



Invitation to comment:

Ofcom review of proposed BBC Scotland television channel

Closing date: 14th December 2017

We welcome the opportunity to comment on Ofcom's review of the BBC proposals for the launch of a new BBC Scotland TV Channel. This response is being submitted on behalf of Directors UK.

Directors UK is the professional association for UK screen directors, representing the creative, economic and contractual interests of 6,500 members – the overwhelming majority of working film and television directors across the UK. Directors UK collects and distributes royalty payments and is a membership organisation providing a range of services including campaigning, commercial negotiations, legal advice and support, events, training and career development. Directors UK works closely with fellow organisations around the world to represent directors' rights and concerns, promotes excellence in the craft of directing and champions change to the current landscape to create an equal opportunity industry for all.

QUESTIONS

Question 1: Do you consider that the BBC's published proposals are clear in relation to their scale (both in terms of financial resource and in terms of reach and type of content) and the timescales for implementation? If not, please provide details of the areas where you feel more clarity is required.

Our members have expressed concern in relation to the proposed programme budgets for the new channel. They are concerned that the ambition for 'high quality drama, factual and arts programme' to be produced on the proposed budget is not viable, and in fact misleading. Quality programming requires two things: a realistic budget and appropriate skills. Our members do not feel that the current proposal adequately addresses these requirements.

One of the proposed solutions to these concerns regarding budgets, which has already been raised by stakeholders, is that the channel will be expected to win co-commissions with other BBC channels, which will bolster the budgets for original programmes (p19). Yet, as the report acknowledges, it is not possible to identify or quantify the impact this may have on budgets for original programmes, therefore this cannot be seen as a guarantee to resolve this issue.

It is possible that seeking funds from a co-commissioner may, in certain circumstances, address the issue of the under funding but in doing so it is likely to impact on the tone and content of the original programme. If the BBC Scotland channel remit is to produce tailored content specifically for a Scottish audience then why would a co-commission channel, with an entirely different remit, wish to invest when it would force one or other to compromise on the content.

As it currently operates, BBC Scotland is given a budget to produce programmes specifically tailored to a Scottish audience and there is an option for co-commissioning to happen. This option is seldom taken up so the proposition that this funding model would be the solution to subsidising the meagre budgets and enable high quality programmes to be made in and for Scotland seems weak.

The other proposed solution is to reduce the number of originated hours and increase the number of repeats to 50:50. This would mean that of the 912.5 hours of original programming proposed, only 561.5 hours would be for new non-news content, with a further 912.5 hours of repeats. Is this really going to provide the Scottish-focused creativity and quality that Scottish viewer might expect? For example, within this, only 26 hours are allocated to comedy and drama, and the report suggests that

the channel will have to work with the other BBC network channels to ensure representation of Scotland within their original drama content in order to achieve this ambition for the Scottish channel.

For the channel and its content and services to have any meaningful success it will require an appropriate budget to deliver a service with which Scottish viewers will engage. To press ahead without further reviewing this would set the new channel on an unachievable path, which would put it at risk of failing to provide more quality programmes for Scottish audiences than is currently on offer.

We believe there should be a more meaningful analysis of what type of programming is actually achievable on the budget available, and to include the insights from programme makers (writers, directors, producers) working in Scotland within that analysis to ensure it can be achieved.

Question 2: Did the BBC's consultation process provide a suitable opportunity for you to set out your views fully? If not, please provide details.

N/A

Question 3: Because the BBC's proposal involves the introduction of a new public service channel, we do not consider that further analysis is required to determine materiality. If you disagree, please explain why you consider the BBC's published proposals are not material.

N/A

Question 4: Please explain whether you consider Ofcom should undertake a BCA or a Shorter Assessment of the BBC's proposal.

We believe that Ofcom should undertake the assessment method that would allow it to fully assess the programme budget proposals and their impact on delivering the new Channel's aims and public purpose.

We would question whether the BBC may find itself at risk of trying to fill airtime as cheaply as possible as opposed to providing quality programmes for a Scottish audience. We believe that is worth a full assessment as it will largely determine the success or failure of the Channel.

