

Factsheet 3 – UK nations/English regions:

This factsheet has been compiled by Ofcom and provides some background information to aid discussion at the 2015 Oxford Media Convention. It looks at the nations' and regions' TV spend and output figures as well as the spread of original TV production throughout the UK. Figures are provided up to and including 2013 as 2014 data is not currently available. All data referred to can be found in [Ofcom's PSB Annual Report 2014](#) or [Ofcom's CMR 2014 report](#).

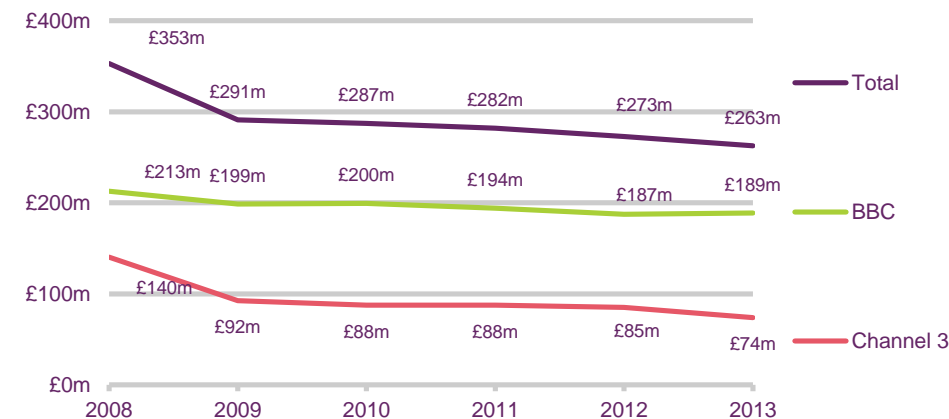
Factsheet 3: UK nations/English regions: TV spend

Market Context

Key points

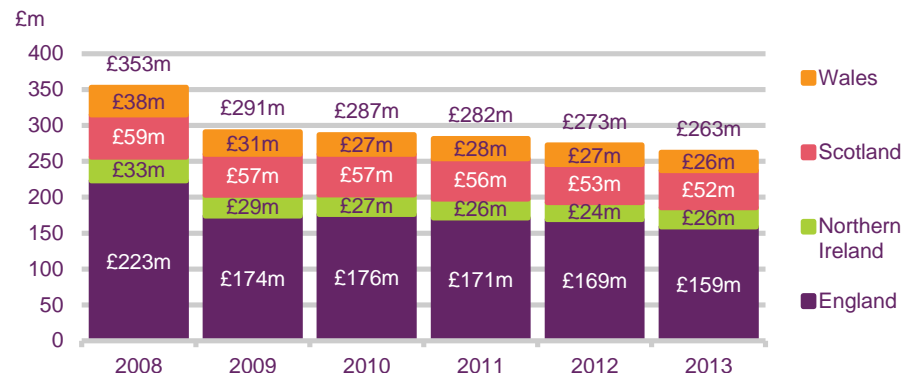
- There was a £10m real terms decrease in spend on first-run nations' and regions' originated content from 2012 to 2013. Spend by the holders of the Channel 3 licences (ITV, STV and UTV) decreased from £85m to £74m in real terms over this period while the BBC increased their nations and regions spend by £2m over the same period.
- Figure 2 shows the breakdown of original nations' and regions' spend from 2008 to 2013 by nation. Each nation saw a decline in spend over this period, varying from the 33% decrease in Wales to the 12% decrease in Scotland.
- Figure 3 looks at the spend on original programming for the Welsh-language channel S4C and the Scottish Gaelic channel BBC Alba from 2008 to 2013. S4C produced more first-run hours of output to BBC Alba in broadly the same proportion as the spend figures would suggest over the period.

