

Annual PSB Nations & Regions Compliance Report

September 2017

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Introduction

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, The Act requires Ofcom to set specific quota compliance obligations in the Channel 3 (held by ITV plc, STV plc), Channel 4 and Channel 5 licences.
- On 3 April 2017, Ofcom became the first external regulator of the BBC. Under the Charter and Agreement, Ofcom must set an operating licence for the BBC's UK public services containing regulatory conditions. We are currently consulting on the proposed quotas as set out in the draft operating licence published on 29 March 2017. See <https://www.ofcom.org.uk/consultations-and-statements/ofcom-and-the-bbc> for further details. As our new BBC responsibilities did not start until April 2017 and this report is based on 2016 data, the BBC quotas reported on herein were set by the BBC Trust.
- In this report, BBC Three data includes only the broadcast hours prior to the channel moving to online only, in February 2016.

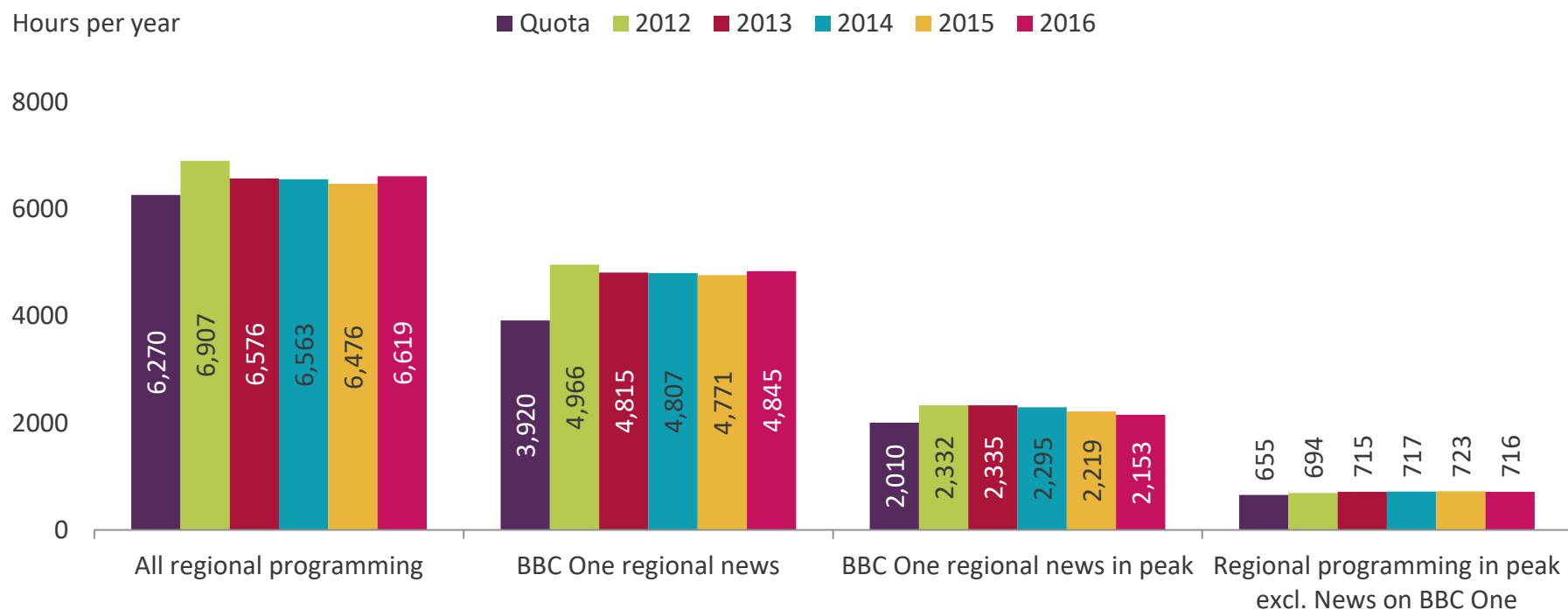
Introduction

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 setting the quotas, Ofcom takes into account the individual remit of each channel and other relevant criteria. The levels are reviewed as necessary.
- This pack reports on the programmes on Channel 3, the BBC and S4C, made and shown in the nations and English regions. It also sets out delivery of original production and independent quotas by the Channel 3 English and nations licences.
