viewers in Wales

A total of £266m was spent by the BBC and ITV/STV/UTV on producing programmes specifically for viewers in Wales, Scotland, Northern Ireland and the English regions in 2010. This was up by £2m (1%) on 2009.

At £25m, total spend on content for viewers in Wales was down by 13% year on year, representing the largest year-on-year reduction across the four nations; over five years, spend was down by 33%, compared to a UK-wide reduction of 31%.

Figure 2.6 Spend on originated nations and regions output by the BBC, ITV1/STV/UTV



Source: Broadcasters. All figures expressed in 2010 prices.

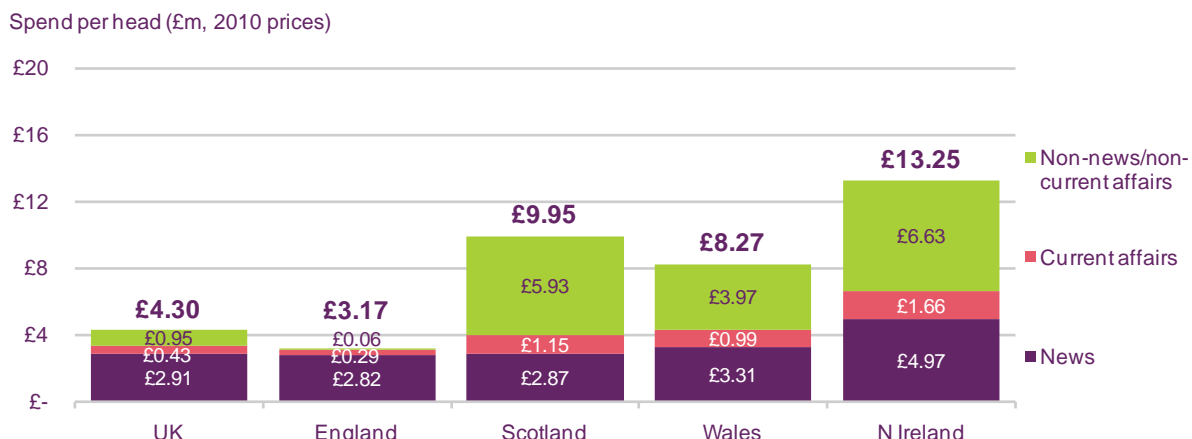
Note: Spend excludes Gaelic and Welsh language programming but includes some spend on Irish language programming by the BBC. Note that these figures supersede those published in previous reports; the index used to convert the data to 2010 prices in this report is CPI (RPI was used in previous editions); some historic data points have been restated.

Change in spend/head by genre

Compared to 2009, Wales' expenditure on news saw the most significant increase across the nations, at 22%. Conversely, year-on-year spending on non-news/non-current affairs in Wales is down by 32%. As a whole, UK-wide spending on news witnessed a year-on-year increase of 3%, whereas non-news/non-current affairs saw an 8% decrease.

Figure 2.7 below shows that expenditure per head of population in Wales is down 13%; from £9.46 in 2009 to £8.27 in 2010, the largest reduction among the four nations. In Wales, spend per head on non-news/non-current affairs accounted for 48% of total spend in 2010; news accounted for a further 40% with current affairs making up the final 12%.

Figure 2.7 Spend per head made by the BBC and ITV1 in national and regional output