Fig 1: Spend on nations/regions first-run UK originations



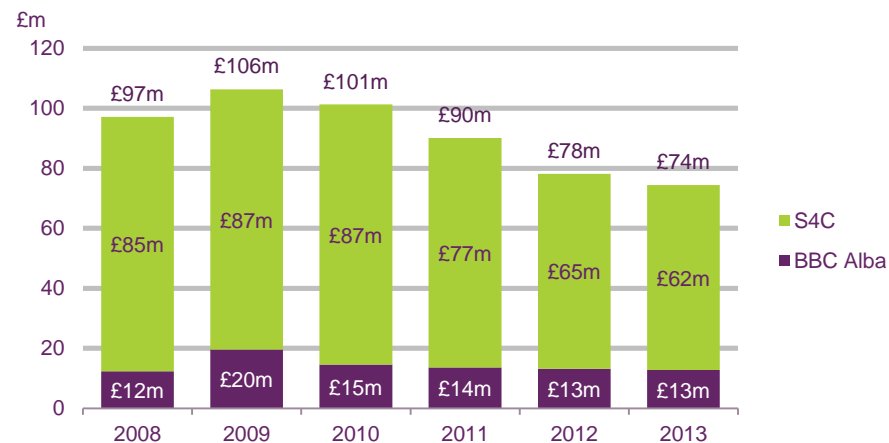
Source: Ofcom's PSB Annual Report 2014 All figures expressed in 2013 prices. First-run originations only, excluding BBC Alba. The large drop in Channel 3 spend from 2008 to 2009 was down to a reduction in the required number of regional news hours from local licence holders.

Fig 2: Nations/regions first-run UK originated spend; by nation



Source: Ofcom's PSB Annual Report 2014 All figures are expressed in 2013 prices. Note: Spend data for first-run originations only. Spend excludes Gaelic and Welsh language programming but includes some spend on Irish language programming by the BBC. This does not account for total spend on BBC Alba or BBC spend on S4C output.

Fig 3: First-run UK originated spend; S4C and BBC Alba



Source: Ofcom's PSB Annual Report 2014. Note: figures are expressed in 2013 prices.

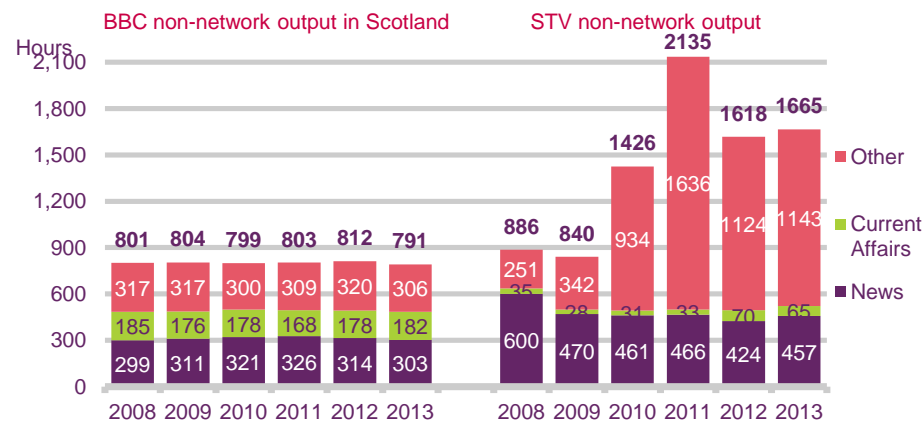
Factsheet 3: UK nations: TV output

Market Context

Key points

- Scotland saw a larger proportional increase in first-run originated non-network output from the BBC and the Channel 3 licence holder (STV) combined from 2008 to 2013 than Wales or Northern Ireland. This was predominantly down to STV opting out of some ITV network programming over this period.
- STV news output is greater in Scotland than the equivalent licence holders in Wales and Northern Ireland due to there being two licences in Scotland (STV Central and STV North) as opposed to the nationwide ITV Wales and UTV networks.
- Wales was the only of these three nations to see an overall decrease in originations from 2012 to 2013. However these figures do not account for the original programming on S4C.
- Total original Northern Ireland programming across the BBC and UTV increased by 4% from 2012 to 2013.