- Channel 3 licences were amended at the beginning of 2014 after consultation in 2013. As a result the number of regional programming minutes required in most regions in England was reduced from 240 to 150 per week but this programming was required to be more localised. Further information is available at <https://www.ofcom.org.uk/consultations-and-statements/category-1/c3-c5-obligations> paragraphs 1.6 to 1.17. and the full statement can be downloaded at <http://stakeholders.ofcom.org.uk/binaries/consultations/c3-c5-obligations/statement/statement.pdf>. Further information on the definition of Regional Programming can be found at https://www.ofcom.org.uk/data/assets/pdf_file/0019/87040/Regional-production-and-regional-programme-definitions.pdf and a list of the current regional channel 3 licences can be viewed at <http://licensing.ofcom.org.uk/tv-broadcast-licences/current-licensees/channel-3/>.
- The ITV Border region straddles the border between England and Scotland. After consultation in 2013 the licence obligation was amended at the beginning of 2014 to include a further 1 hour and 30 minutes of Current Affairs programming broadcast in the Scottish sub region only for viewers in Scotland. This programming could be shared with other regions in Scotland. This brings the amount of Current Affairs programming broadcast in the Scottish sub region of ITV Border for viewers in Scotland in line with the rest of Scotland. Further information is available at <https://www.ofcom.org.uk/consultations-and-statements/category-1/c3-c5-obligations>, paragraphs 1.18 to 1.21.

The BBC's performance against nations and regions quotas

Performance against quota, 2012-2016



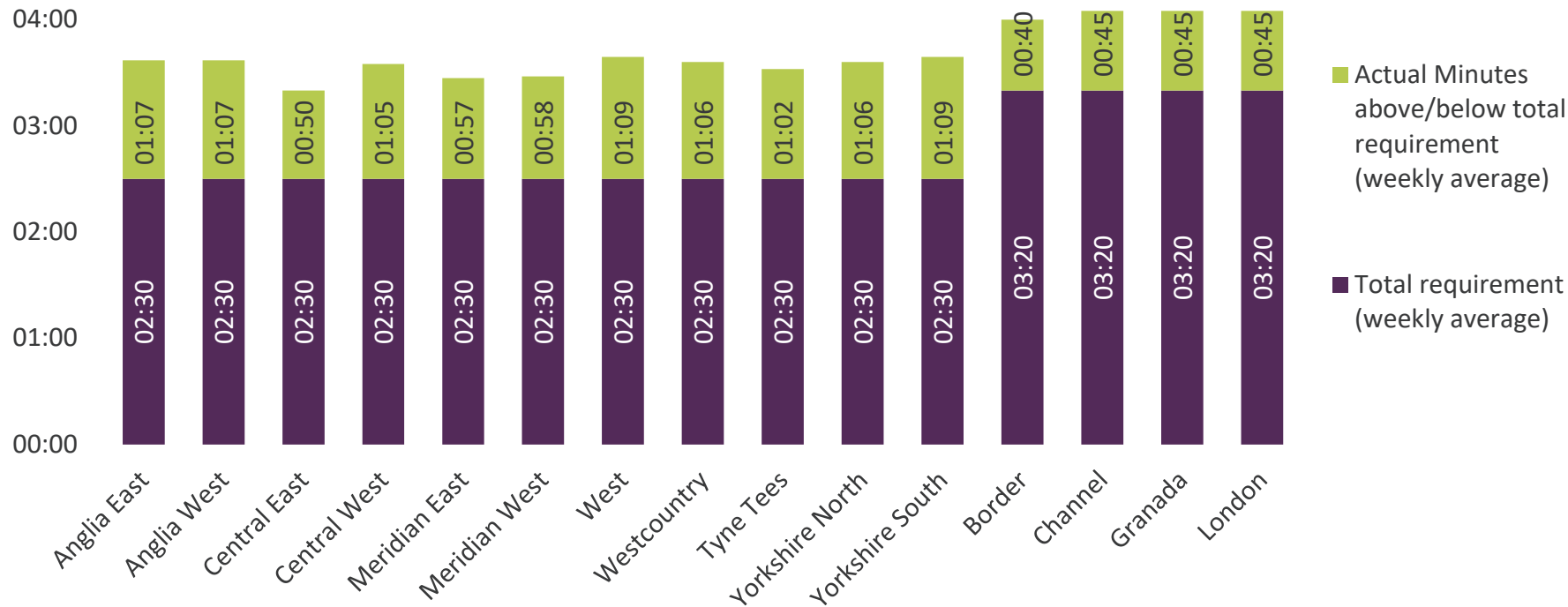
Source: Ofcom/broadcasters. First-run, originated hours.

