

## D - PSB Output and Spend

PSB Report 2013 – Information pack  
August 2013

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# Background (1)

- This information pack contains data gathered through Ofcom's Market Intelligence database in order to provide a picture of the PSB programming and spend over the last five years on PSB channels.
- The data in this report are collected by Ofcom from the broadcasters each year, as part of their PSB returns and include figures on the volume of hours broadcast during the year and programme expenditure.

## Notes on the data

- **PSB Channels**
  - Where possible data has been provided for BBC One, BBC Two, ITV, ITV Breakfast, Channel 4, Channel 5 and the BBC's PSB digital channels: BBC Three, BBC Four, CBBC, CBeebies, BBC News and BBC Parliament. BBC HD has been excluded from much of the analysis in the report as much of its output is simulcast from the core BBC channels and therefore would represent a disproportionate amount of broadcast hours and spend. Please refer to individual footnotes and chart details indicating when a smaller group of these channels is reported on. ITV includes GMTV unless otherwise stated. Data for S4C is shown in a separate section, apart from S4C's children's output which is included within the children's section of the report.
  - GMTV became Daybreak during 2010; the data relating to both services are labelled as 'ITV Breakfast' throughout this pack.
- **Spend data**
  - Programme spend represents the total cost of production or acquisition, including rights costs but excluding third party investment. In the case of commissions, it represents the price paid to the independent producer (and therefore includes a mark-up on production costs).
  - Trend data showing programme costs over a number of years is given in 2012 prices (i.e. taking account of inflation, using the Retail Price Index).

# Background (2)



- **Genre definitions**

- The allocation of programmes to different genres and the application of common definitions was agreed with broadcasters in 2006 when programme classifications were updated and standardised across PSBs. Figures for certain genres may therefore differ slightly from earlier reported figures. These are noted where relevant. The new genre structure allowed broadcasters more flexibility in the classification of programmes to particular genres, but it has not been possible to go back and re-classify pre-2006 data, therefore analysis of trends using the new breakdowns is only possible for four of the five years reviewed in this report.
- The following changes should be noted in the composition of the figures 2006 and later:
  - Drama includes TV movies which were previously added to Films. Entertainment includes contemporary music but Comedy is now shown separately and includes situation comedy and scripted comedy.
  - Specialist Factual includes Science & Technology, History, Nature & Wildlife and other documentaries.
  - Other Factual includes Hobbies & Leisure, Factual Magazines, Consumer Magazines and General Factual.
  - Factual Entertainment includes reality shows. In previous years some Factual Entertainment programmes were included within Entertainment.

Note: these genres are defined for our monitoring and reporting purposes, and do not necessarily correspond to definitions used in broadcasting legislation, such as the AVMS Directive.

- **Definition of peak time**

- The standard definition of peak time is from 6pm to 10.30pm. However, for BBC Three and BBC Four peak time runs from 7pm (when broadcasting starts on these channels) to 10.30pm.

# Background (3)

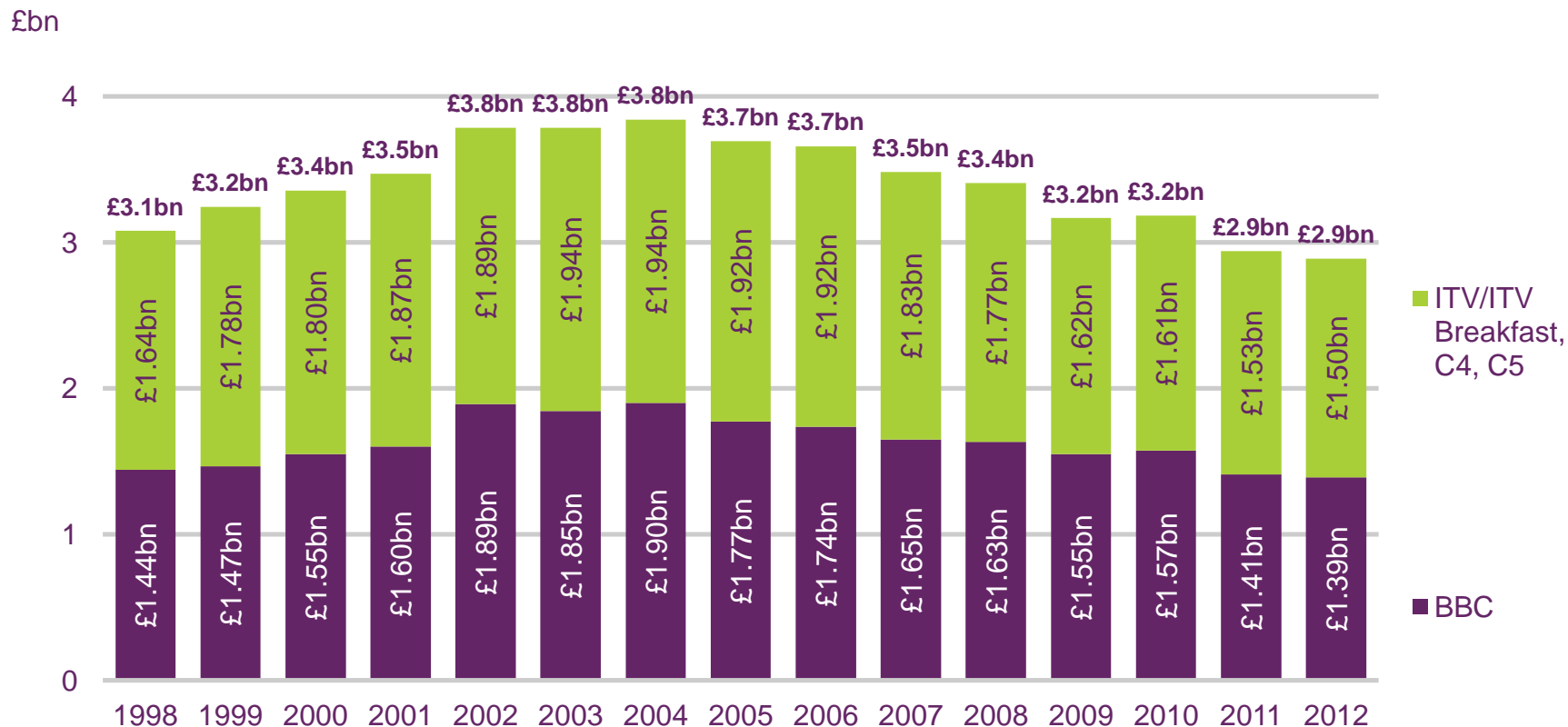


- **Adjusting spend data for inflation**

- The data and information expressed in this report has been adjusted for inflation. It is important to adjust for inflation when comparing nominal data at different points in time because with inflation, increases in nominal figures may simply reflect higher prices rather than increased production or purchasing power. For example, if a book cost £5 ten years ago, but £10 today, we would say its price has risen 100% in nominal terms. But had inflation risen by 100% at the same time, halving the value of money, we would say that the price has not moved in real terms.
- The basic method of adjusting for inflation, is to divide a nominal quantity by a price index. In the past we have used the RPI because it is a broad index, beyond the control of any one firm and so using this measure provides a good indication of how data has changed over time. However recently the National Statistician has found that RPI does not meet international standards and the UK Statistics Authority (UKSA) has subsequently stopped classifying the RPI as a national statistic. These actions do not necessarily preclude us from continuing to use the RPI, but do raise presentational issues. Given that in the past we have used the RPI to adjust the data, to ensure comparability between different reports, and to avoid a re-statement of data between different reports, we intend to continue to use the RPI for this report. We will however revisit this in subsequent reports.

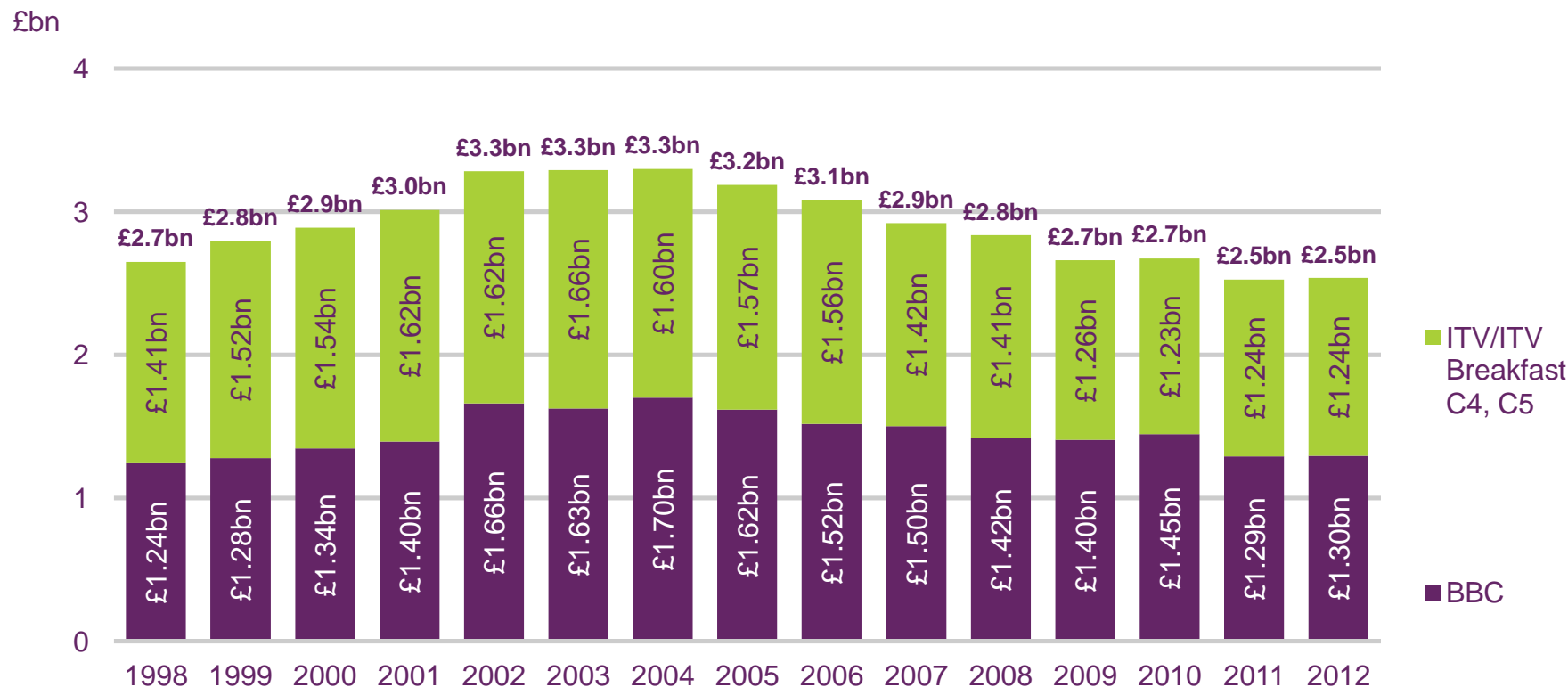


## Fig 1 PSB overall network programme spend



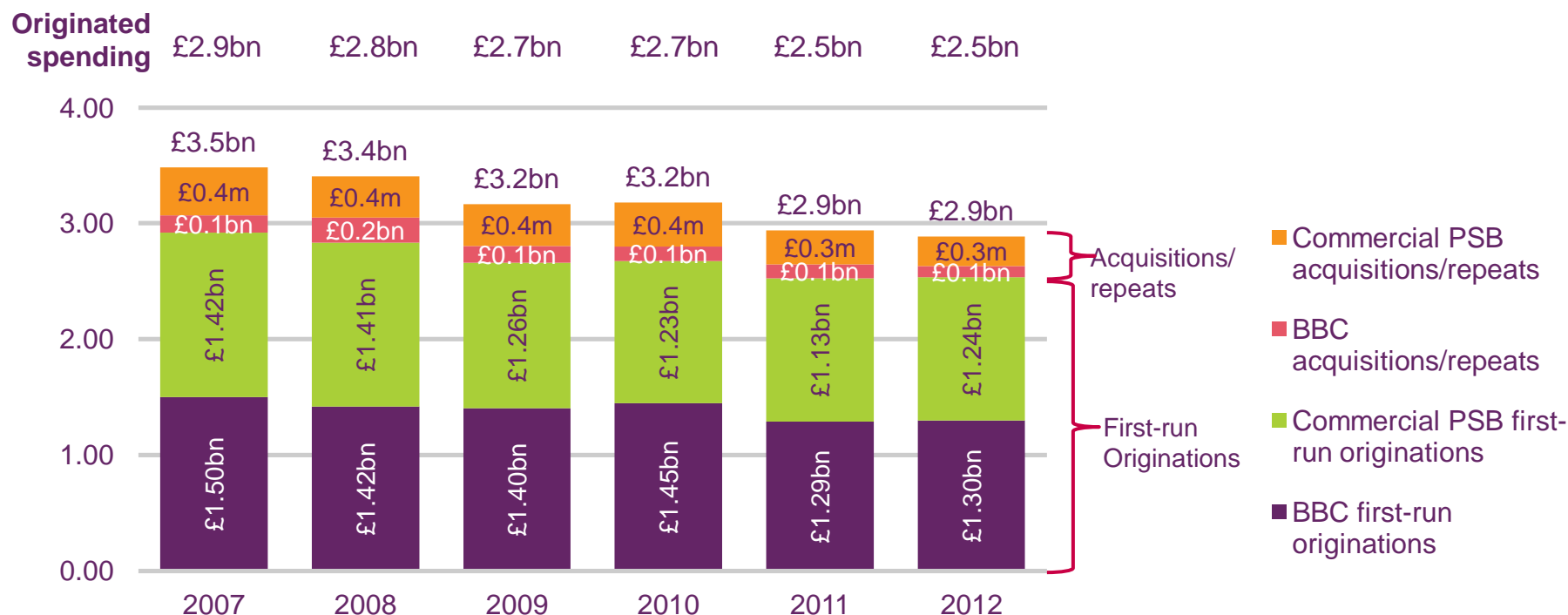
Source: Ofcom/broadcasters. Note: figures are expressed in 2012 prices. BBC figures include BBC One, BBC Two, BBC Three, BBC Four, CBBC, CBeebies, BBC News, BBC Parliament. The analysis does not include S4C, BBC Alba or BBC HD. Figures exclude nations/regions programming.

## Fig 2 PSB network spend on first-run originations



Source: Ofcom/broadcasters. Note: figures are expressed in 2012 prices. BBC figures include BBC One, BBC Two, BBC Three, BBC Four, CBBC, CBeebies, BBC News, BBC Parliament. The analysis does not include S4C, BBC Alba or BBC HD. Figures exclude nations/regions programming.

## Fig 3 PSB network spend on first-run originations, acquisitions and repeats



Source: Ofcom/broadcasters. Note: figures are expressed in 2012 prices. BBC figures include BBC One, BBC Two, BBC Three, BBC Four, CBBC, CBeebies, BBC News, BBC Parliament. Commercial PSB includes ITV, ITV Breakfast, Channel 4 and Channel 5. The analysis does not include S4C, BBC Alba or BBC HD. Figures exclude nations/regions programming.



## Fig 4 PSB spend – first-run and all hours, by channel

	Spend on all hours of output								Spend on first-run originated output								First run spend as a % of all		
	2007	2011	2012	Change (£)		Change (%)		2007	2011	2012	Change (£)		Change (%)		2007	2011	2012		
				5 yr	1 yr	5 yr	1 yr				5 yr	1 yr							
BBC One	£943m	£802m	£848m	-£95m	£46m	-10%	6%	£859m	£742m	£797m	-£63m	£55m	-7%	7%	91%	92%	94%		
BBC Two	£444m	£369m	£310m	-£134m	-£59m	-30%	-16%	£398m	£332m	£286m	-£112m	-£46m	-28%	-14%	90%	90%	92%		
BBC Digital	£263m	£237m	£232m	-£31m	-£5m	-12%	-2%	£245m	£216m	£213m	-£32m	-£3m	-13%	-1%	93%	91%	92%		
<b>BBC Total</b>	<b>£1650m</b>	<b>£1408m</b>	<b>£1390m</b>	<b>-£260m</b>	<b>-£18m</b>	<b>-16%</b>	<b>-1%</b>	<b>£1502m</b>	<b>£1290m</b>	<b>£1296m</b>	<b>-£206m</b>	<b>£6m</b>	<b>-14%</b>	<b>0%</b>	<b>91%</b>	<b>92%</b>	<b>93%</b>		
ITV/GMTV	£987m	£837m	£814m	-£173m	-£23m	-17%	-3%	£872m	£756m	£756m	-£116m	£0m	-13%	0%	88%	90%	93%		
Channel 4	£620m	£512m	£492m	-£129m	-£20m	-21%	-4%	£443m	£384m	£385m	-£58m	£1m	-13%	0%	71%	75%	78%		
Channel 5	£225m	£184m	£192m	-£33m	£8m	-15%	4%	£103m	£98m	£100m	-£4m	£2m	-4%	2%	46%	53%	52%		
<b>Commercial Total</b>	<b>£1832m</b>	<b>£1533m</b>	<b>£1498m</b>	<b>-£335m</b>	<b>-£35m</b>	<b>-18%</b>	<b>-2%</b>	<b>£1418m</b>	<b>£1237m</b>	<b>£1240m</b>	<b>-£178m</b>	<b>£3m</b>	<b>-13%</b>	<b>0%</b>	<b>77%</b>	<b>81%</b>	<b>83%</b>		
<b>Grand Total</b>	<b>£3482m</b>	<b>£2941m</b>	<b>£2888m</b>	<b>-£594m</b>	<b>-£53m</b>	<b>-17%</b>	<b>-2%</b>	<b>£2920m</b>	<b>£2527m</b>	<b>£2536m</b>	<b>-£384m</b>	<b>£9m</b>	<b>-13%</b>	<b>0%</b>	<b>84%</b>	<b>86%</b>	<b>88%</b>		