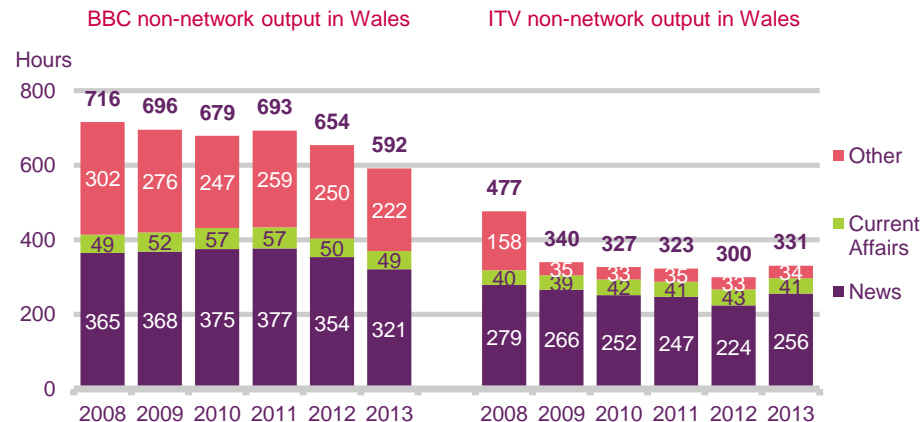
Fig 4: Non-network first-run originations in Scotland



Source: Ofcom's PSB Annual Report 2014

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*. Output hours are based on running times.

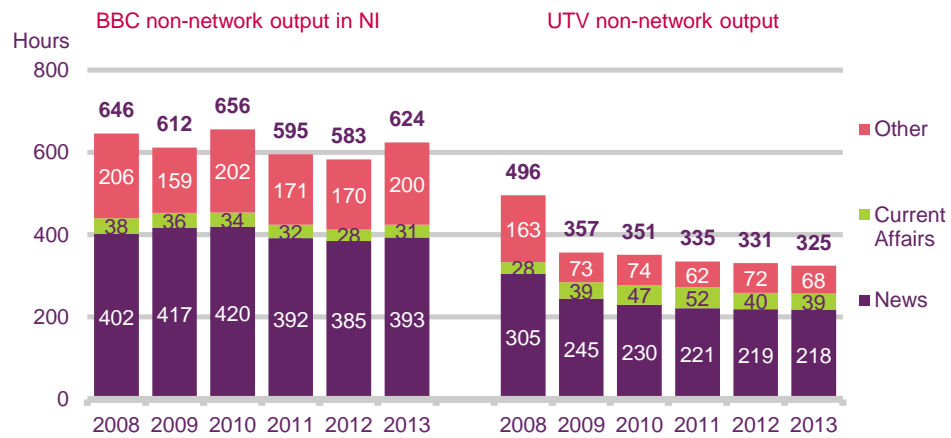
Fig 5: Non-network first-run UK originations in Wales



Source: Ofcom's PSB Annual Report 2014

Note: Figures exclude S4C hours. Output hours are based on running times.

Fig 6: Non-network first-run originations in Northern Ireland



Source: Ofcom's PSB Annual Report 2014

Note: Figures exclude repeats. Output hours are based on running times.