Note: quotas for regional programming in peak (excl. news on BBC One) and for all regional programming were revised in 2009. For further information on the BBC's performance against other quotas see the BBC 2016/17 Annual Report.

England Channel 3 licensees' performance against regional programming quotas (total minutes), 2016

Performance against quota, 2016

Hours and minutes per week



Source: Ofcom/ ITV. Regional programming hours only.

Note: Minutes includes all regional programming including individual regions' output and output shared across multiple regions. For reporting purposes Granada is taken as a proxy for Channel & London. For further information on legislation changes see the Introduction.

England Channel 3 licensees' performance against quota of programming unique to the sub-region, 2016

Performance against quota, 2016

Hours and minutes per week



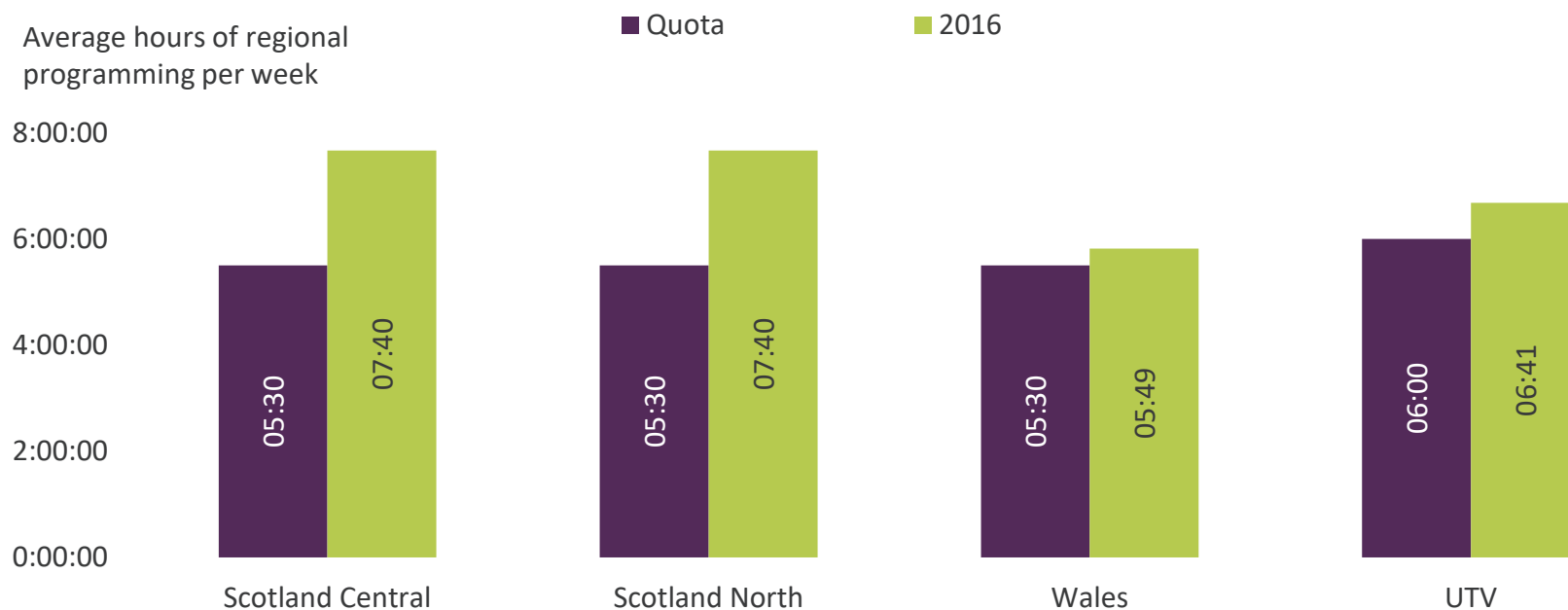
Source: Ofcom/ ITV. regional programming hours.