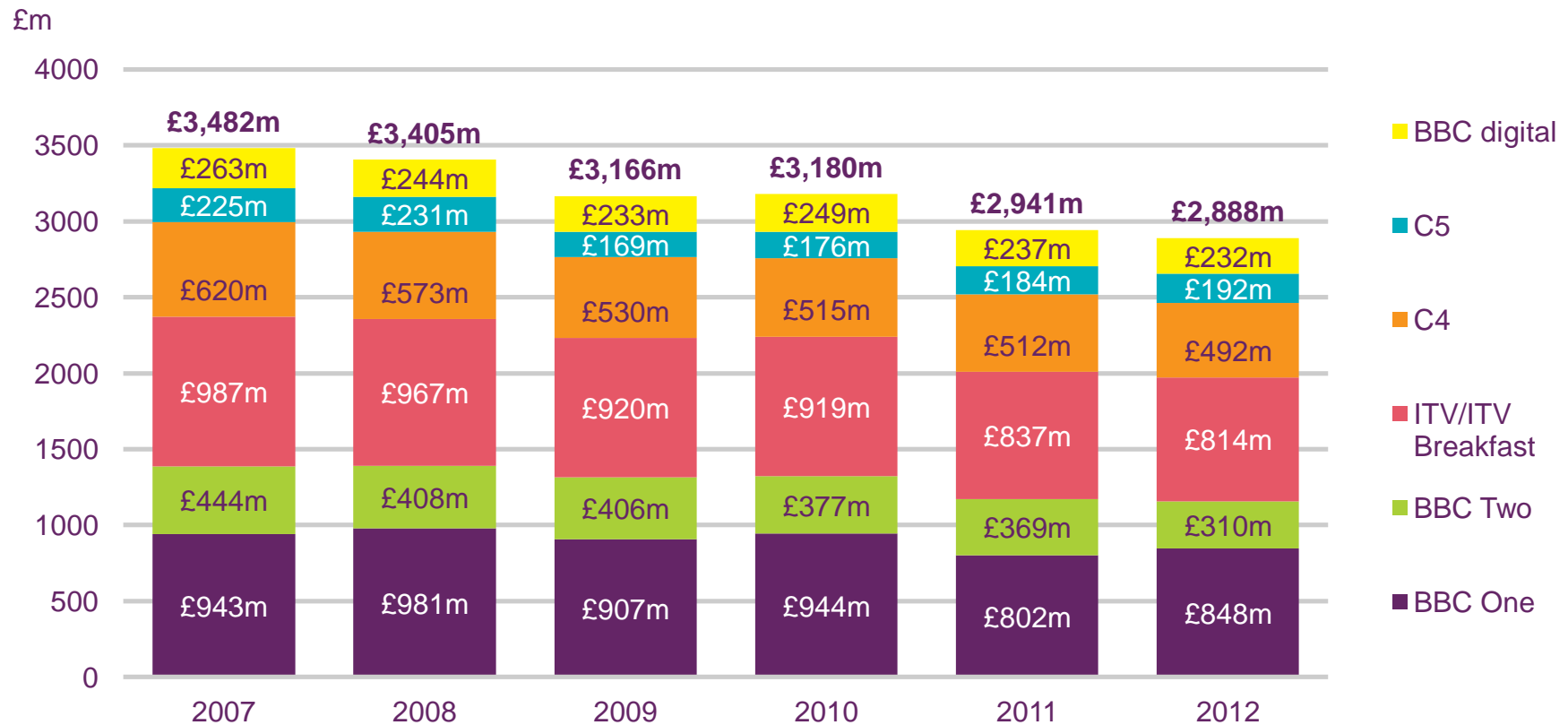
Source: Ofcom/broadcasters. Note: figures are expressed in 2012 prices. BBC figures include BBC One, BBC Two, BBC Three, BBC Four, CBBC, CBeebies, BBC News, BBC Parliament. The analysis does not include S4C, BBC Alba or BBC HD. Figures exclude nations/regions programming.

## Fig 5 PSB spend, first-run and all hours, by genre

	Spend on all hours of output							Spend on hours of first-run originated output							First run spend as a % of all spend		
	2007	2011	2012	Change (£m)		Change (%)		2007	2011	2012	Change (£m)		Change (%)		2007	2011	2012
				5yr	1 yr	5yr	1 yr				5yr	1 yr	5yr	1 yr			
News & Current Affairs	£357m	£317m	£311m	£-45m	£-5m	-13%	-2%	£356m	£316m	£311m	£-45m	£-5m	-13%	-2%	100%	100%	100%
Arts & Classical Music	£67m	£46m	£40m	£-27m	£-6m	-40%	-12%	£65m	£43m	£38m	£-27m	£-5m	-42%	-12%	97%	93%	94%
Religion & Ethics	£20m	£15m	£13m	£-7m	£-1m	-34%	-8%	£20m	£14m	£13m	£-7m	£-1m	-33%	-8%	97%	99%	99%
Education	£33m	£19m	£20m	£-14m	£1m	-41%	5%	£32m	£18m	£19m	£-13m	£1m	-40%	6%	97%	99%	99%
Factual	£606m	£477m	£470m	£-136m	£-6m	-22%	-1%	£585m	£463m	£455m	£-129m	£-7m	-22%	-2%	96%	97%	97%
Drama & Soaps	£955m	£663m	£635m	£-320m	£-28m	-33%	-4%	£741m	£555m	£526m	£-215m	£-30m	-29%	-5%	78%	84%	83%
Ent. & Comedy	£630m	£569m	£568m	£-61m	£-1m	-10%	0%	£543m	£502m	£509m	£-34m	£7m	-6%	1%	86%	88%	90%
Feature Films	£209m	£235m	£174m	£-35m	£-61m	-17%	-26%	£9m	£29m	£18m	£9m	£-10m	93%	-36%	5%	12%	11%
Sports	£485m	£496m	£563m	£78m	£67m	16%	14%	£472m	£495m	£563m	£91m	£68m	19%	14%	97%	100%	100%
Childrens	£120m	£106m	£92m	£-28m	£-13m	-23%	-13%	£97m	£91m	£83m	£-14m	£-8m	-14%	-9%	80%	86%	90%
<b>Total</b>	<b>£3482m</b>	<b>£2941m</b>	<b>£2888m</b>	<b>£-594m</b>	<b>£-53m</b>	<b>-17%</b>	<b>-2%</b>	<b>£2920m</b>	<b>£2527m</b>	<b>£2536m</b>	<b>£-384m</b>	<b>£9m</b>	<b>-13%</b>	<b>0%</b>	<b>84%</b>	<b>86%</b>	<b>88%</b>

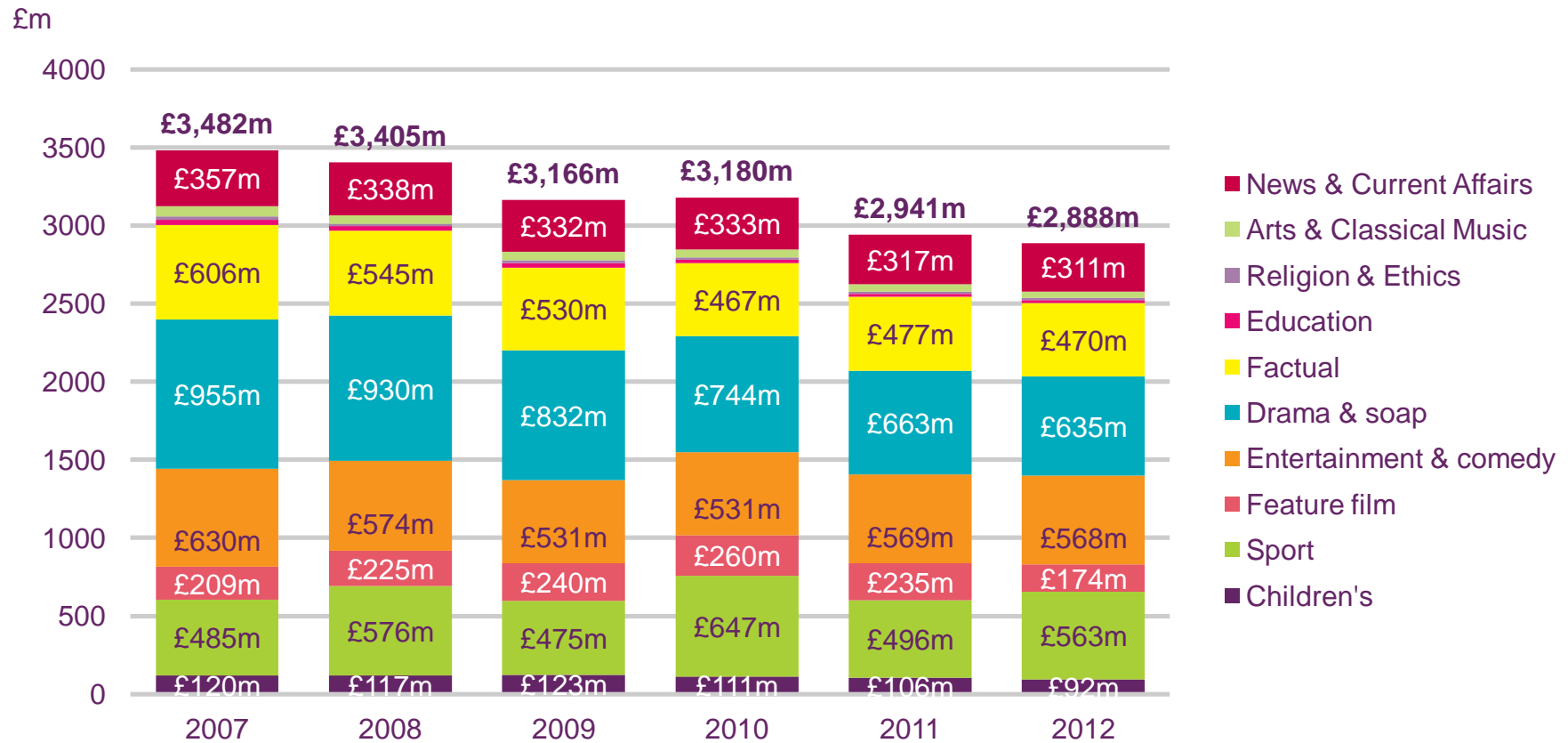
Source: Ofcom/broadcasters. Note: figures are expressed in 2012 prices. BBC figures include BBC One, BBC Two, BBC Three, BBC Four, CBBC, CBeebies, BBC News, BBC Parliament. The analysis does not include S4C, BBC Alba or BBC HD. Figures exclude nations/regions programming.

## Fig 6 PSB network programme spend; by channel



Source: Ofcom/broadcasters. Note: figures are expressed in 2012 prices. BBC Digital includes BBC Three, BBC Four, CBBC, CBeebies, BBC News, and BBC Parliament. The analysis does not include S4C, BBC Alba or BBC HD. Figures exclude nations/regions programming.

## Fig 7 PSB network programme spend for PSB channels; by genre



Source: Ofcom/broadcasters. Note: figures are expressed in 2012 prices. Figures include PSB services: BBC One, BBC Two, BBC Three, BBC Four, CBBC, CBeebies, BBC News, BBC Parliament, ITV, ITV Breakfast, Channel 4 and Channel 5. The analysis does not include S4C, BBC Alba or BBC HD. Figures exclude nations/regions programming.



## Fig 8 Programme spend on nations and regions programming, first-run originations

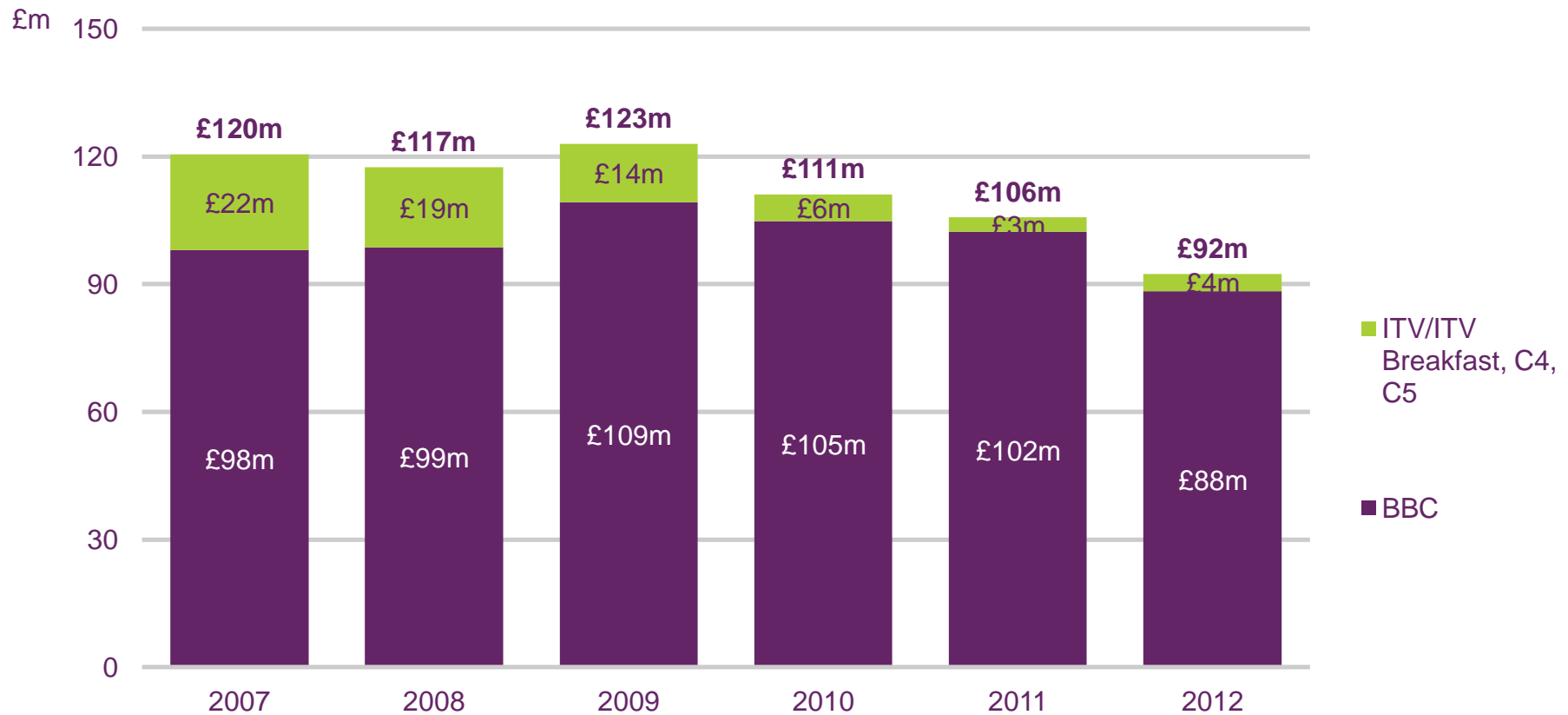
Spend in nations and regions output by the BBC, ITV/STV/UTV

Spend (2012 prices)



Source: Broadcasters. All figures expressed in 2012 prices. First-run originations only, excluding BBC Alba.

## Fig 9 Network children's programme spend by PSB channels

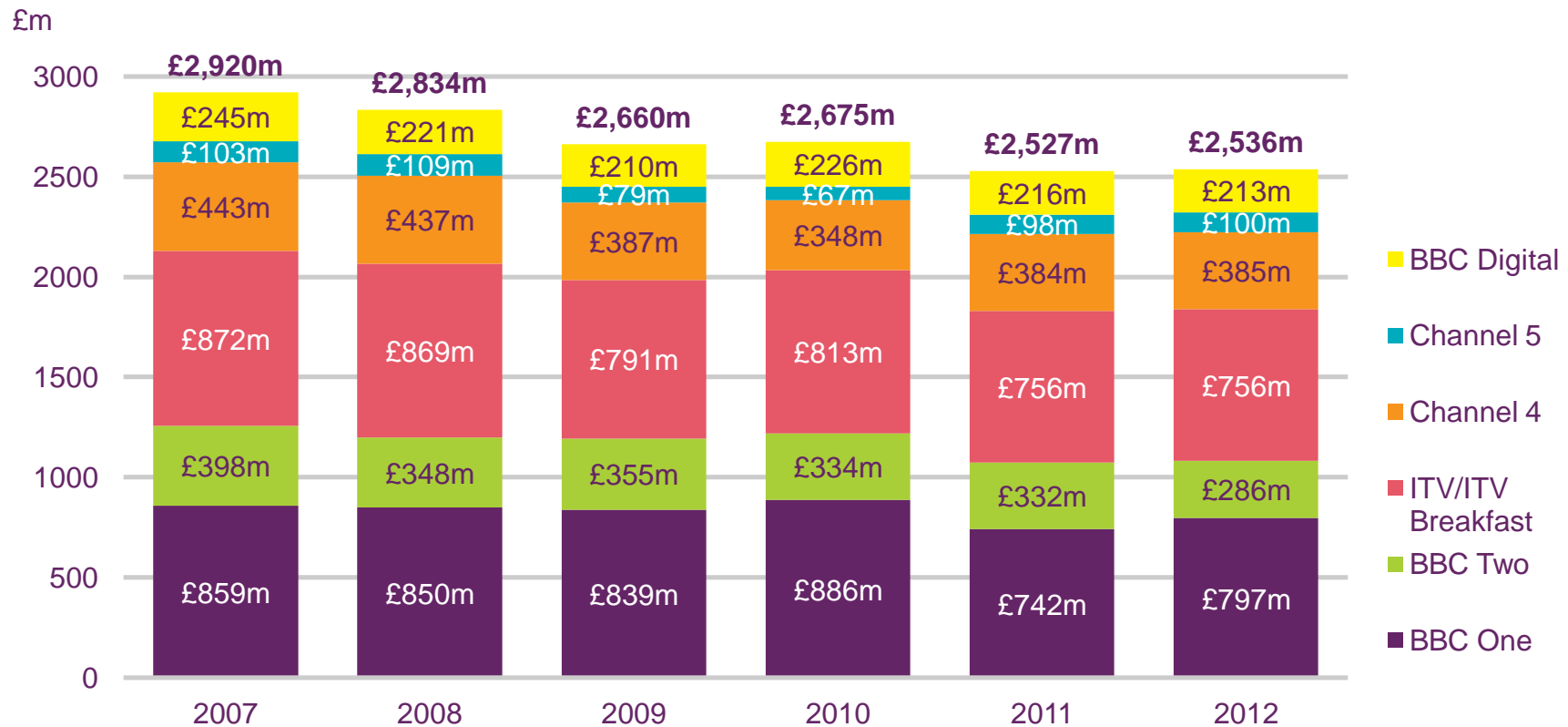


Source: Ofcom/broadcasters. Note: figures are expressed in 2012 prices. ITV includes ITV Breakfast. BBC channels do not include BBC HD. CITV is excluded.

Note: All PSB channels combined spent £83m on first run originated children's content in 2012, of which £80.2m was spent by the BBC.