BBC Scotland currently creates content in the form of opt outs from the network. We would welcome a full review of the evidence that there is an appetite for more than is currently on offer in the form of a new channel, in light of the reality of what may be achieved within the budgets, especially with all the additional running cost that will be incurred, and given that half the nightly viewing will be repeats.

Question 5: Do you agree with the BBC's assessment in its public interest test about the potential public value and/or market impact of the proposal? Please provide any additional information you may have to explain your view.

Our response focuses on the two public values that have the most relevance for our members:

Showing the most creative, highest quality and distinctive output

In the proposal (p38, para 138) it states that *"the new channel will be the only English-language channel made in Scotland, for the people of Scotland [...] Its multi-genre offer will have creativity and quality at its heart"*. Whilst we approve of the general principles and ethos of being Scottish-focused, cross-genre and made in Scotland, our concern remains that the budget available for providing the

service is not sufficient to deliver on these aims. In order to manage the shortfall in budget provision it is already being suggested that content will need to be co-commissioned and we have concerns that this will not necessarily create opportunity for Scottish-based talent. Programming that will attract international investment or network funding is less likely to be Scottish-focused in its storytelling, content or talent.

We also agree with the concerns raised by stakeholders about the low cost per hours of original programmes which is likely to have an impact on quality or fail to deliver on the audience desire for more drama, comedy and documentaries and talent which have a higher cost per hour.

Supporting the Creative economy across the UK

Whilst we welcome the additional commitment and investment for a Scottish-focused channel and content, in order for this to truly have an impact on the local Scottish creative sector we would like to see a full commitment for this investment to be spent on employing and developing Scottish creative talent. At the moment, a significant proportion of programming made in Scotland is directed by talent brought in from outside Scotland. The programmes that are made in Scotland by a small number of Scottish based directors tend to be at the lower end of the budget scale. If there is not a significant amount of money spent on training and developing local talent, and there seems to be no real reference to this in the proposal, then we fear that the programmes for the new channel will continue to be made by non-Scottish talent imported for the production, and no lasting Scottish talent base will develop. As a result the audience will be less well served, not more.

Indigenous independent production companies require a cash flow in order to create a sustainable business model and invest in their staff. That means a long-term commitment to spend – in order to win commissions they must be able to invest in development, but to do that they need cash reserves. One way to build those cash reserves is to have a business model that allows them to more confidently predict income from commissions. In our members' experience that confidence only happens if the talent base and leadership are believed to be of a high enough standard, which requires meaningful and long-term investment in them. Sustainability is therefore the key to making any such channel a success and to deliver real transformative impact.

The public want better programmes to watch and that is only achievable with investment in skills and programme budgets.

Question 6: Does this proposal highlight any significant market impact concerns which might affect your products and services? Please provide any additional information you may have to explain how you consider the launch of a new BBC channel for Scotland could affect you if it goes ahead.

As outlined above, the proposals for more investment in programmes and content for Scotland is a positive proposition for Scottish-based directing talent and production community. However, it will only have a positive impact on the Scottish creative industry if this commitment is followed through by using local production companies and talent to make the content.

It is important to point out that to enable this to happen the channel cannot simply set up and expect to pull talent out of a hat. Investment in meaningful training and pathways of career progression also needs to be made if this is going to prove fruitful. If talent (on and off-screen) is simply parachuted in for a project only to leave again it leaves no lasting legacy on which to grow the local industry in the nation and local talent feels alienated.

Furthermore, the proposals states (page 28, para 92) that the BBC is keen to work internationally with other third parties where this is in the best interest of audiences. Whilst international co-productions can bring positive inward investment and opportunities, we are concerned that this could also result

in less Scottish-centric programming and be less likely to use and nurture the indigenous Scottish programme-making talent and industry.

Our members are also concerned that the management costs associated with launching, running and managing the new channel will impact on the money available for creating new content which could be shown within the current BBC Scotland opt out provision without the additional costs.

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