Note: Minutes includes all regional programming broadcast in the region specifically for the region and not broadcast on a shared basis with other regions. For further information on legislation changes see the Introduction (II).

*After changes in legislation (see the Introduction (II) slide for details), ITV Border was required to broadcast 1:30 hours per week of local interest programming in the ITV Border Scotland sub-region (Selkirk) in addition to the 3:00 hour requirement for the whole Border region. This requirement was introduced to ensure viewers in the Scottish part of the ITV Border region were served with local programming considered to be of greater interest to Scottish viewers in the Border region, in line with other Scottish regions. This content can be shared with other Scottish regions.

Channel 3 nations licensees' performance against non-network quotas

Performance against quota, 2016

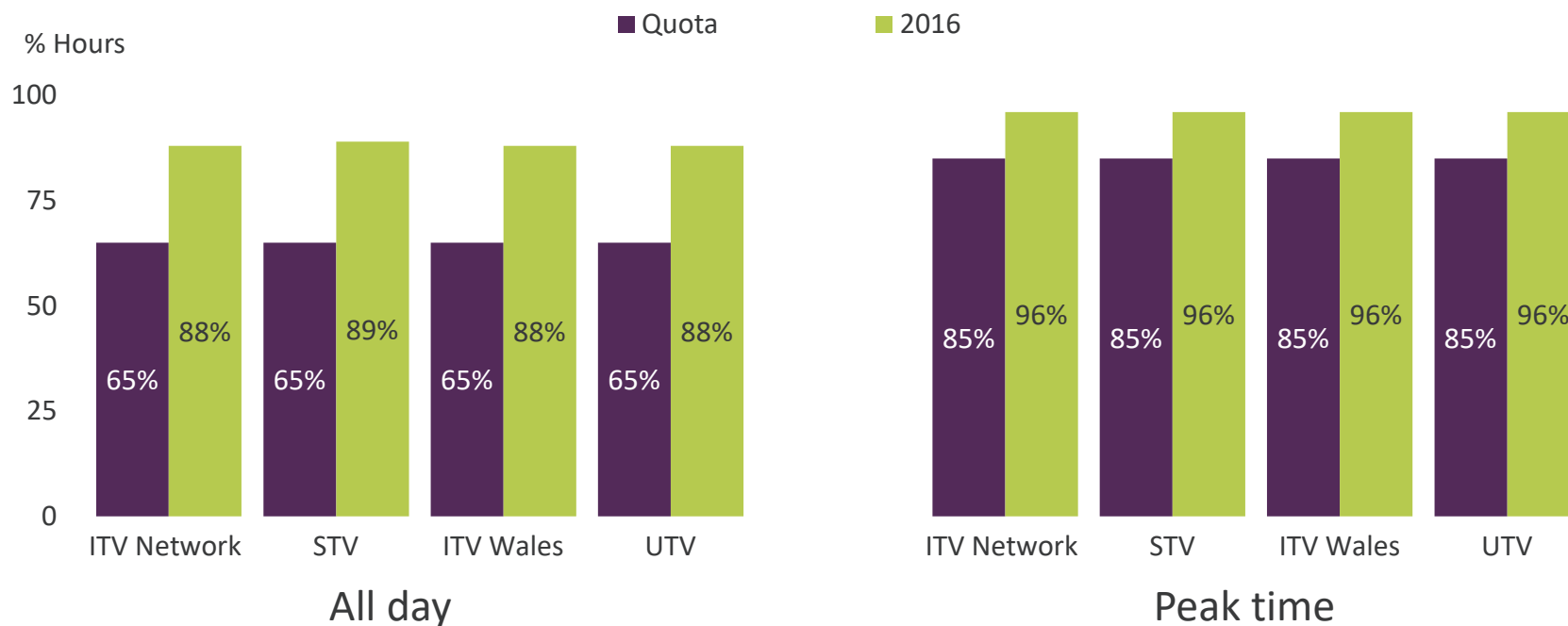


Source: Ofcom/broadcasters. First-run, regional, qualifying originated hours.

Note: excludes programmes aired between 00:30 – 09:25.