## Fig 10 PSB first-run originations spend; by channel

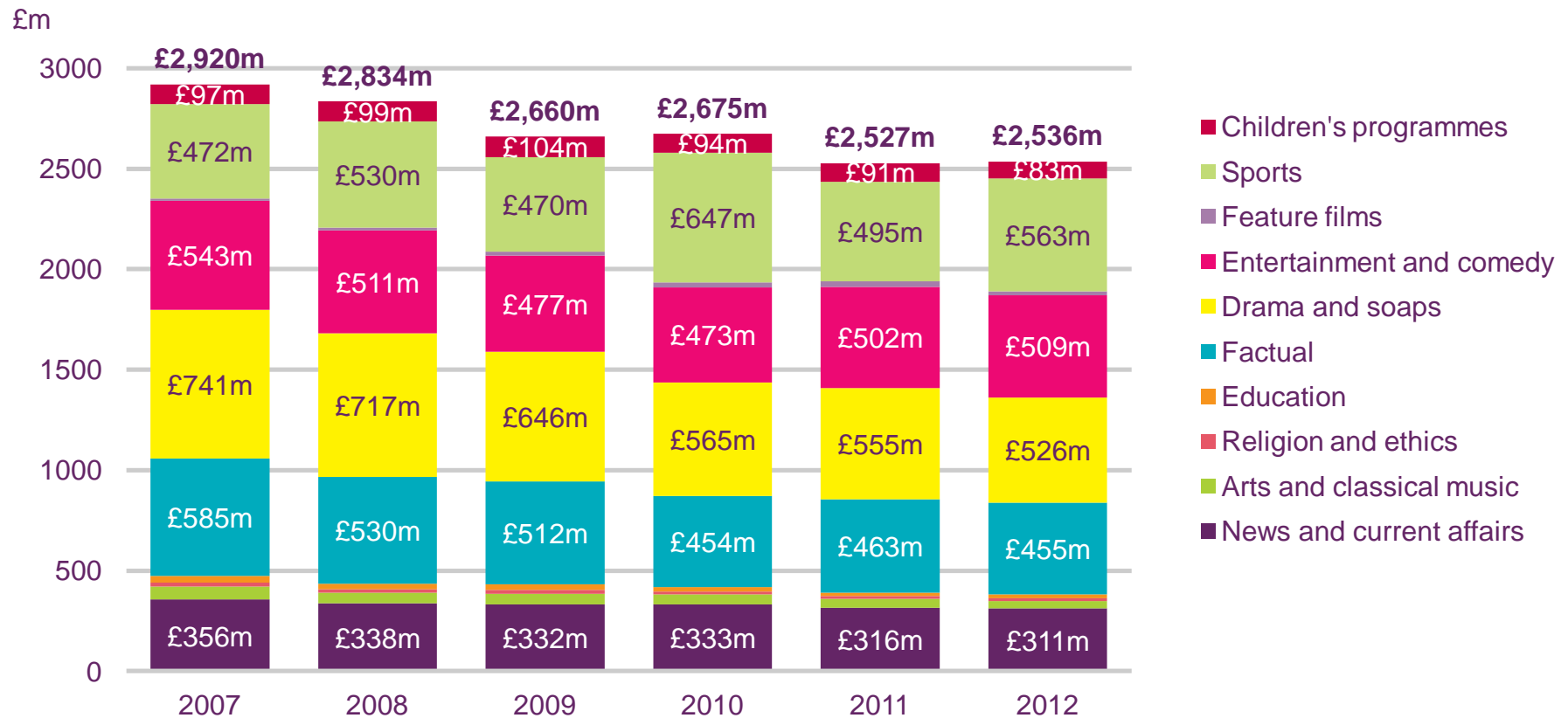


Source: Ofcom/broadcasters. Note: figures are expressed in 2012 prices. BBC Digital includes BBC Three, BBC Four, CBBC, CBeebies, BBC News, and BBC Parliament. The analysis does not include S4C, BBC Alba or BBC HD. Figures exclude nations/regions programming.

# PSB first-run originated spend – by genre



**Fig 11 PSB first-run originations spend; by genre**

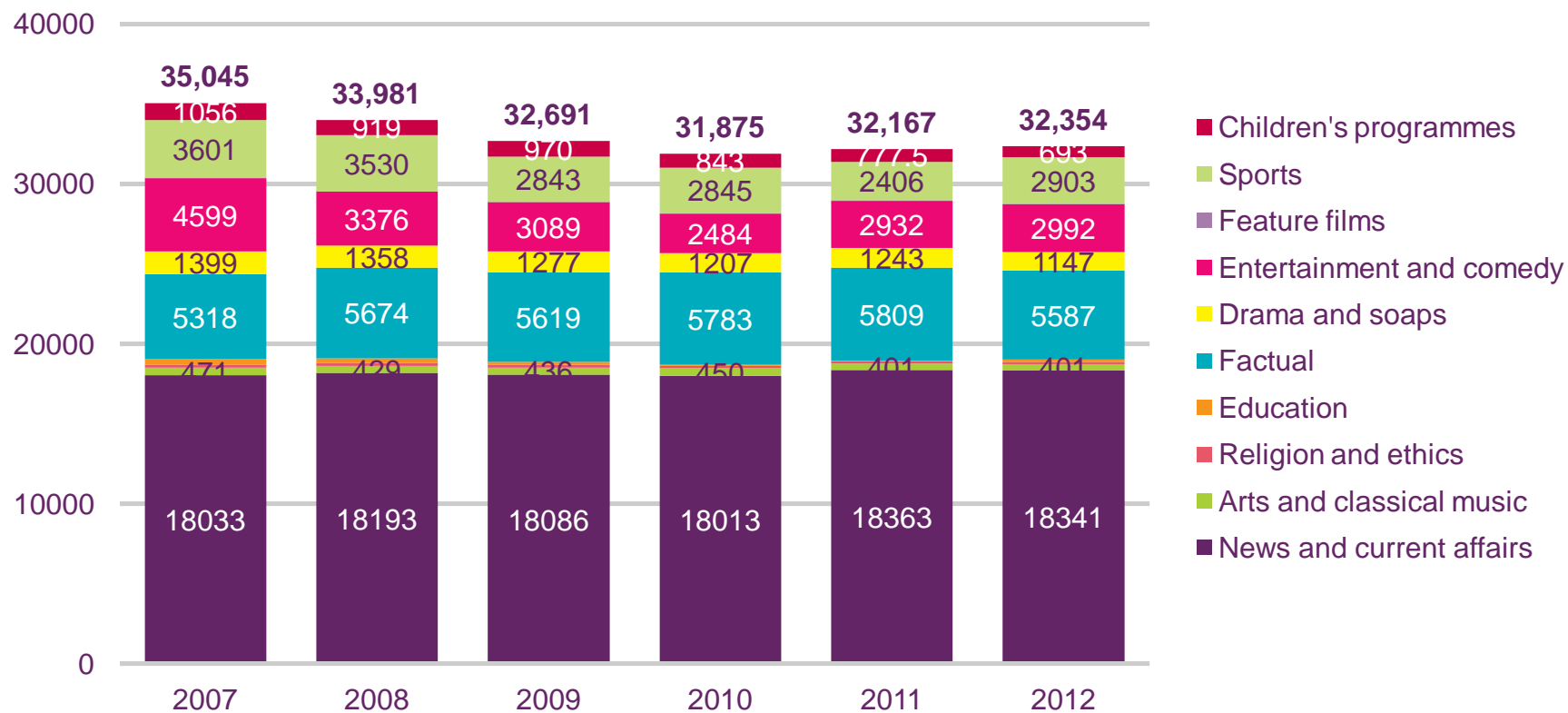


Source: Ofcom/broadcasters. Note: figures are expressed in 2012 prices. Figures include PSB services: BBC One, BBC Two, BBC Three, BBC Four, CBBC, CBeebies, BBC News, BBC Parliament, ITV, ITV Breakfast, Channel 4 and Channel 5. The analysis does not include S4C, BBC Alba or BBC HD. Figures exclude nations/regions programming.

# PSB first-run originated hours – by genre

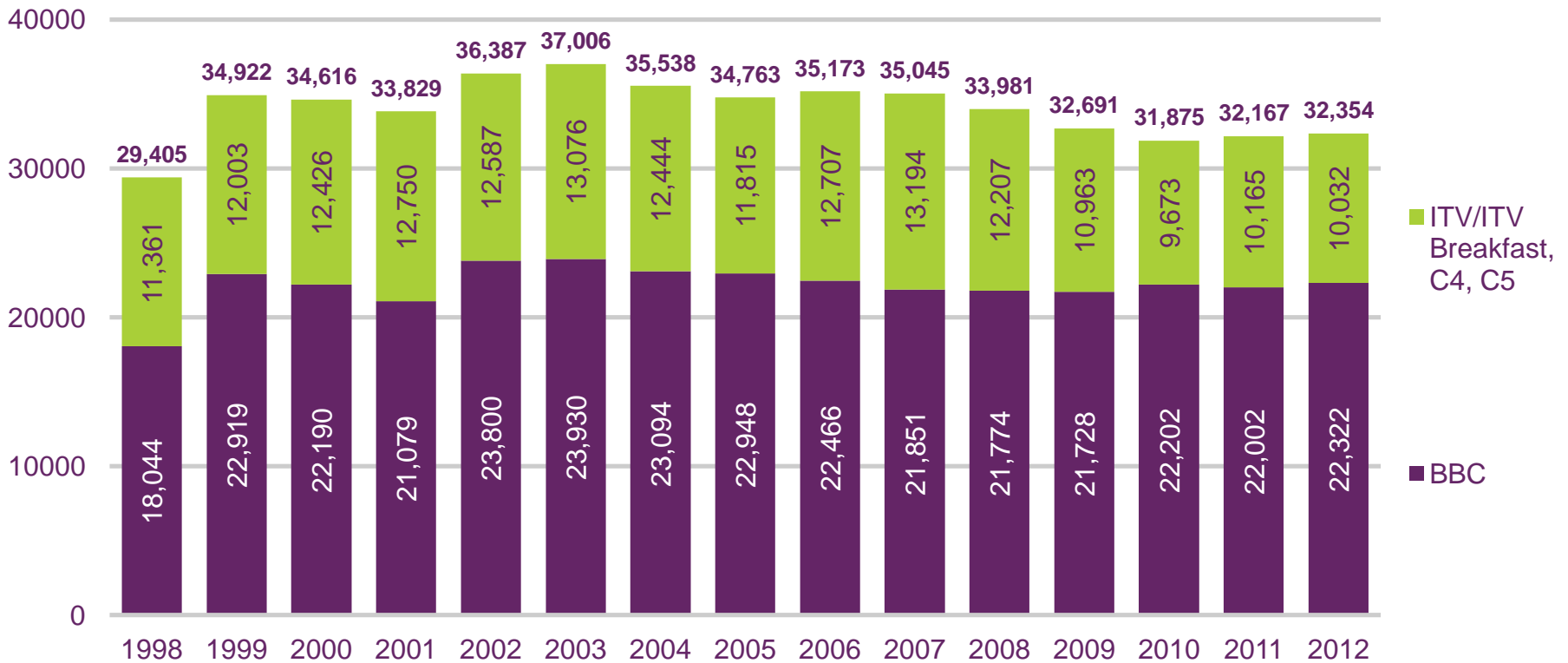


Fig 12 PSB first-run origination hours; by genre



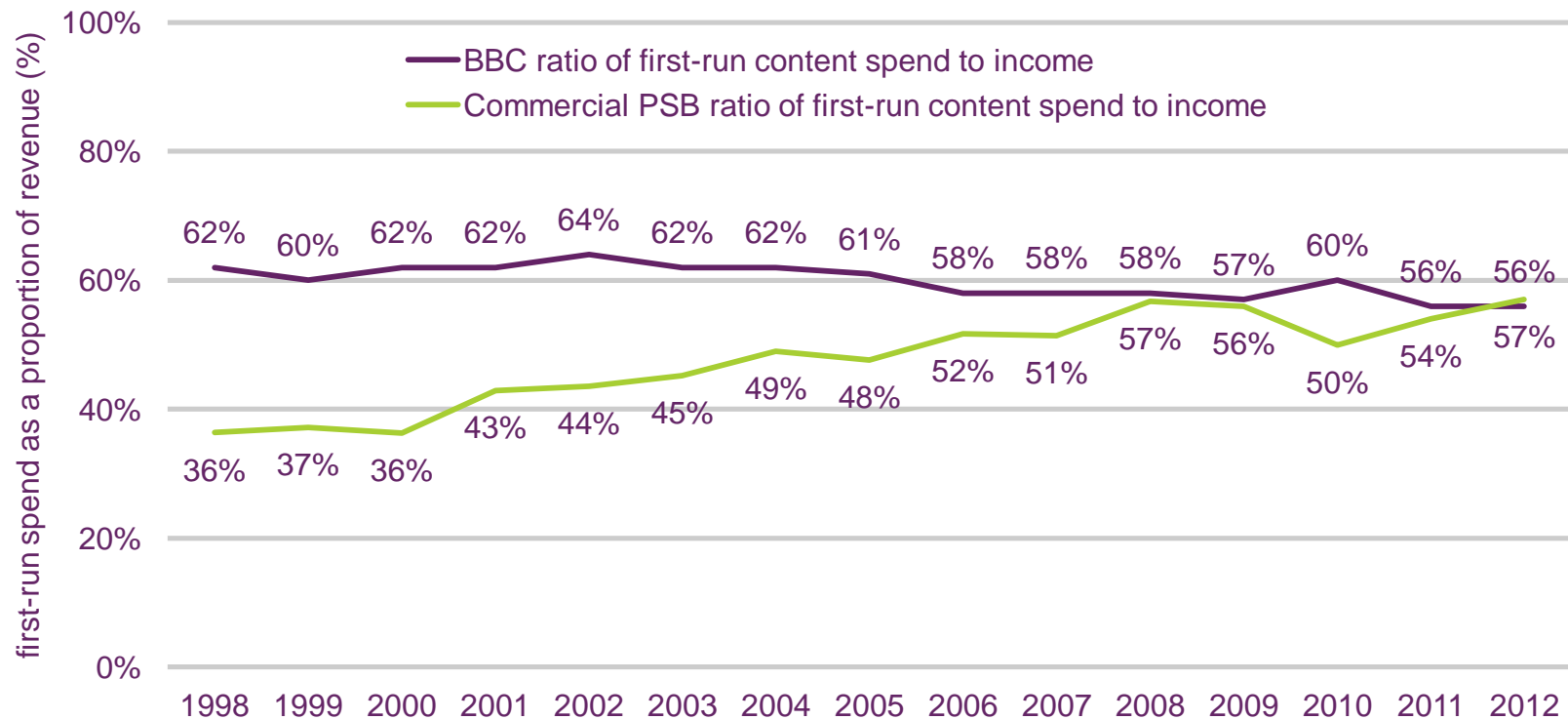
Source: Ofcom/broadcasters. Figures include PSB services: BBC One, BBC Two, BBC Three, BBC Four, CBBC, CBeebies, BBC News, BBC Parliament, ITV, ITV Breakfast, Channel 4 and Channel 5. The analysis does not include S4C, BBC Alba or BBC HD. Figures exclude nations/regions programming.

## Fig 13 PSB hours of first-run network originations



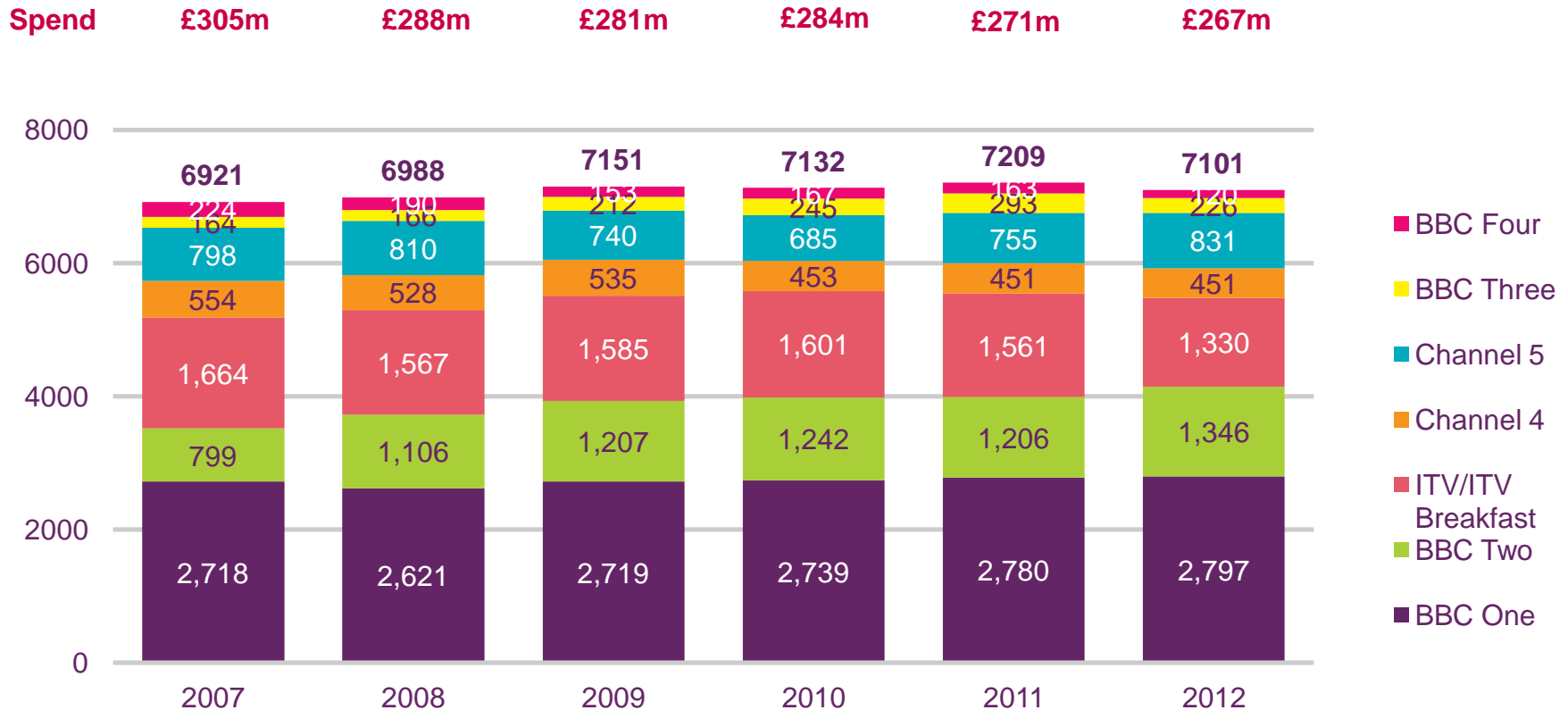
Source: Ofcom/broadcasters. BBC figures include BBC One, BBC Two, BBC Three, BBC Four, CBBC, CBeebies, BBC News, BBC Parliament. The analysis does not include S4C, BBC Alba or BBC HD. Figures exclude nations/regions programming.