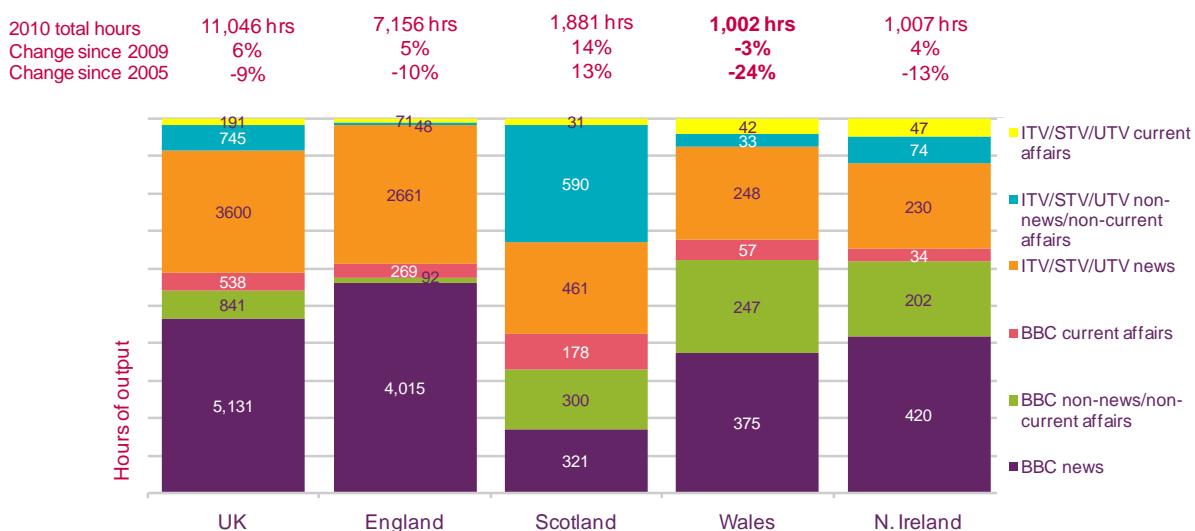


Source: PSB returns. Note that these figures supersede those published in previous reports; the index used to convert the data to 2010 prices in this report is CPI (RPI was used in previous editions); some historic data points have been restated. Spend excludes Gaelic and Welsh language programming but includes some spend on Irish language programming by the BBC. All figures expressed in 2010 prices.

Hours of output of content for viewers

The BBC and ITV1/STV/UTV produced a total of 11,046 hours of programmes for the English regions, Scotland, Wales and Northern Ireland in 2010, up by 6% from 10,439 hours in 2009. The number of hours produced specifically for viewers in Wales in 2010 was down by 3% from 1,036 hours in 2009, compared to a 24% decline since 2005. Hours of current affairs output from ITV1 Wales and the BBC was up year on year by 8% and 10% respectively.

Figure 2.8 Hours of regionalised output by genre and broadcaster: 2010

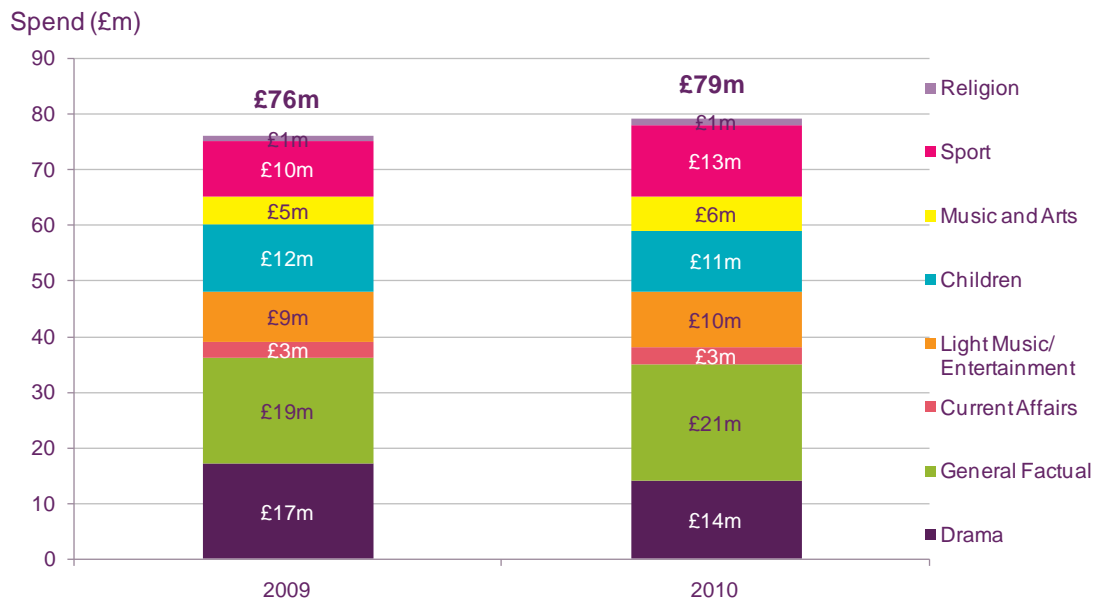


Source: PSB returns. Note: Hours data for first-run originations only. Hours exclude Gaelic and Welsh language programming but include some spend on Irish language programming by the BBC

Investment and hours of Welsh-language output

Viewers in Wales also benefit from the Welsh language television service S4C. The broadcaster spent a total of £79m on first-run programming in 2010, a 3% increase in nominal terms on 2009. All genre categories apart from drama and children's programming saw year-on-year increases in spending. Similarly, with the exception of drama, all categories also saw annual increases in the number of first-run hours broadcast, with total first-runs rising by nearly a quarter (24%) between 2009 and 2010 to 1,786 hours.