Factsheet 3: TV Production

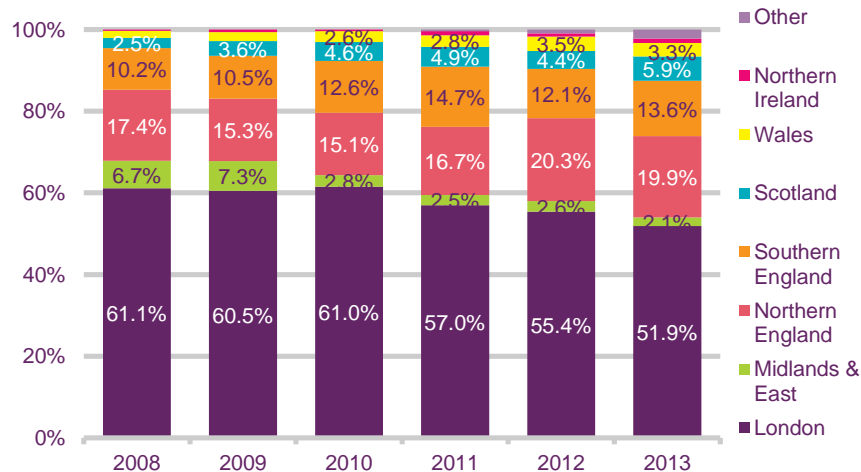
Market Context

Key points

- The main five PSB channels have certain obligations as to the location of their spend on and production of qualifying first-run commissioned network programming in order to encourage production outside of London.
- As Figure 1 shows, the majority of production spend remains in London but the 2013 figure of 51.9% was nearly ten percentage points down on the equivalent 2008 figure. The proportion of spend in Scotland, Wales and Northern Ireland has at least doubled over the same period.
- The reduced proportion of spend in London has been reflected in the volume of production figures as shown in Figure 2 below. 2013 was the first year in which less than 50% of first-run network programmes were produced within the M25. Production in Northern England exceeded 20% for the only time over this period in 2013 while Scottish volume of production was also at its highest recorded figure.
- The steeper rise in the volume of out-of-London productions, compared to spend, is in part attributable to lower production costs in regions other than Greater London throughout the UK.

Fig 7: Expenditure on out-of-London production

Percentage of production by value



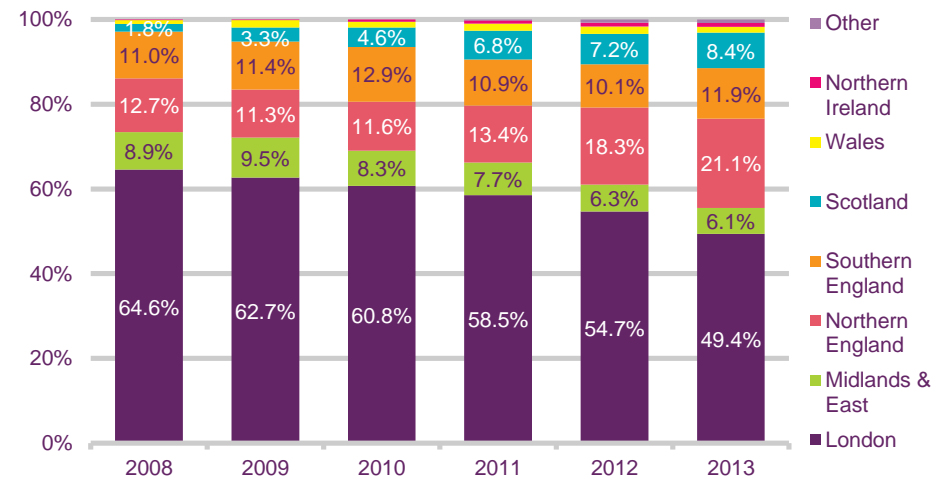
Source: Ofcom's Communications Market Report 2014.

Note: A new category 'Multi Nation/Region production' has been created for Regional Productions from London Producers which do not meet both 70% of spend and 50% of talent in any one particular Macro Region' See

http://stakeholders.ofcom.org.uk/broadcasting/guidance/programme-guidance/reg_prod/ on Ofcom website for further details.

Fig 8: Volume of out-of-London production

Percentage of production by volume



Source: Ofcom's Communications Market Report 2014.

Note: A new category 'Multi Nation/Region production' has been created for Regional Productions from London Producers which do not meet both 70% of spend and 50% of talent in any one particular Macro Region' See

http://stakeholders.ofcom.org.uk/broadcasting/guidance/programme-guidance/reg_prod/ on Ofcom website for further details.