**Fig 14 PSB first-run originated television programming: ratio of spend to revenue**



Source: Broadcasters and Ofcom estimates drawing on data from the BBC's Annual Reports and Accounts. Spend is all day, all genres. It includes all spending on networked output by the BBC, ITV, Channel 4 and Channel 5. It also includes BBC, stv, ITV and UTV spending on programmes for viewers in the nations and regions and the BBC's spend on programmes for S4C and BBC Alba. BBC TV income is based on Ofcom estimates of total licence fee revenue that is spent on TV-related services which includes content, distribution, and infrastructure spending, and pro-rata, a share of remaining overheads.

**Fig 15 Annual volume of hours of UK/National News and Current Affairs output, all day 2007-2012**

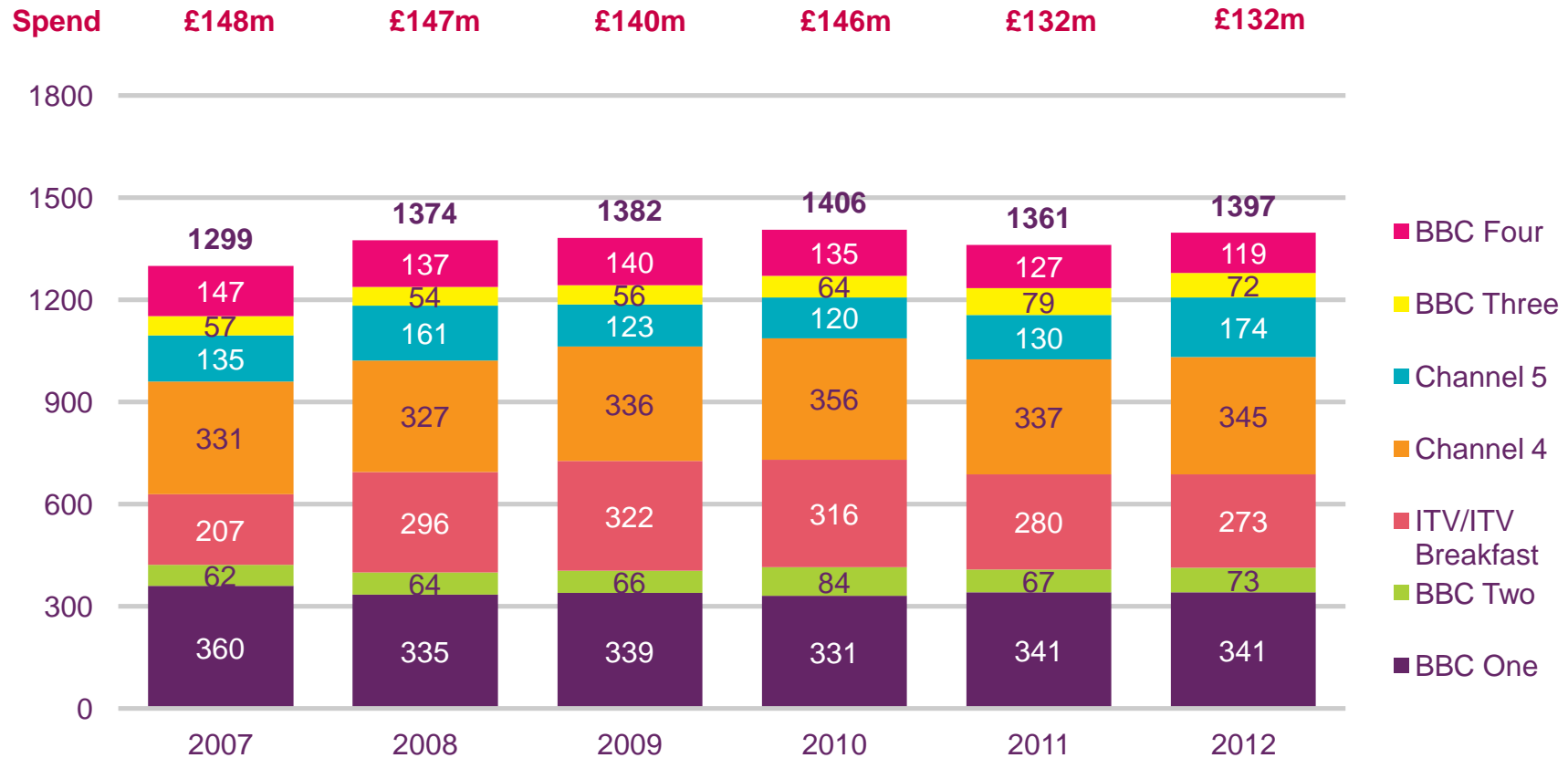


Source: Ofcom/broadcasters

Note: UK/national News refers to network news and excludes non-network news. Does not include BBC Parliament nor BBC News. Spend is given in 2012 prices



**Fig 16 Volume of hours of UK/National News and Current Affairs, peak time**

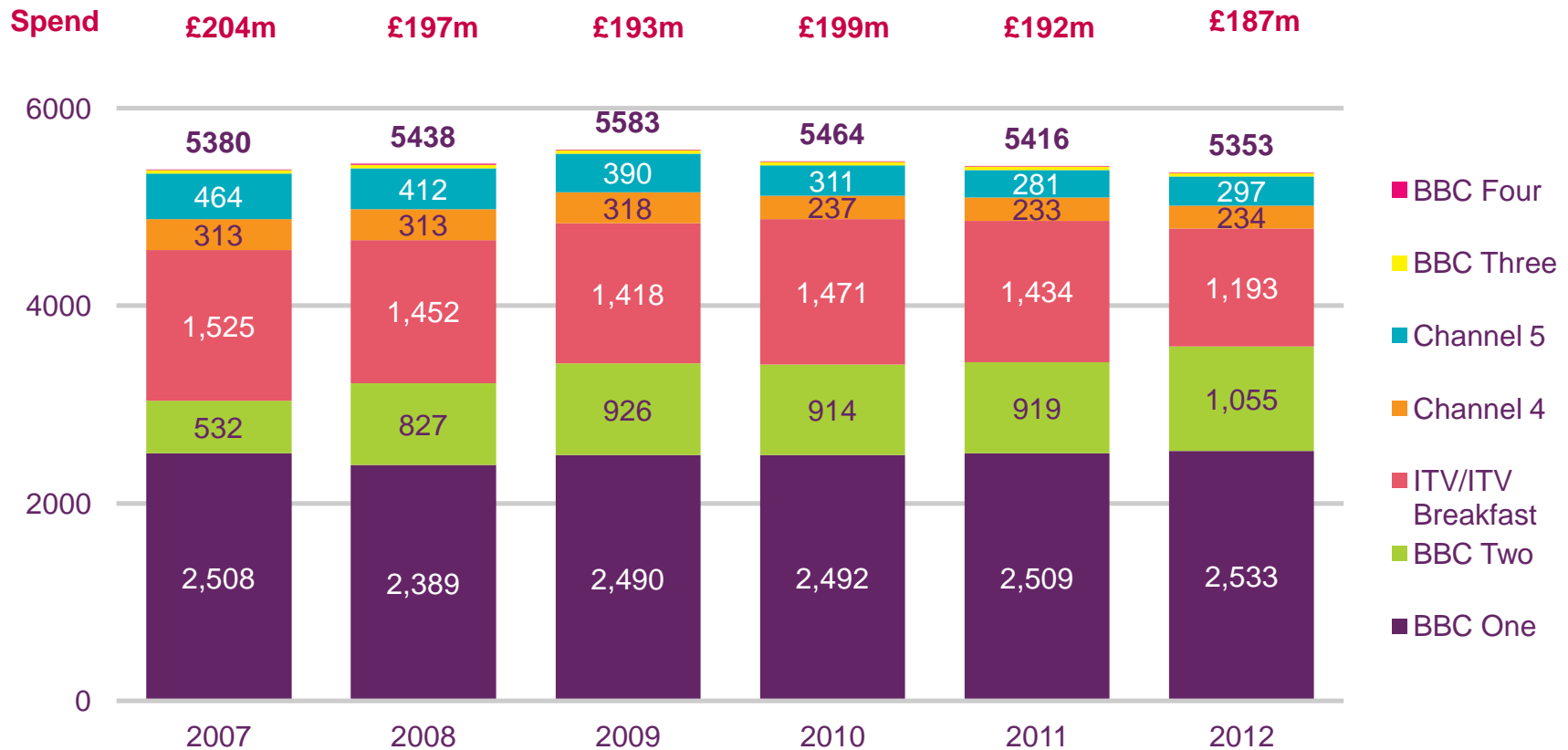


Source: Ofcom/broadcasters

Note: UK/national News refers to network news and excludes non-network news. Does not include BBC Parliament nor BBC News. Spend is given in 2012 prices



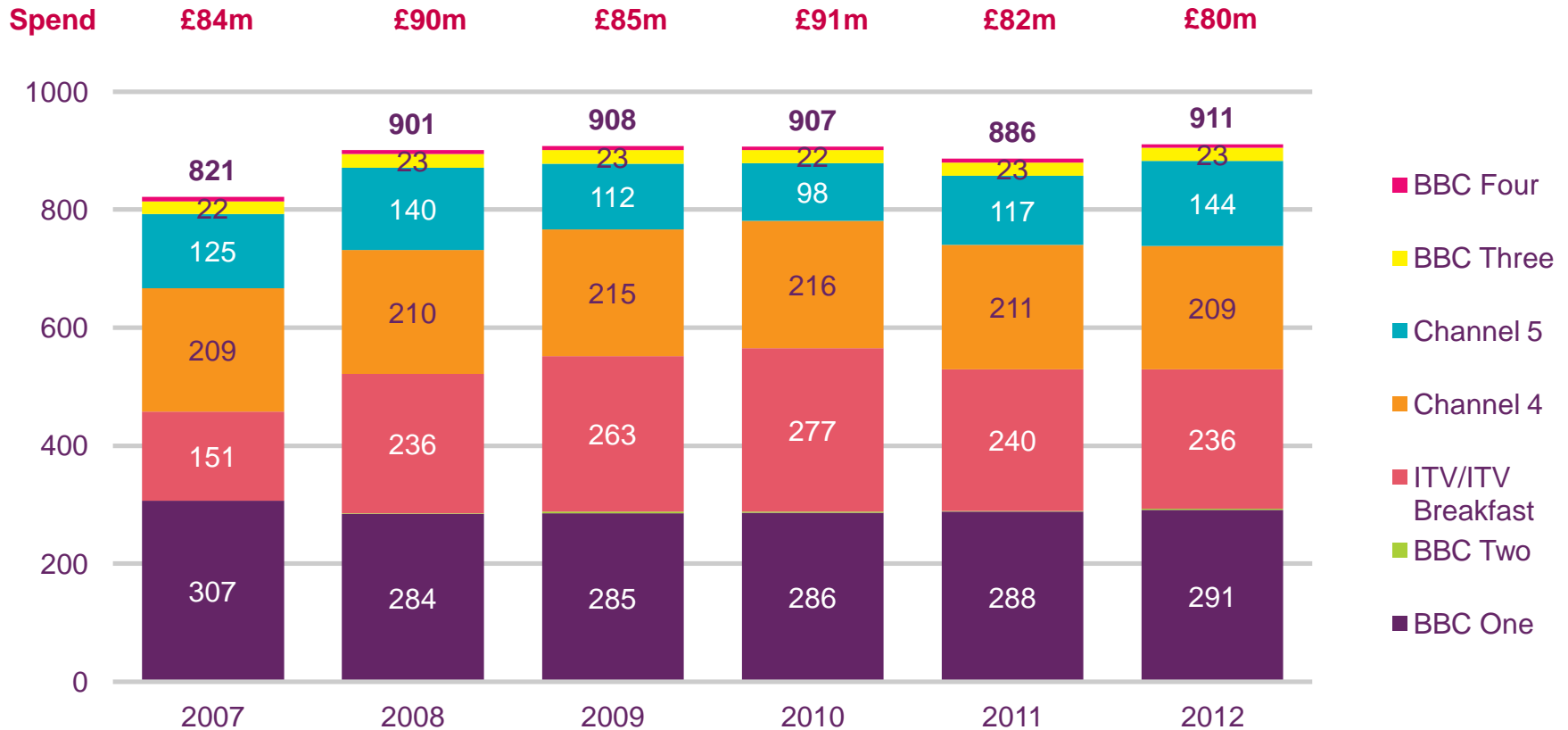
**Fig 17 Volume of hours of UK/National News, all day**



Source: Ofcom/broadcasters

Note: UK/national News refers to network news and excludes non-network news. Does not include BBC Parliament nor BBC News. Spend is given in 2012 prices

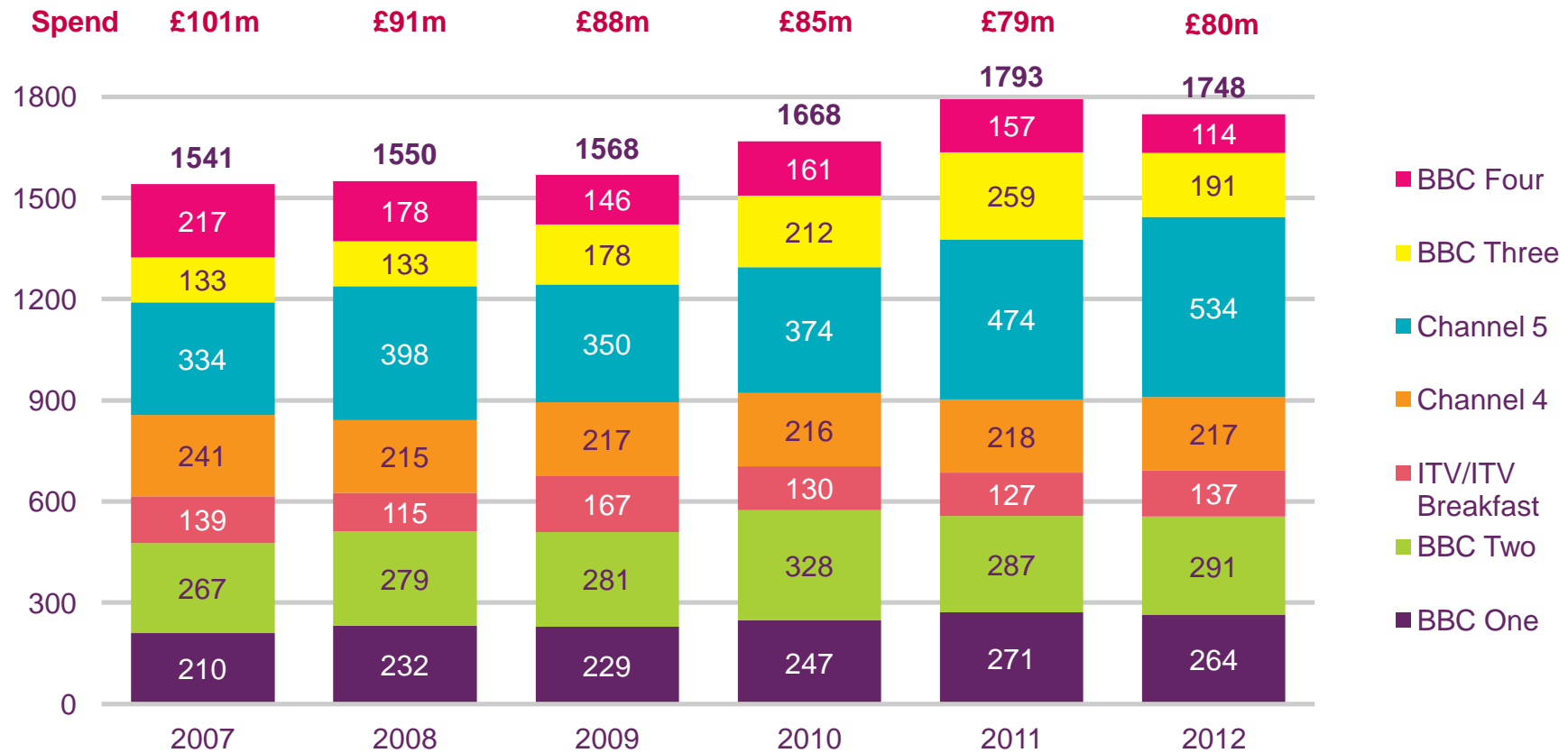
**Fig 18 Volume of hours of UK/National News, peak time**



Source: Ofcom/broadcasters

Note: UK/national News refers to network news and excludes non-network news. Does not include BBC Parliament nor BBC News. Spend is given in 2012 prices

## Fig 19 Volume of hours of Current Affairs, all day

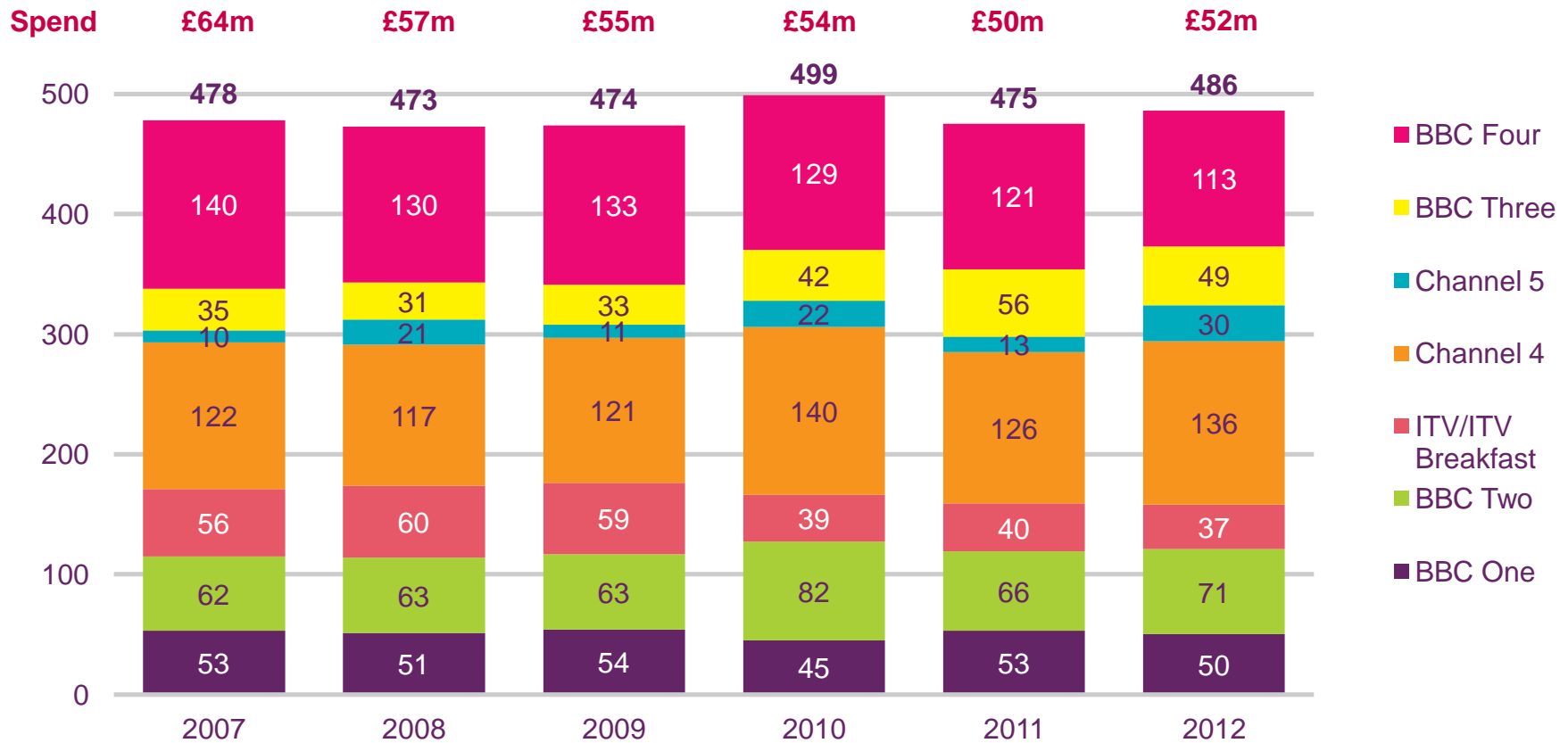


Source: Ofcom/broadcasters

Note: UK/national News refers to network news and excludes non-network news. Does not include BBC Parliament nor BBC News.