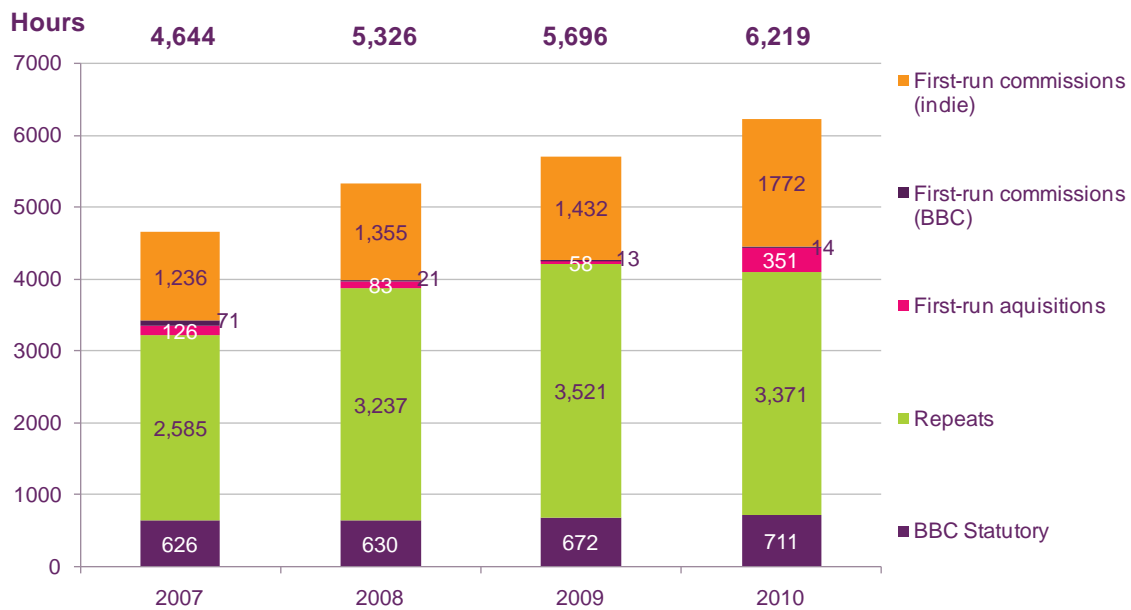
Figure 2.9 Spend by S4C on first-run Welsh-language programming



Source: S4C Annual Report (<http://www.s4c.co.uk/abouts4c/annualreport/acrobats/s4c-annual-report-2010.pdf>)

The total number of hours broadcast by S4C in 2010 increased by 9% year on year, bringing the total to 6,219 hours. Repeats made up the majority of the channel's output in 2010 although repeated hours were down by 4% from 2009. The number of first-run acquisitions saw a six-fold increase (from a small base) bringing the 2010 total to 351 hours, the biggest relative increase across the categories.

Figure 2.10 Type of Welsh-language output on S4C, by hours



Source: S4C Annual Report (<http://www.s4c.co.uk/abouts4c/annualreport/acrobats/s4c-annual-report-2010.pdf>)