Channel 3 nations licensees' performance against original production quotas

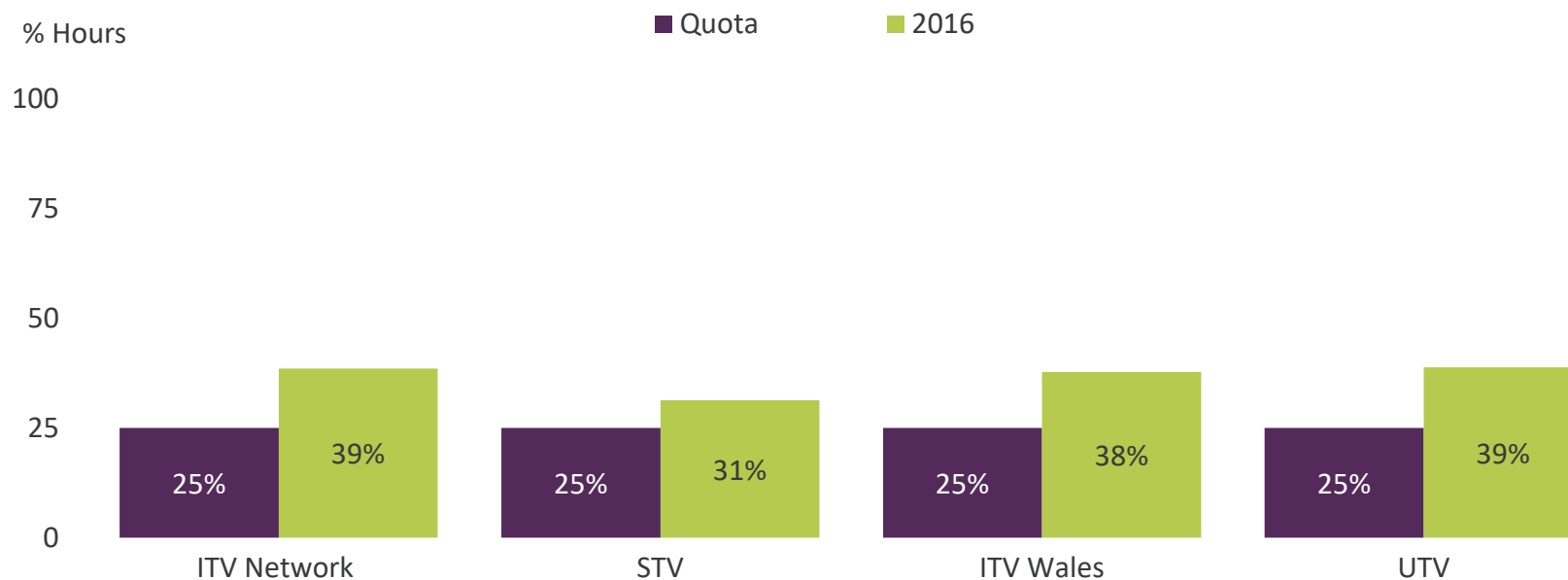
Performance against quota, 2016



Source: Ofcom/broadcasters. Total originations – first run and repeats, network and nations/regions programming