Spend is given in 2012 prices

## Fig 20 Volume of hours of Current Affairs, peak time

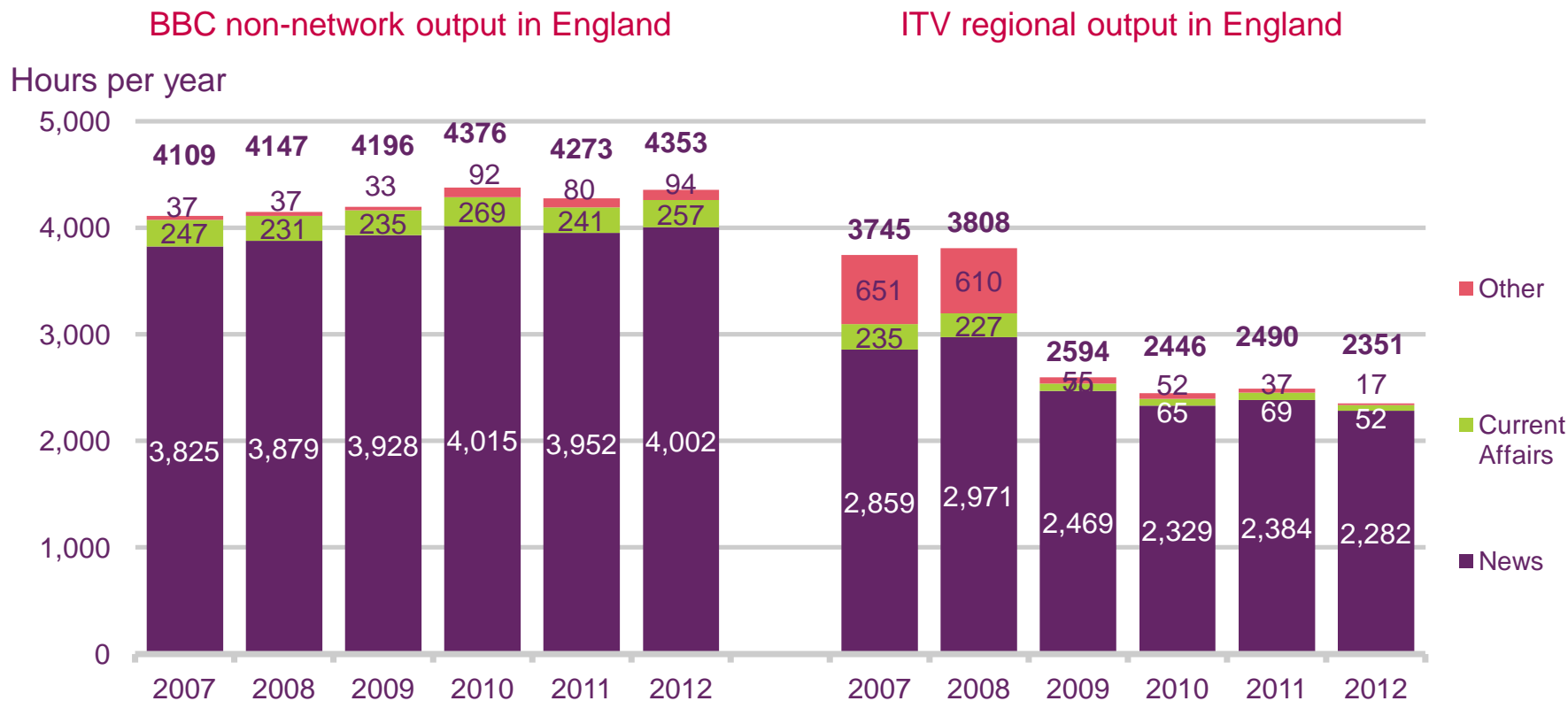


Source: Ofcom/broadcasters

Note: UK/national News refers to network news and excludes non-network news. Does not include BBC Parliament nor BBC News.

Spend is given in 2012 prices

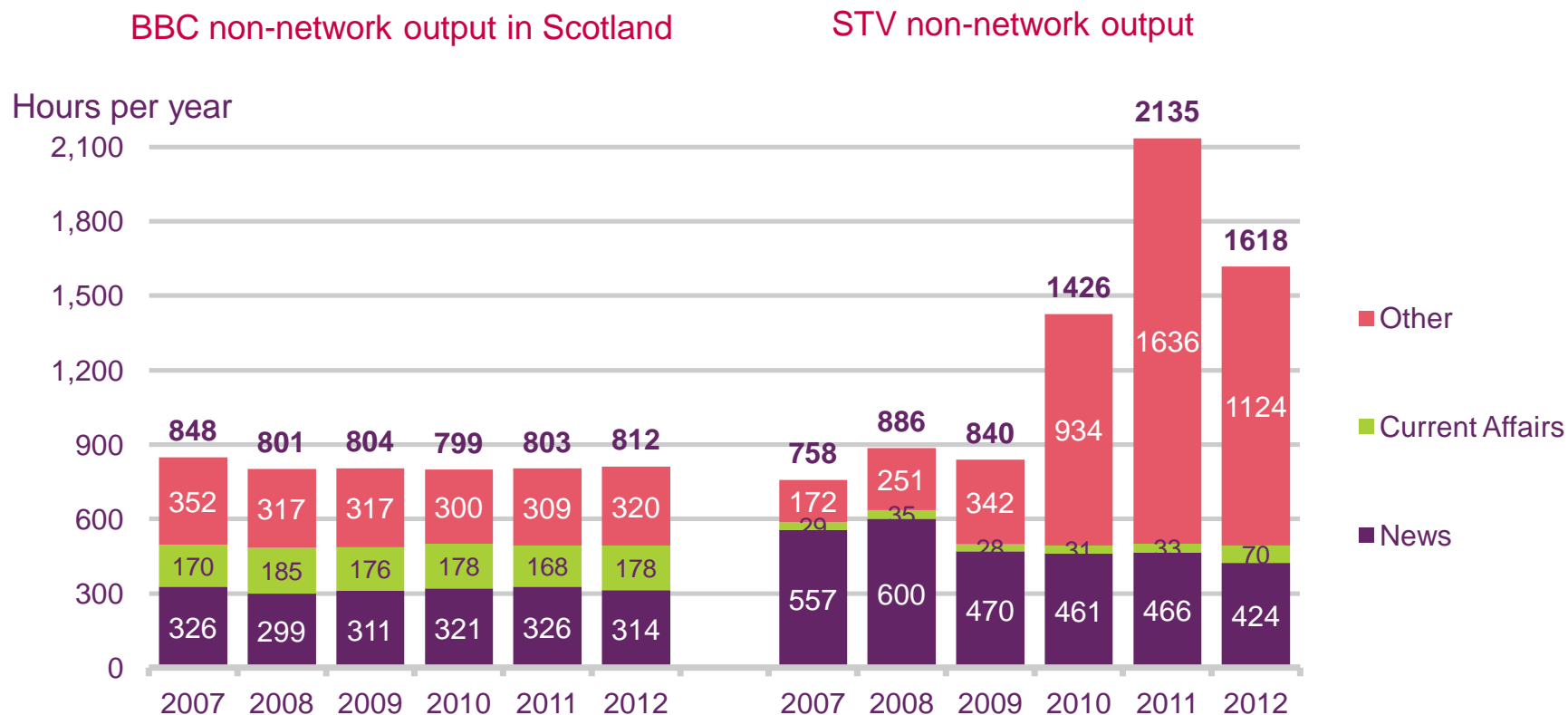
## Fig 21 Non-network first-run originations in England



Source: Ofcom/broadcasters . First-run originations only, excluding BBC Alba



## Fig 22 Non-network first-run originations in Scotland



Source: Ofcom/broadcasters

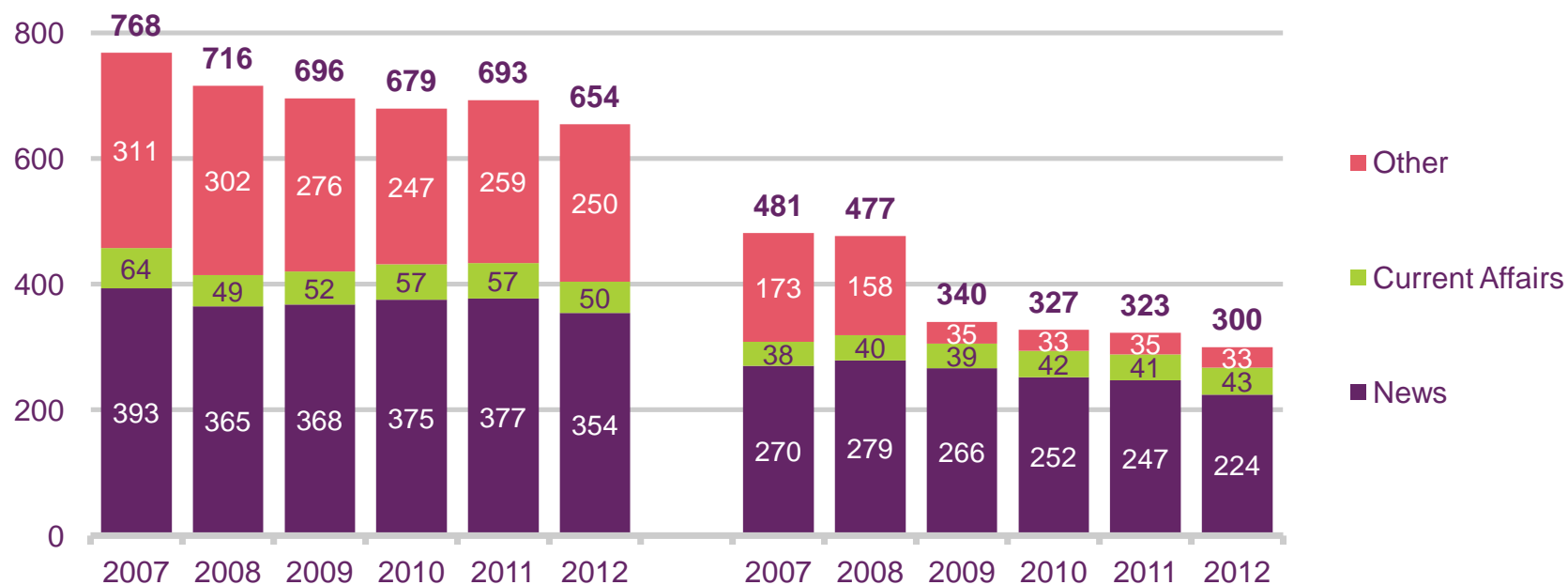
Note: Figures exclude gaelic programming. Increase in 'other hours' in 2011 due to STV opting out of some networked content on Channel 3, namely increased output of *The Nightshift*.

