

A1. Glossary

For the purpose of this consultation, the words set out in this glossary are taken to have the following meanings.

The Act: The Communications Act 2003.

Active producer: A production company which has produced any first-run, original content broadcast on the five main PSB channels in that calendar year. Includes companies that have produced:

- regional productions for the network (which qualify towards the regional production quotas)
- non-network regional programmes commissioned by PSBs (which may qualify towards regional programming quotas for BBC and Channel 3 services)
- network productions (which do not qualify as regional productions).

Excludes the internal production arms of the BBC, ITV and Channel 5.

Allocations process: The PSBs are required to assign each regional production to a particular geographic area. This information is used to monitor the range of production centres PSBs are using for regional productions, and in the cases of the BBC and Channel 4, to also assess compliance with their nations' production obligations.

BBC Charter and Agreement: The BBC Royal Charter and Framework Agreement (2016).

BBC Operating Licence: Operating licence for the BBC's UK Public Services (2017), as amended from time to time.¹

"Brass plate" office: A listed address in the nations and regions which claims to be an operational office for the purposes of TV production, and is used to qualify as a substantive base, but where in practice no or very few staff are based, and no productions are genuinely being produced.

Call for Evidence: We published 'Review of Regional TV Production and Programming Guidance: Call for Evidence' in March 2018. This sought to gather views from stakeholders about the production sector in the nations and regions and how the Guidance was being applied in practice.

Co-productions: Productions jointly funded by the PSBs and other parties, typically international broadcasters or streaming services.

Communications White Paper: A White Paper entitled 'A New Future for Communications' presented to Parliament by the Secretary of State for Trade and Industry and the Secretary of State for Culture, Media and Sport in 2000. It set out the Government's response to the new communications environment at the time, with proposals for the Communications Act 2003.

Criteria levels: 70% production budget level and 50% off-screen production talent level.

¹ <https://www.ofcom.org.uk/tv-radio-and-on-demand/information-for-industry/bbc-operating-framework/operating-framework>

External producers: Qualifying and non-qualifying independent production companies (see below for definition of qualifying and non-qualifying independent production companies).

First-run UK originations: Programmes commissioned by or for a licensed public service channel with a view to their first showing on television in the United Kingdom in the reference year.

The Guidance: Refers to Ofcom's Regional Production and Regional Programming Definitions – Guidance for Public Service Broadcasters, which includes our definitions of regional productions and regional programming, explains how we expect the PSBs to comply with their quotas, how productions should be allocated to particular geographic areas, as well as how we monitor compliance with the obligations.

In-house producers: The internal production arms of the BBC, ITV and Channel 5. (Channel 4's status as a publisher broadcaster prevents it from producing content for its main channel.)

Local: Outside the M25.

Local production companies: Production companies headquartered in the UK, outside the M25.

Macro-region: There are three English macro-regions: Northern England, Midlands and East, and Southern England. These three macro-regions comprise the government regions: Yorkshire and Humber, North-West and North-East England; West Midlands, East Midlands and East of England; and South-West and South-East England respectively.

MOL: Made Outside London (outside of the M25).

MOL hours: Hours of qualifying first-run network programmes (excluding news) made in the UK outside of the M25.

MOL productions: "Regional productions" which contribute to the regional production quotas (see definition below).

MOL quotas: The quotas we have imposed on the PSBs regarding the minimum proportion of hours and expenditure that must be allocated to regional productions.

MOL spend: Expenditure on qualifying first-run network programmes made in the UK outside of the M25. Excludes the costs of on-screen talent, archive material, sports rights, competition prize money and news.

Nations and regions: The UK outside of the M25.

Network programmes: Programmes shown by the PSB channels (all BBC channels, ITV1, Channel 4 and Channel 5) for viewing across the whole of the UK.

Non-network: Nations' and regions' programming that is limited to being shown in specific areas of the UK.

Non-qualifying independent production company: A production company which is more than 25% owned by any company which also owns a UK broadcaster.

Multichannel: The multichannel sector consists of all television channels, other than the PSB main and portfolio channels, that broadcast to the UK.

Pop-up office: An office claiming to be a substantive base but which is set up in the nations and regions just for the duration of a production.

Post-production: Work such as editing, dubbing or visual effects that takes place after the production has been shot.

Pre-production: The initial programming making phase prior to filming.

Production fee: A payment from the broadcaster to the production company. It is usually a percentage of the total budget for the production and is effectively the margin that the production company gets for making the programme for the PSB.

Production overheads: Costs associated with keeping the company operational. Includes office costs, insurance, finance costs and office administration staff costs.

Public Service Broadcasters (PSBs): The public service broadcasters in the UK are the BBC, those providing the Channel 3 services, Channel 4, Channel 5 and S4C. While all BBC public service television channels are PSB channels, only the main channels of each of the other public service broadcasters have this status. Neither BBC Alba nor S4C are network channels and therefore do not have any regional production or regional programming quotas. As such, when we refer to the PSBs in this consultation, we are solely referring to the BBC, Channel 3 services, Channel 4 and Channel 5.

Qualifying hours: Refers to first-run PSB network programmes and excludes news.

Qualifying independent production company: A company not tied to a UK broadcaster through significant common ownership. The Broadcasting (Independent Productions) Order 1991 (as amended) states that an independent producer is: (i) not employed by a broadcaster; (ii) does not have a shareholding greater than 25% in a UK broadcaster; or (iii) in which no single UK broadcaster has a shareholding greater than 25% or any two or more UK broadcasters have an aggregate shareholding greater than 50%.

Qualifying spend: Refers to PSB spend on first-run network programmes and excludes the costs of on-screen talent, archive material, sports rights, competition prize money and news.

Regional productions: First-run PSB qualifying network programmes made in the UK outside of the M25, including in Scotland, Wales and Northern Ireland which meet the criteria contained within the Guidance.

Regional programmes: Localised programmes, including regional news, broadcast across different areas of the UK.

The Register: Ofcom's Made Outside London Titles Register, which lists all the network programmes that each PSB reports that qualified towards its regional production quota in a particular year.

Self-promotional programming: promotions on a channel for that same channel and/or for programmes broadcast on that channel.

Special Purpose Vehicle (SPV): A company set up to limit liability for the parent company of a specific project, for example, to produce a film/programme. Commonly used for big productions, particularly drama.

Subscription video-on-demand (SVOD): Paid-for subscription video-on-demand services such as Netflix and Amazon Prime Video.

Third party funding: Contributions from third parties towards the cost of productions, for example through screen agency funding or co-production arrangements. (Third-party spend is not counted towards the PSBs' spend obligations.)

Three criteria: The three criteria included in the Guidance which define a regional production (substantive base; production budget; and off-screen production talent).