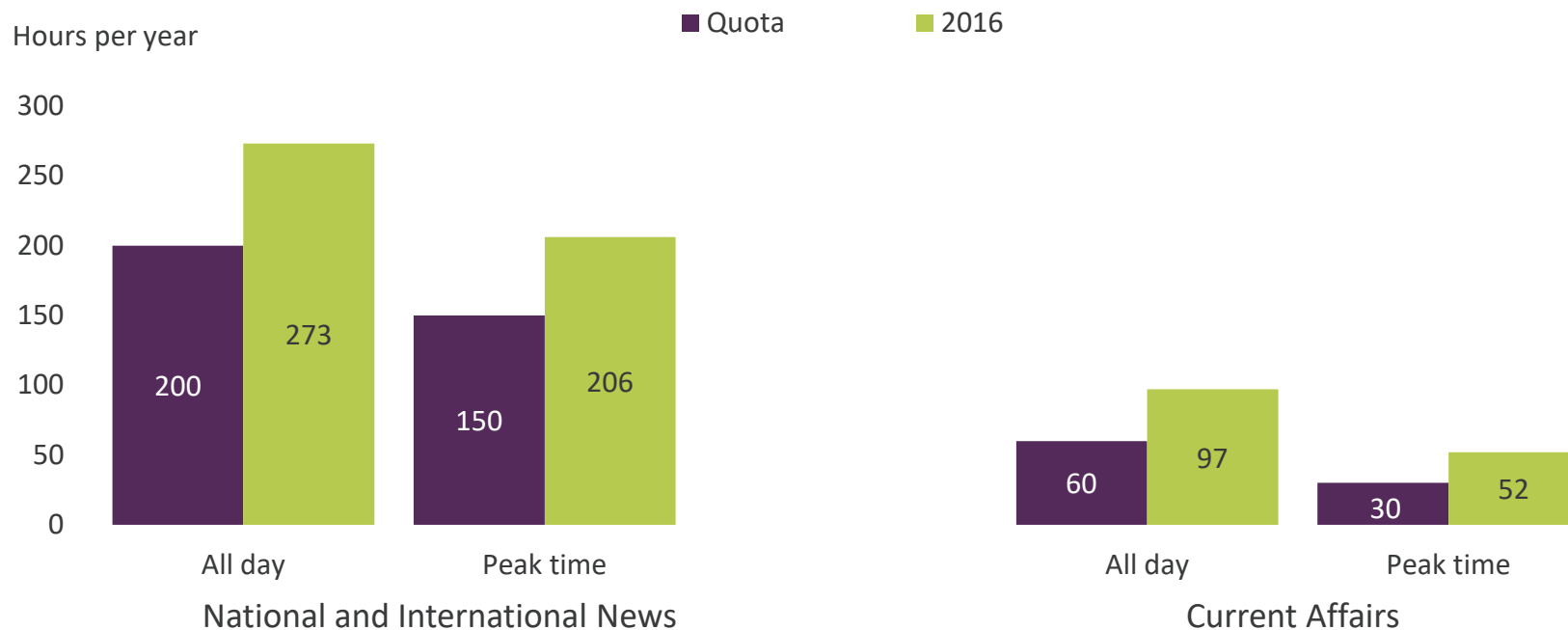
Channel 3 performance against the independent production quota

Performance against quota, 2016



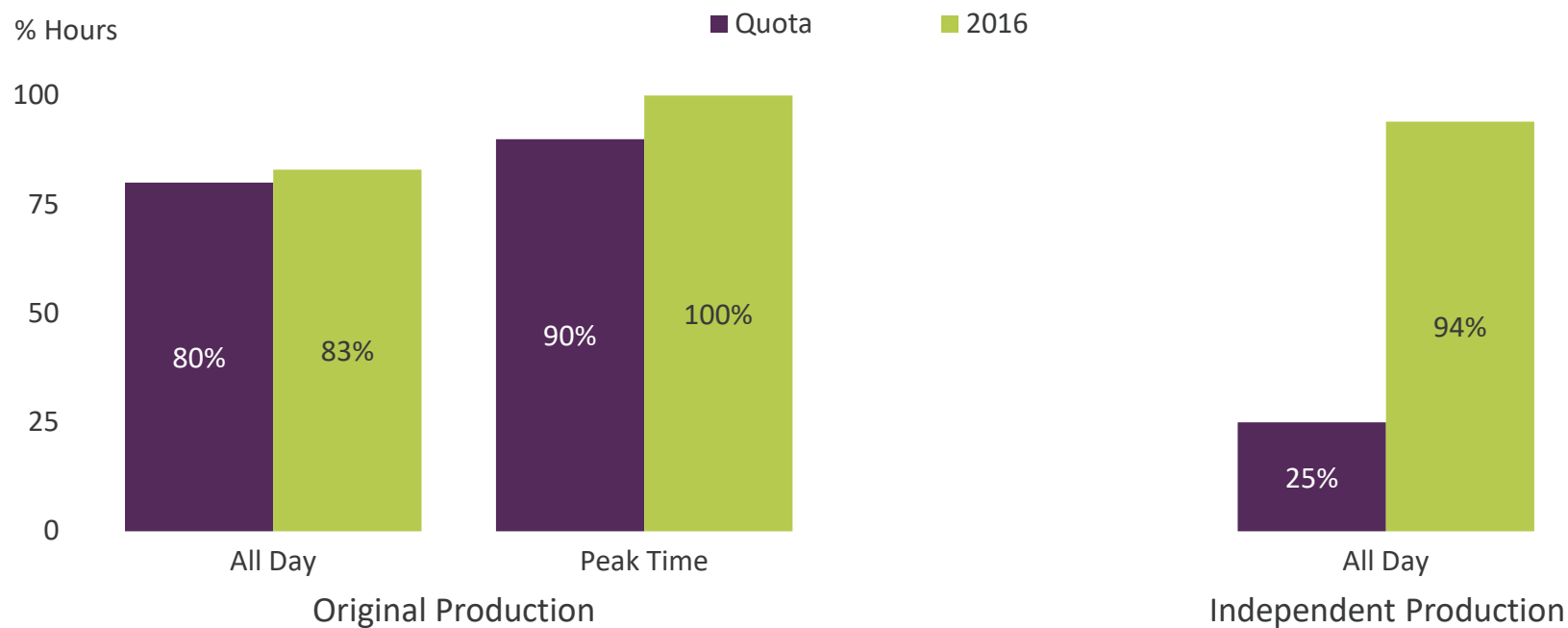
S4C performance against national and international news and current affairs quotas