## Fig 23 Non-network first-run originations in Wales

BBC non-network output in Wales

ITV non-network output in Wales

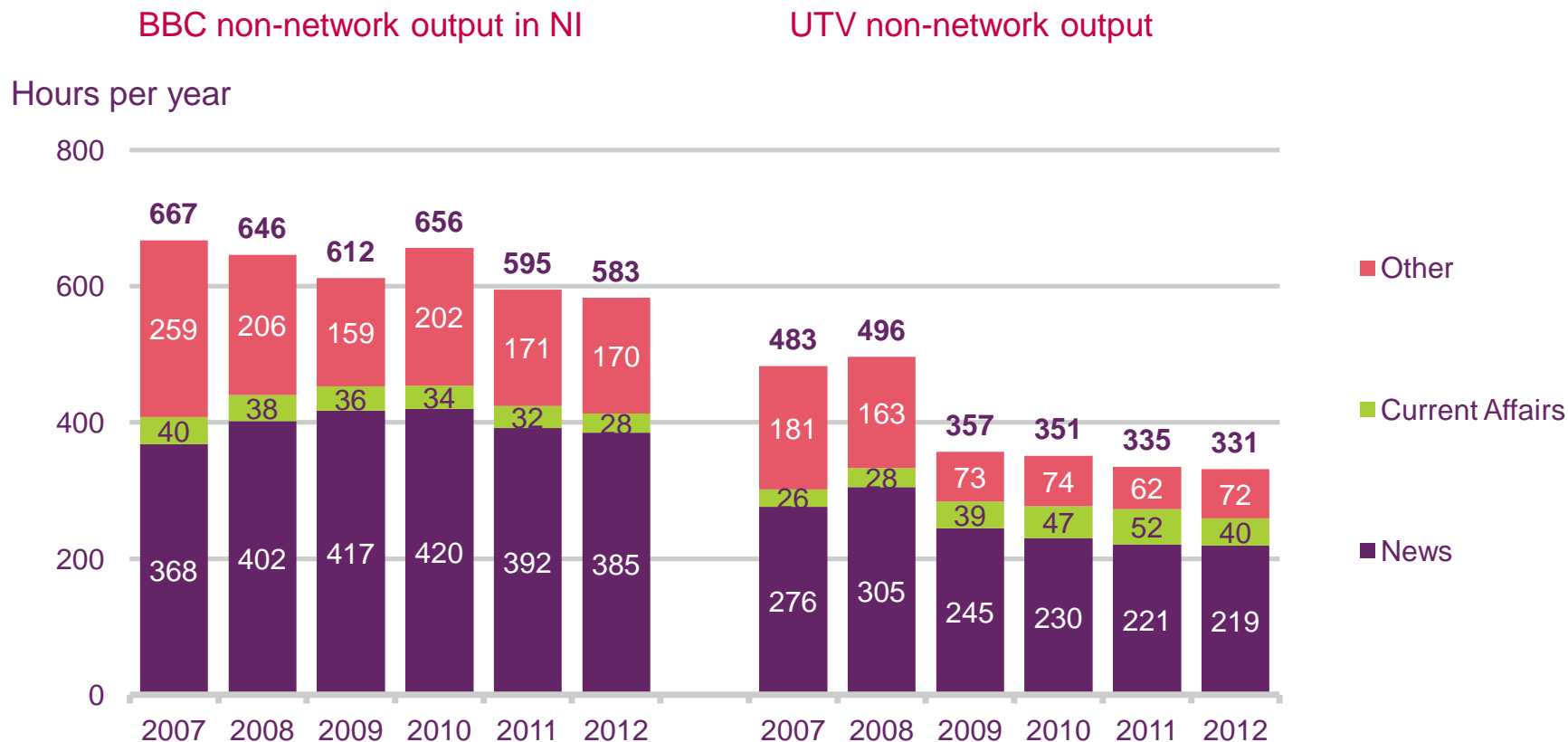
Hours per year



Source: Ofcom/broadcasters

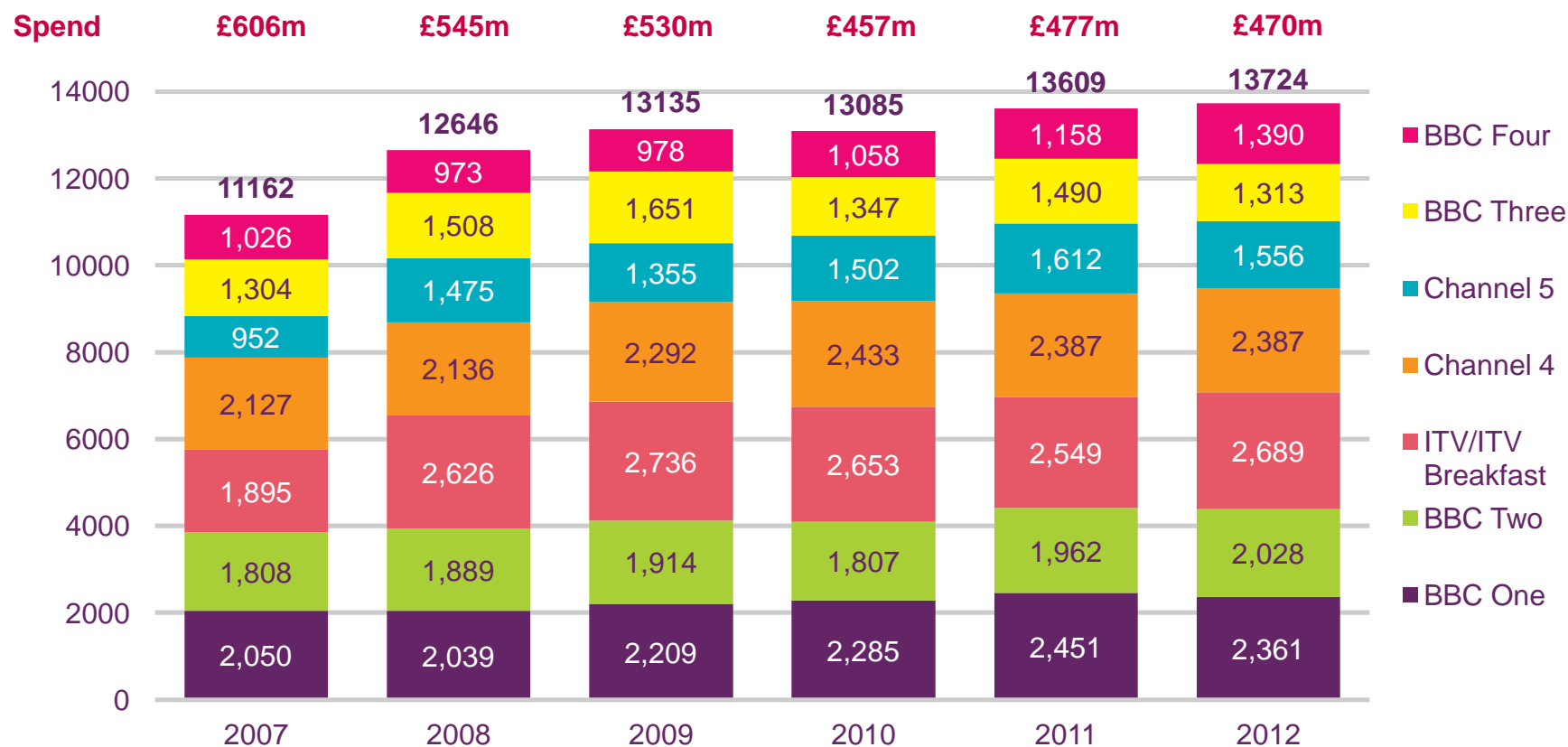
Note: Figures exclude S4C hours

## Fig 24 Non-network first-run originations in N Ireland



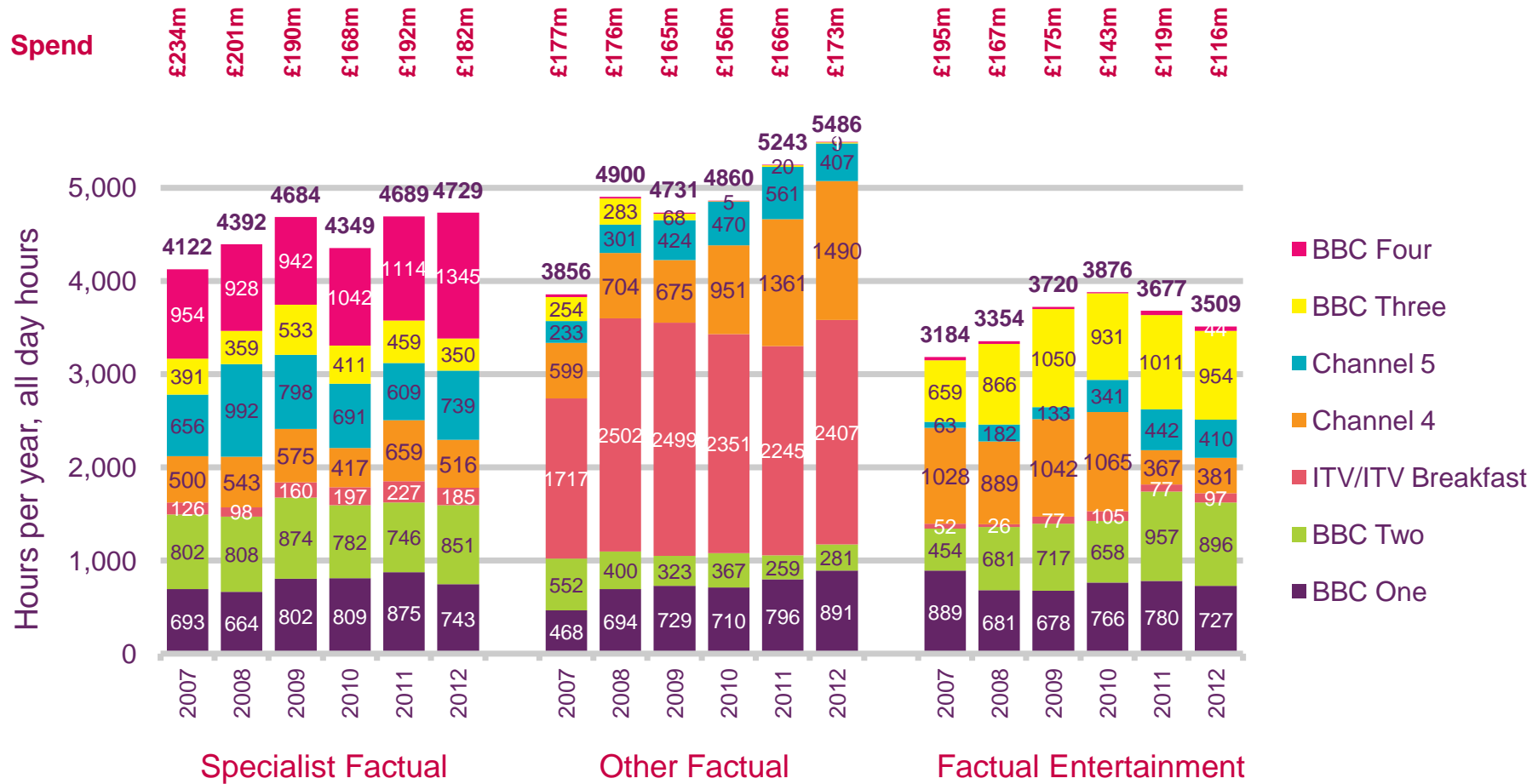
Source: Ofcom/broadcasters  
 Note: Figures exclude repeats

## Fig 25 Factual output, all day



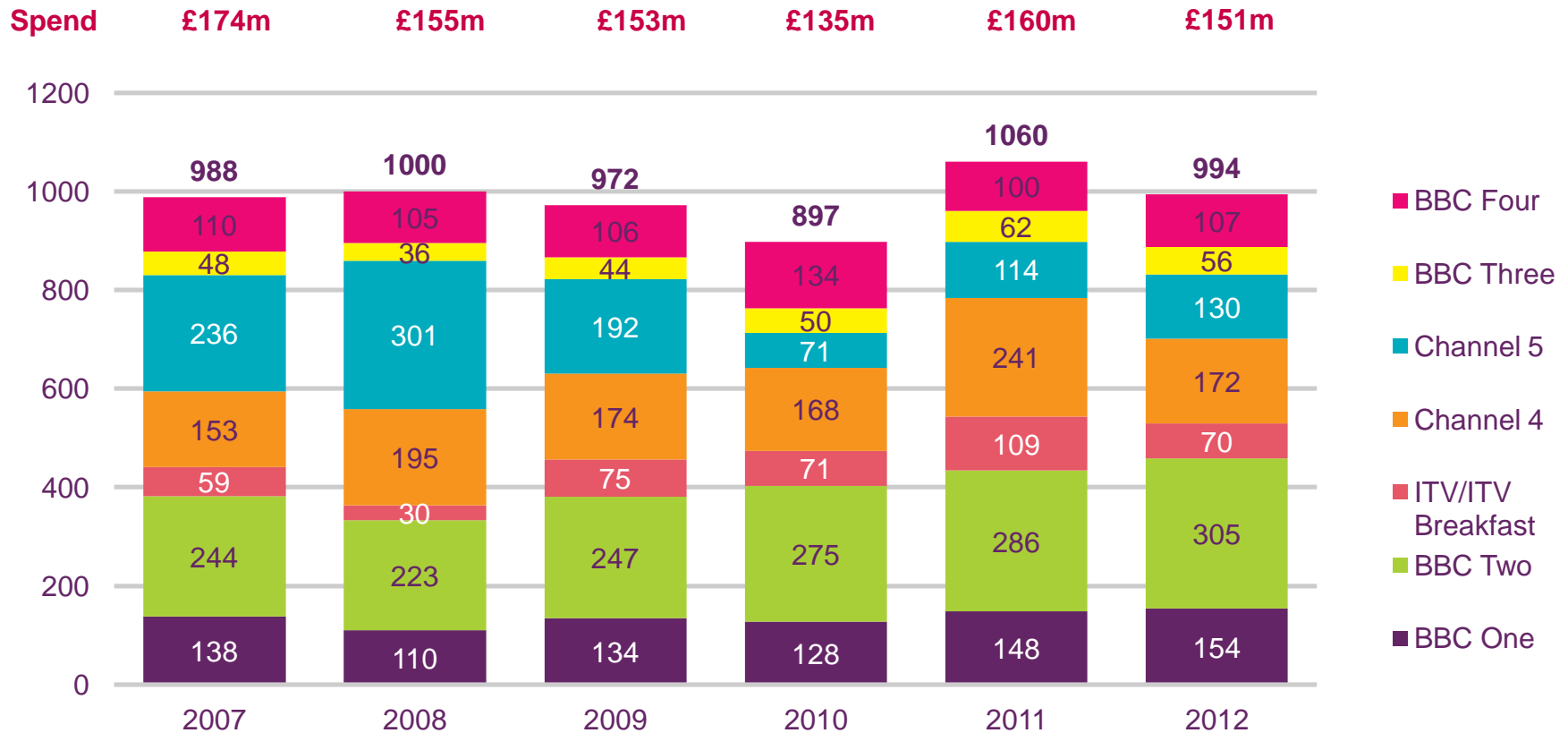
Source: Ofcom/broadcasters  
 Note: Spend is given in 2012 prices

## Fig 26 Factual output, by sub-genre



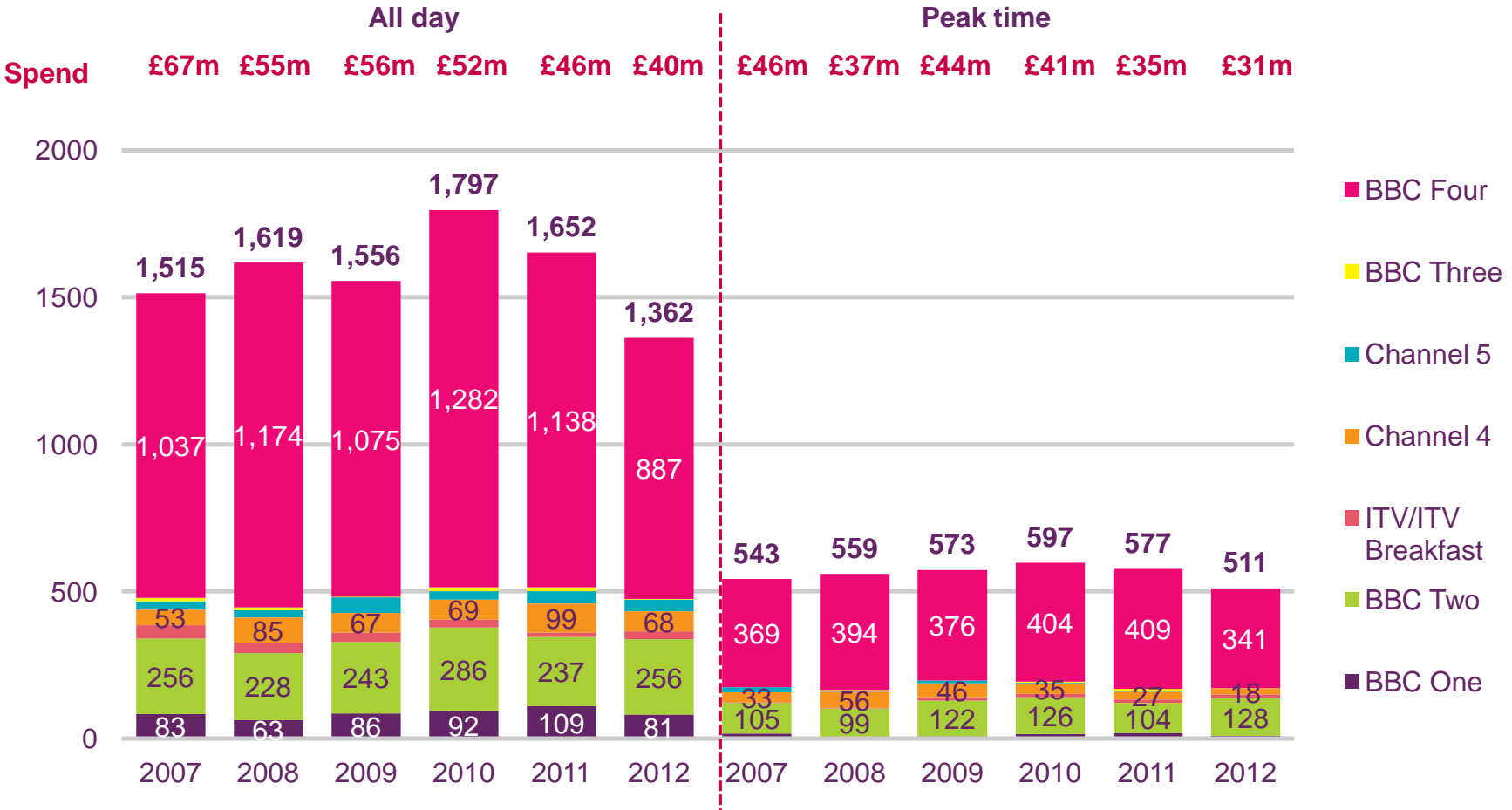
Source: Ofcom/broadcasters  
 Note: Spend is given in 2012 prices

## Fig 27 First-run, peak time originated Specialist Factual output



Source: Ofcom/broadcasters  
 Note: Spend is given in 2012 prices

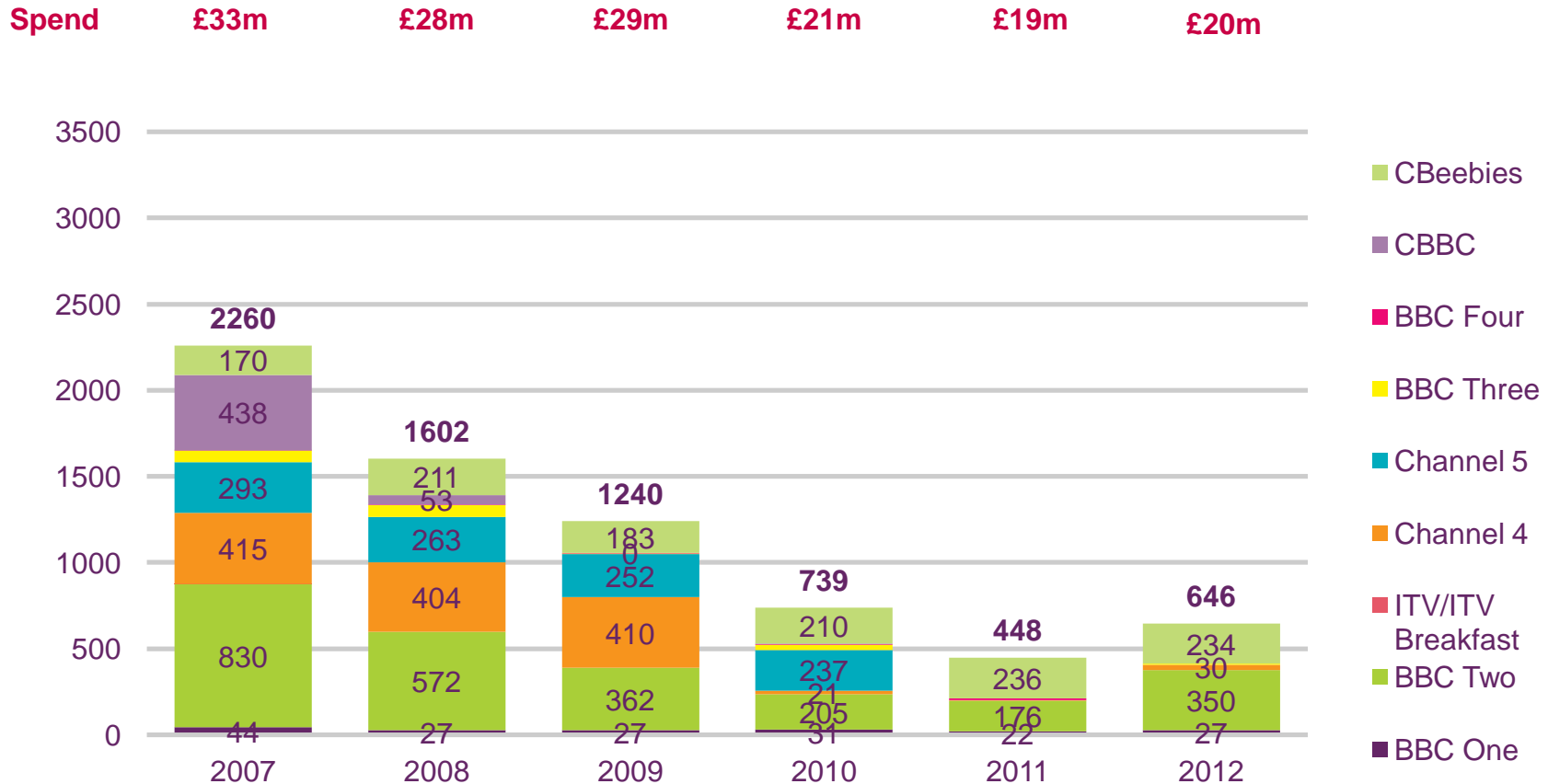
## Fig 28 Arts & Classical Music output hours