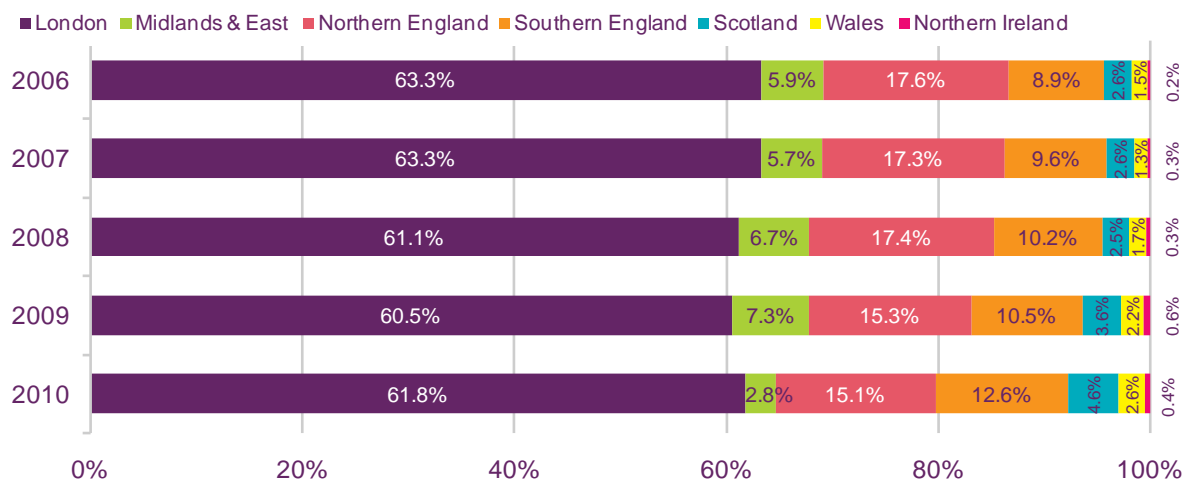
2.5 PSB television quota compliance

Figure 2.11 illustrates the distribution of spend on qualifying first-run commissioned content in 2010 by PSB channels. Just over 60% of qualifying expenditure (61.8%) was devoted to productions made in the M25 area. This figure rose a little (by 1.3 percentage points) from 60.5% in 2009, but was down from 63.3% in 2006. A further 15% of first-run spending was captured by producers based in the North of England (on a par with 2009) and 12.6% in Southern England (up from 10.5% in 2009).

In Wales, first-run productions accounted for 2.6% of expenditure, up from 2.2% of total expenditure in 2009. In Scotland, the figure rose from 3.6% to 4.6%. In Northern Ireland, the figure fell from 0.6% of total spending on first-runs to 0.4%.

Figure 2.11 Expenditure on out-of-London productions

Percentage of production by value



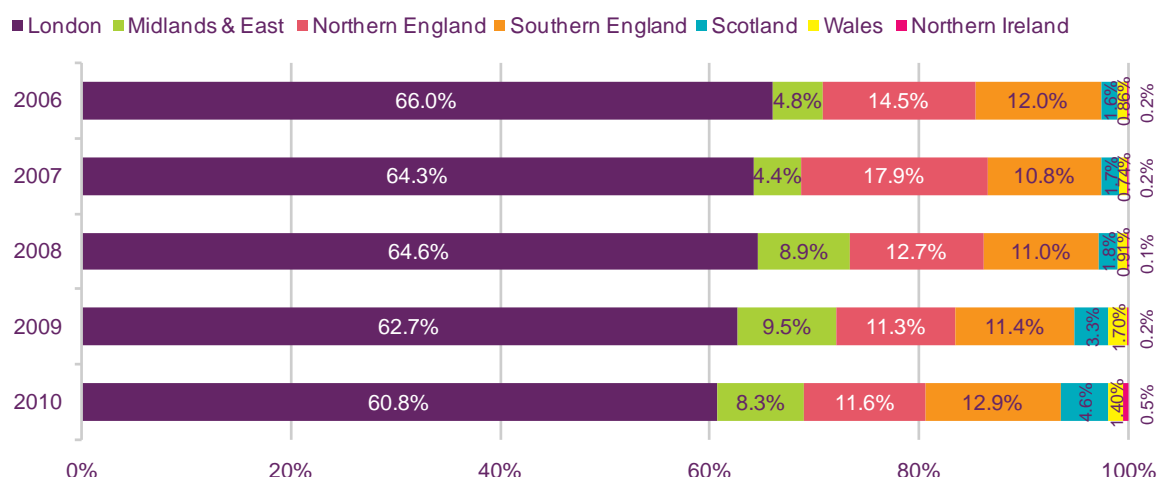
Source: Ofcom/broadcasters

Of first-run programmes made in the UK in 2010, 60.8% were produced within the M25, down from 62.7% in 2009 and 66% in 2006. A further 11.6% were produced in Northern England, 12.9% in Southern England and 8.3% in the Midlands and East (a rise in each case compared to the 2009 figures – 11.3%, 11.4% and 9.5% respectively).

Producers in Wales delivered 1.4% of all first-run hours during 2010, (down from 1.7% in 2009 but still up on the 0.9% figure for 2006), while the comparable figure for Scotland was 4.6%, up from 3.3% twelve months earlier (and up from 1.6% in 2006). First-run hours produced in Northern Ireland rose from 0.2% in 2009, to 0.5% in 2010 (Figure 2.12).

Figure 2.12 Volume of out-of-London productions

Percentage of production by volume



Source: Ofcom/broadcasters