Performance against quota, 2016



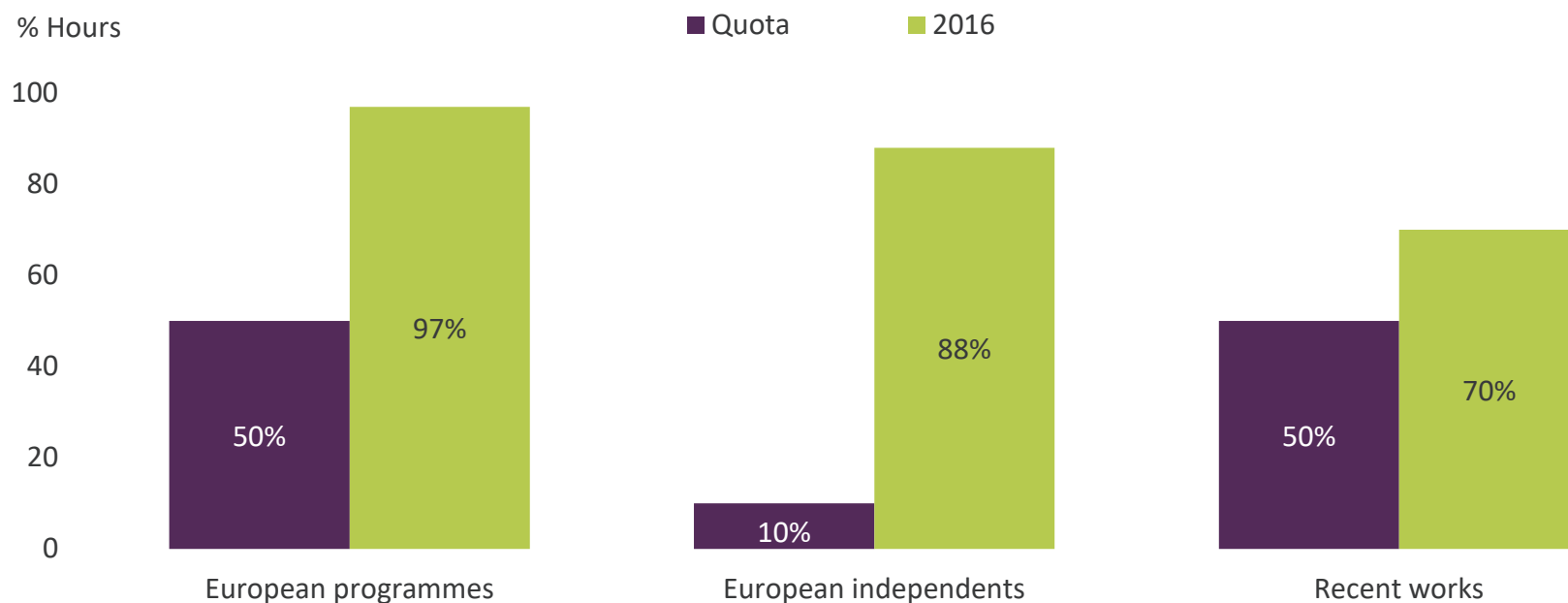
S4C performance against original and independent production quotas

Performance against quota, 2016



S4C performance against European programming requirements

Performance against quota, 2016



Source: Ofcom/S4C

Note: this quota relates to the Audiovisual Media Services (AVMS) Directive. 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.