Source: Ofcom/broadcasters  
 Note: Spend is given in 2012 prices



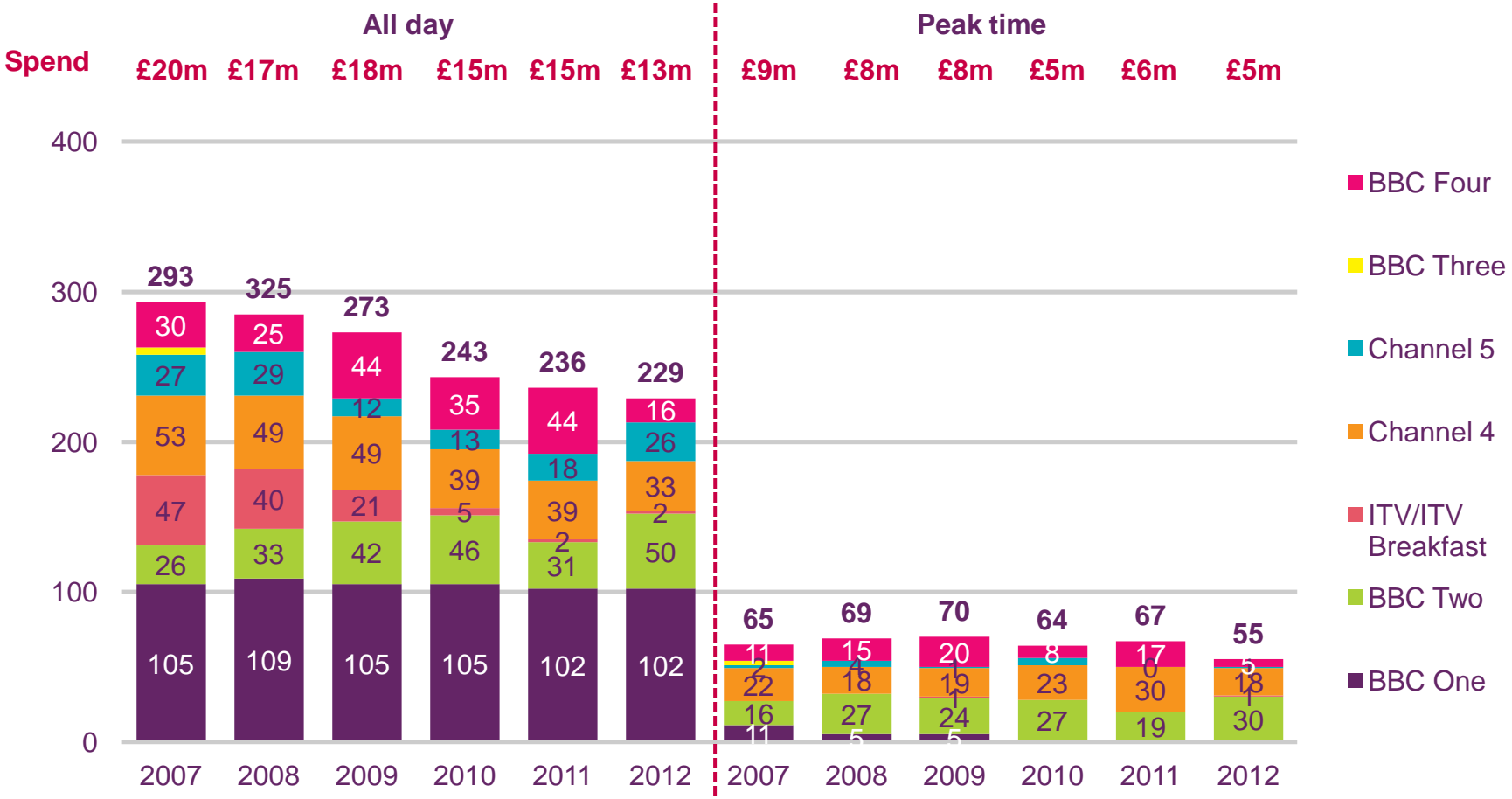
## Fig 29 Formal Education output hours



Source: Ofcom/broadcasters

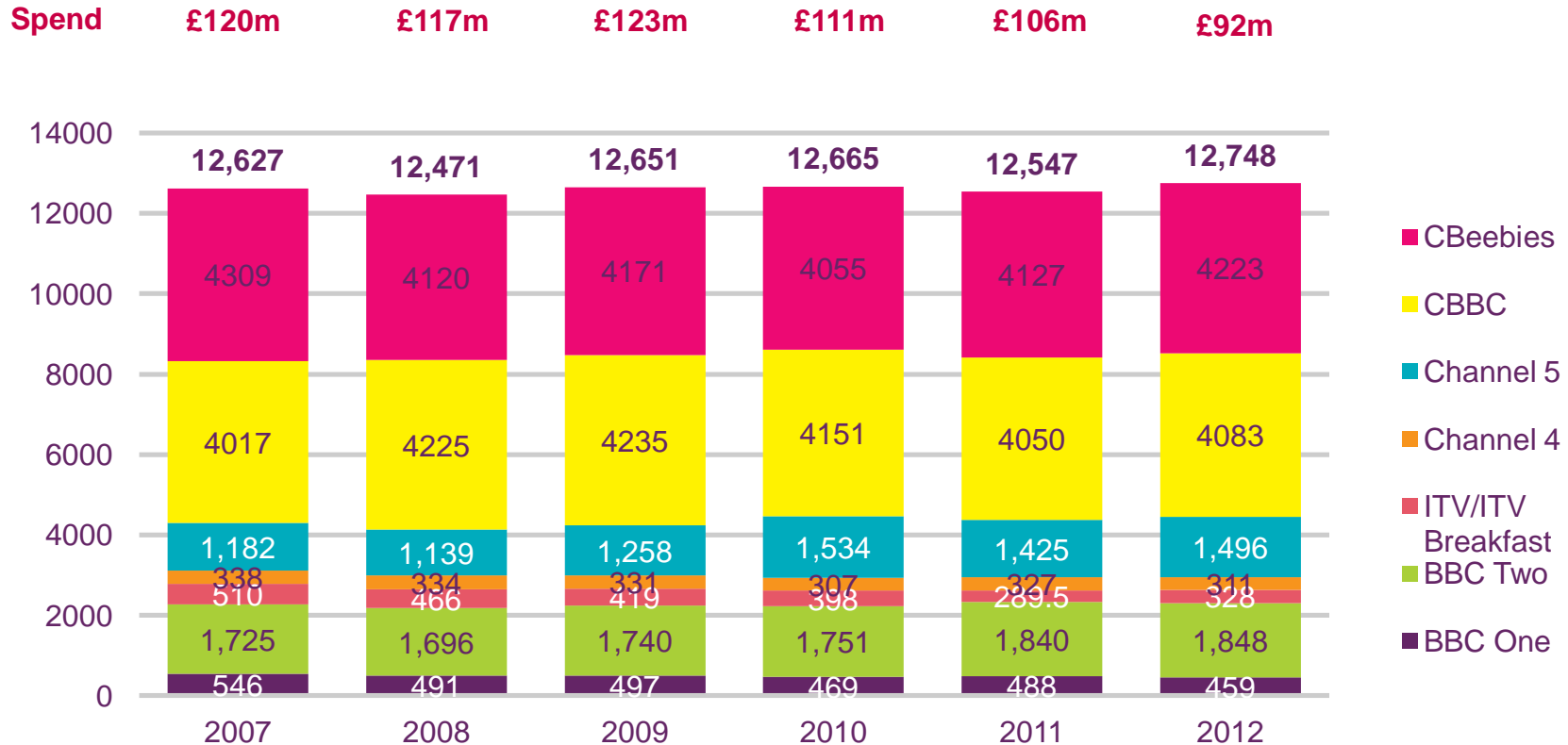
Note: Formal Education programmes include Schools and the BBC Learning Zone. Other programmes from all broadcasters across a variety of genres include Learning Support materials. Spend is given in 2012 prices

## Fig 30 Religion/Ethics programming output hours



Source: Ofcom/broadcasters  
 Note: Spend is given in 2012 prices

## Fig 31 Children's PSB output hours per year

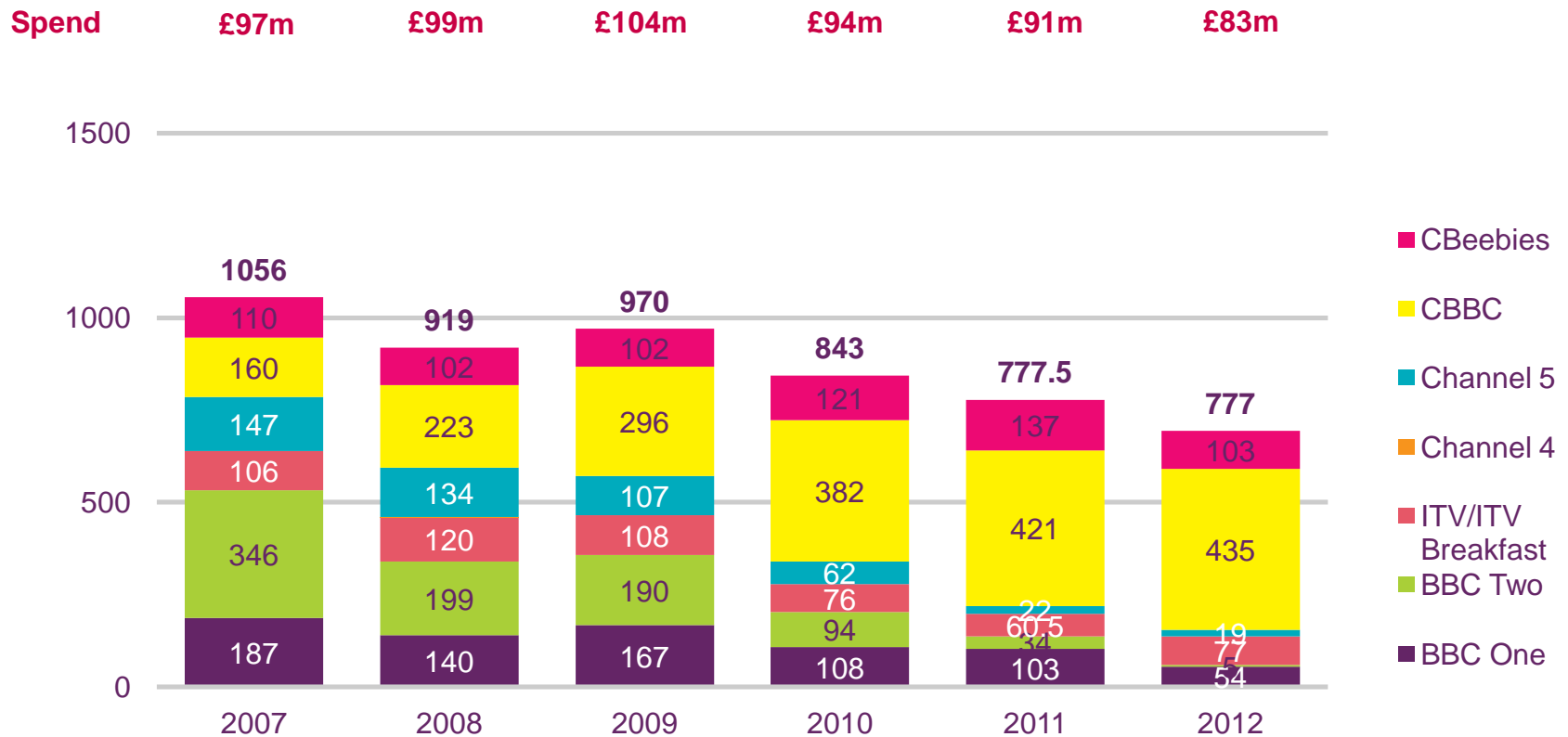


Source: Ofcom/broadcasters

Note: Spend is given in 2012 prices. Output and spend on the CITV channel is excluded.



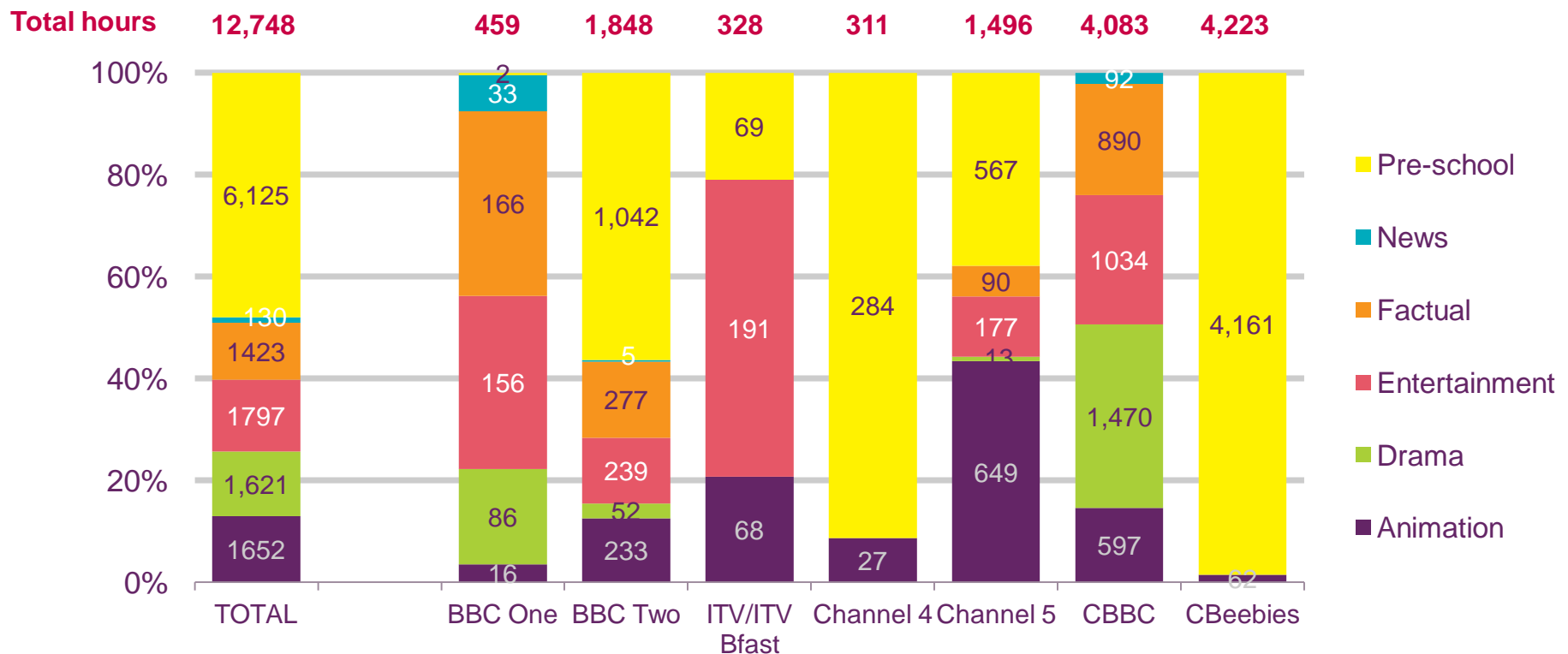
## Fig 32 Children's PSB output first-run UK originated hours per year



Source: Ofcom/broadcasters

Note: Spend is given in 2012 prices. Output and spend on the CITV channel is excluded.

## Fig 33 Children's Output by sub-genre 2012

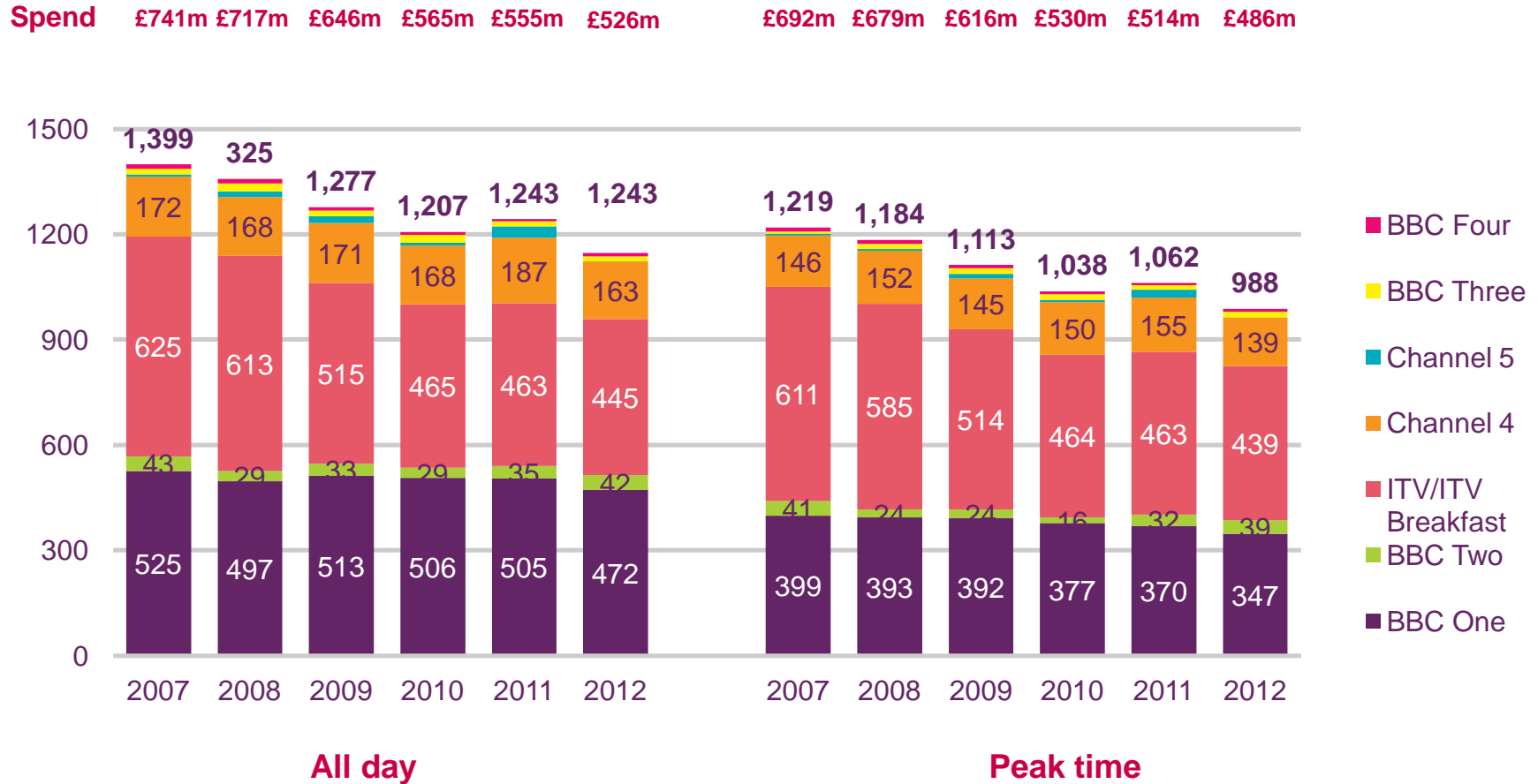


Source: Ofcom/broadcasters

Note: Spend is given in 2012 prices

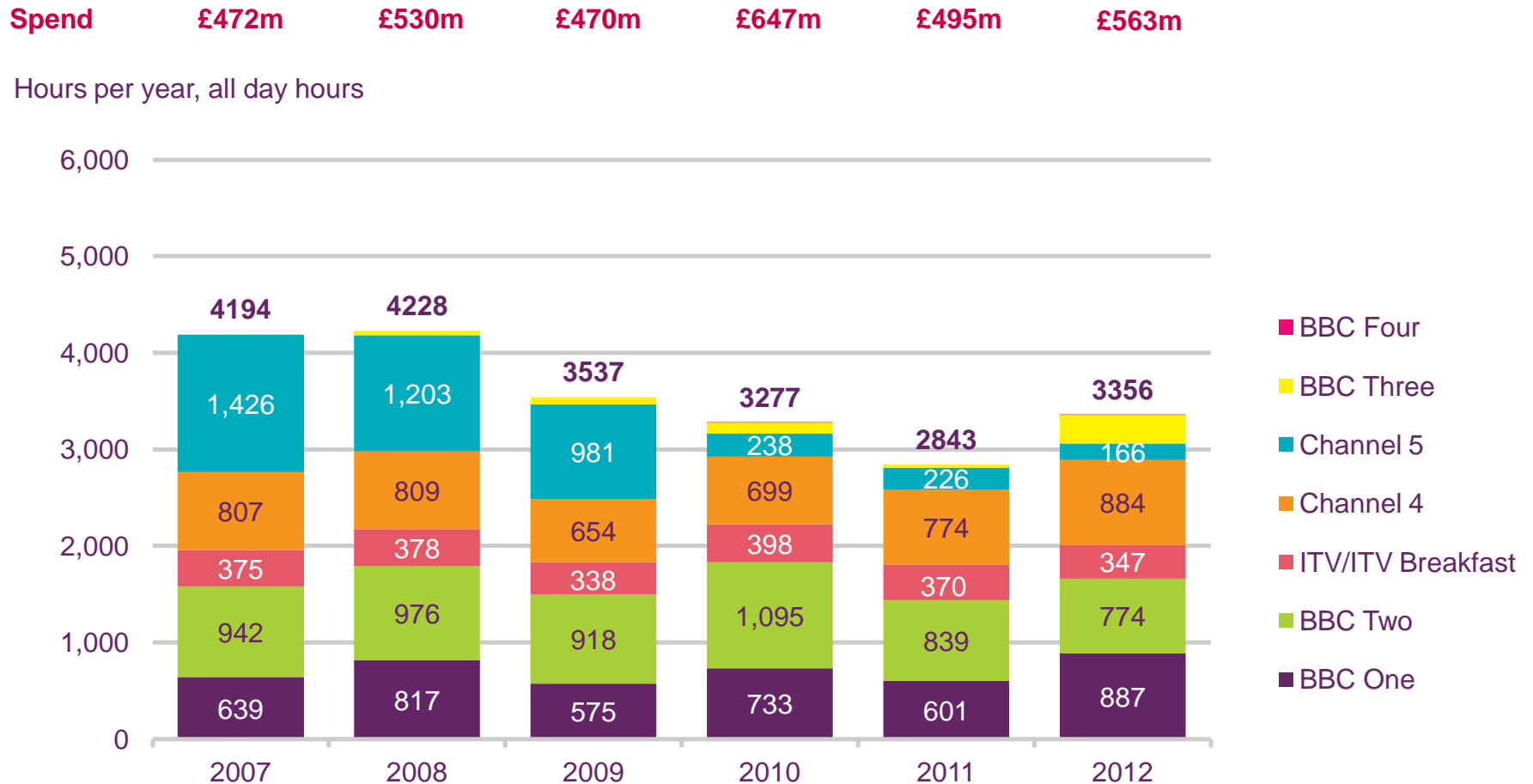
\*PSB Channels included: BBC One, BBC Two, ITV, Channel 4, Channel 5, CBBC, CBeebies Excluded: CITV and S4C.

## Fig 34 All day and peak time first-run originated Drama and Soap



Source: Ofcom/broadcasters  
 Note: Spend is given in 2012 prices

## Fig 35 Sport output hours all day



Source: Ofcom/broadcasters

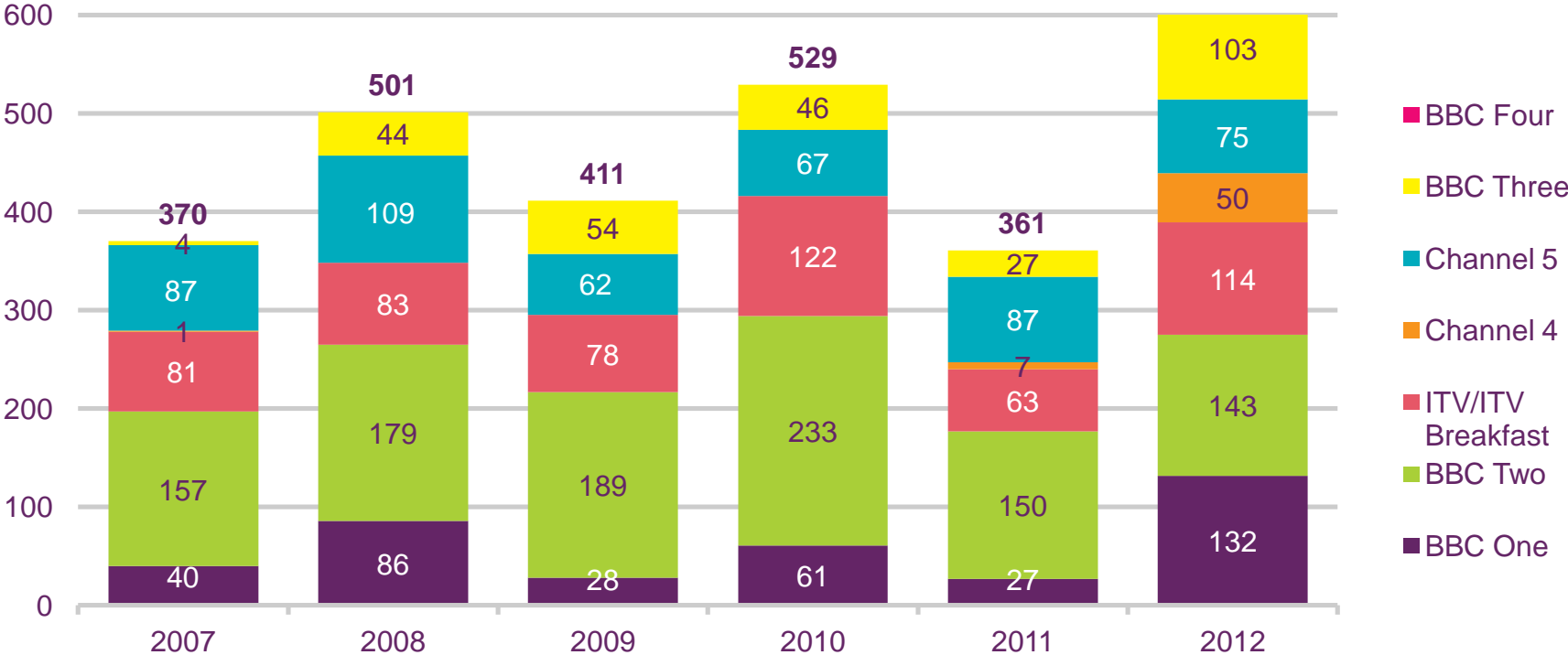
Note: Spend is given in 2012 prices



## Fig 36 Sport output peak time hours

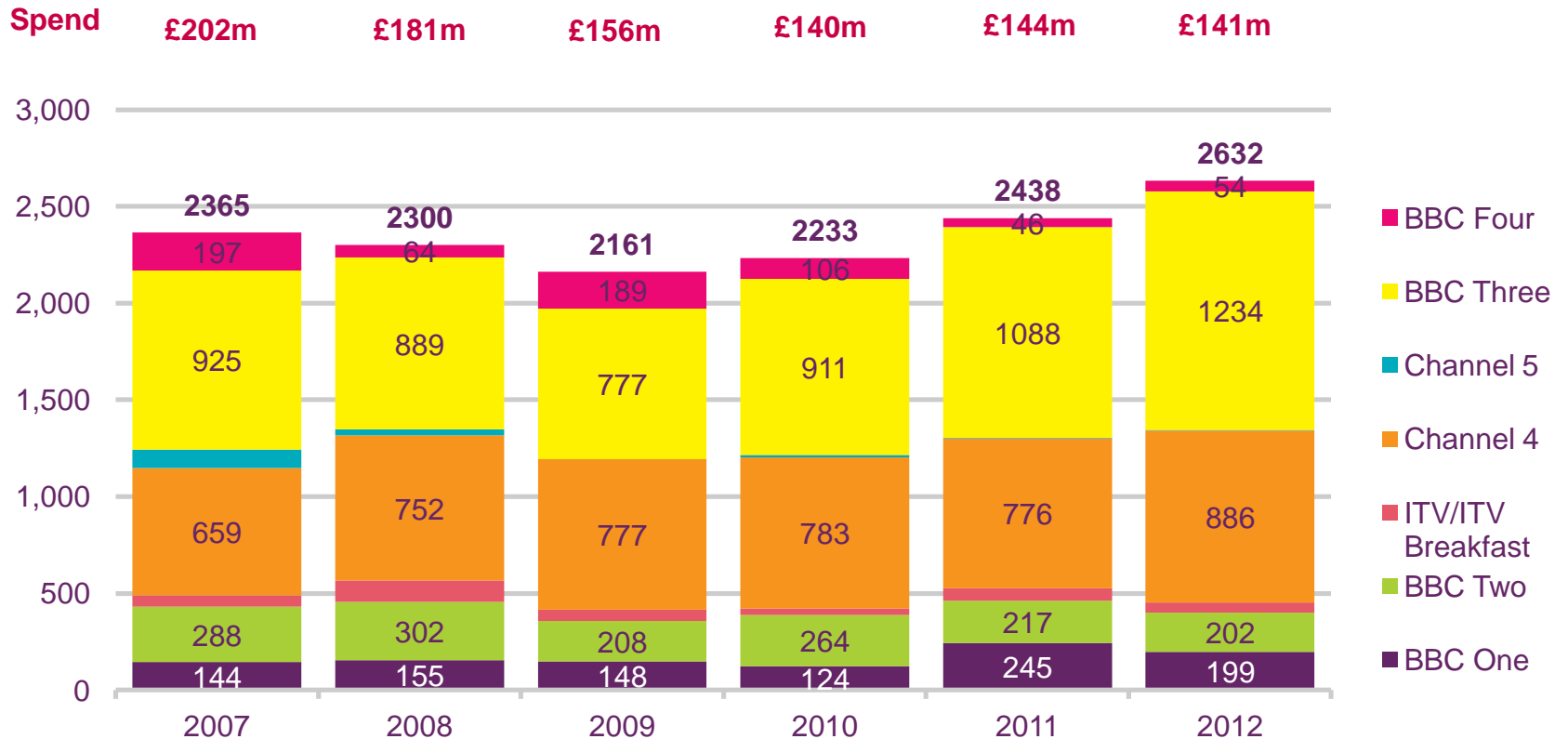
**Spend**                      **£141m**                      **£149m**                      **£140m**                      **£237m**                      **£166m**                      **£221m**

Hours per year, peak time hours



Source: Ofcom/broadcasters  
 Note: Spend is given in 2012 prices

## Fig 37 Comedy output - all time



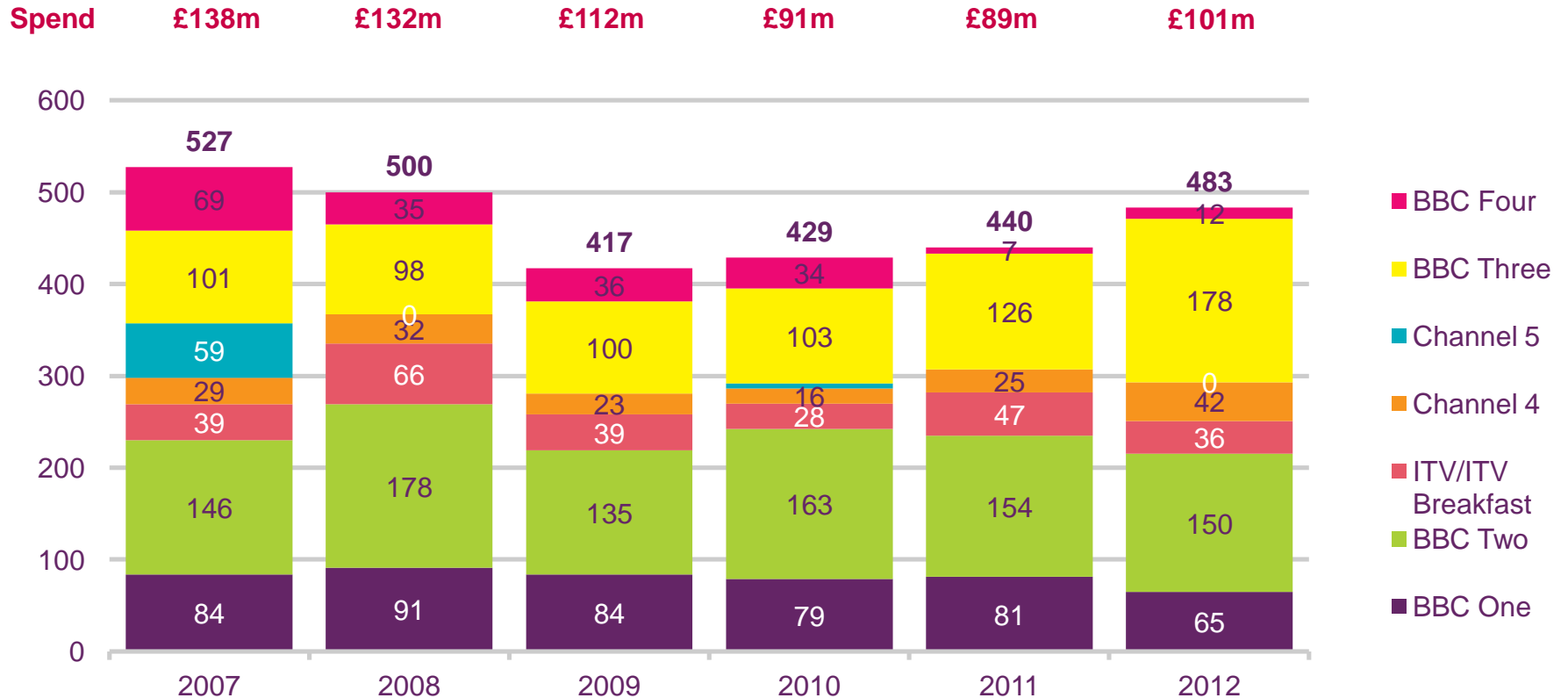
Source: Ofcom/broadcasters

Note: Spend is given in 2012 prices

# Drama, Soap, Sport and Comedy

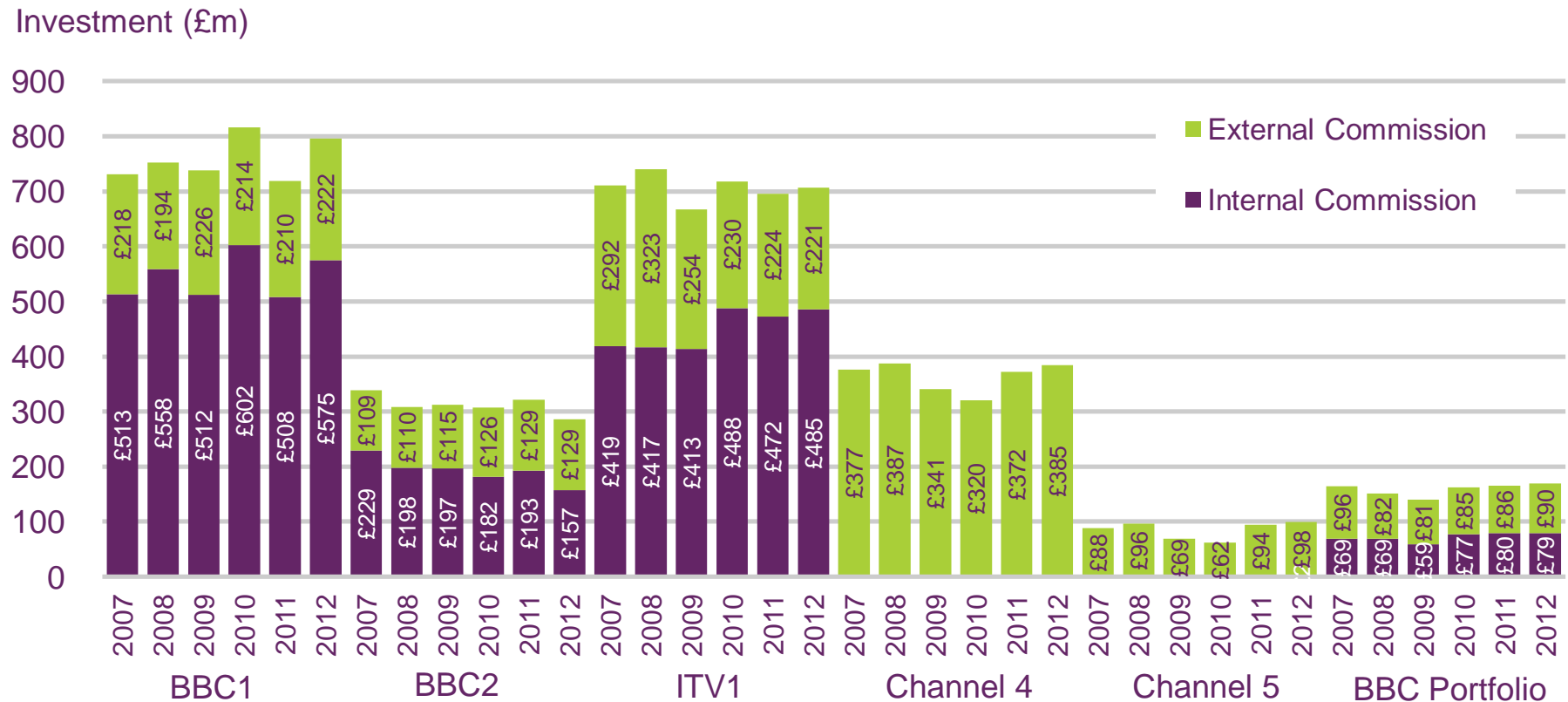


Fig 38 Comedy output - peak time



Source: Ofcom/broadcasters  
 Note: Spend is given in 2012 prices

**Fig 39 Spend on first run commissions by PSBs:2007 to 2012.**  
**Nominal figures.**



Source: Ofcom / Broadcasters

Note: Figures expressed in nominal terms. First-run network commissions including news and sports rights. BBC Multichannels included in the chart: BBC Three, BBC Four, CBBC, Cbeebies. ITV1 excludes Daybreak.