Your response

About the BFI

The BFI is a cultural charity, a National Lottery distributor, and the UK's lead organisation for film and the moving image.

Our mission is:

- To support creativity and actively seek out the next generation of UK storytellers
- To grow and care for the BFI National Archive, the world's largest film and television archive
- To offer the widest range of UK and international moving image culture through our programmes and festivals delivered online and in venue
- To use our knowledge to educate and deepen public appreciation and understanding of film and the moving image
- To work with Government and industry to ensure the continued growth of the UK's screen industries

Founded in 1933, the BFI is a registered charity governed by Royal Charter. The BFI Board of Governors is chaired by Tim Richards.

Question	Your response
Question 1: What are stakeholder views on how Ofcom should assess and measure BBC performance?	Confidential? – N As the UK's lead organisation for film and the moving image, the BFI believes in the vital importance of having a media landscape that supports a range of storytelling that reflects the diversity of the UK.
	Given its unique public service remit, the BBC's offer should remain distinct from competitors, retaining its focus on delivering its Public Purposes. This includes, for example producing distinctive programming, that is representative and reflective of UK audiences – in particular where commercial competitors are less likely to do so as well as providing a diverse range of online content, including for educational purposes. It is important that increased flexibility in how the BBC delivers its Mission and Public Purposes does not result in a more homogenous offering to audiences.
	Any framework for assessing and measuring BBC performance going forward must take into account the challenges currently facing UK independent production, and the reduction in investment in first-run UK original programming across the PSBs – both of which present a threat to having a rich and diverse stories made in the UK. Any reduction in the BBCs investment in first-run UK original programming would have an impact on the UK's growing production sector, and risk undermining investment in productions outside of London.

	In June, the BFI published an <u>Economic Review of UK Independent Film</u> which outlined the financial pressures independent producers of film are currently facing and identified significant market failure.
	The Review highlights how Film4 and BBC Film have historically been key investors in independent film development and production. BBC Film's budget has decreased through the past decade when adjusted for inflation given a relatively static nominal budget allocation (around £11 million a year ¹).
	The BBC has statutory duties in relation to film as reflected in the BBC Agreement: "The BBC must develop and publish a film strategy that must- (a) contribute to the fulfilment of the Mission and the promotion of the Public Purposes; and (b) support British film by both investing in film production and promoting, through exhibition and coverage, British film on television and online."
	It is vital that the BBC, through BBC Film and through its broadcasting and commissioning decisions, supports UK independent film and thereby enhances choice for UK audiences. This is particularly important given the current uncertainty over the ownership of Channel 4 and long-term investment through Film4.
Question 2: Do you agree	Confidential? – N
with the proposals for Public Purpose 1? If not, please explain why.	No comment.
Question 3: Do you agree	Confidential? – N
with the proposals for Public Purpose 2? If not, please explain why.	We agree with the proposals outlined for Public Purpose 2. There is strong evidence demonstrating that supporting young people to engage with the moving image in their education not only helps them learn about screen storytelling, but also improves their educational outcomes across a range of other subjects, promotes film and media literacy, and helps practice creativity and vital employability skills. The BFI also supports life-long learning and welcomes new requirement for the BBC to provide informal learning content for adults and children of all ages across its services.
Question 4: Do you agree	Confidential? – N
with the proposals for Public Purpose 3? If not, please explain why.	While we agree with giving the BBC greater flexibility to meet Public Purpose 3 across different platforms, we have significant concerns about the removal of explicit quotas for first-run UK originals and children's content in particular. In particular, the recent levelling off in programme investment by some streaming services underlines the

¹ <u>Public investment in film in the UK</u>. BFI, 2021.

importance of the BBC maintaining a consistent flow of attractive and distinctive, first-run programming for UK audiences.²

Film and long-form programming are important components of the wide ranging, high-quality and distinctive content at the core of Public Purpose 3. We believe it would be detrimental for the UK production sector and for audiences across the UK if the removal of quotas for hours of first-run UK originations resulted in a fall in the number of hours of first-run UK originations broadcast by the BBC.

We recognise that the average cost of a production is rising, with many of the BBC's competitors focusing on bigger budget programming. This will impact audience expectations in terms of the size and scale of productions, and encourage the BBC to focus its limited budget on making fewer, larger scale productions. However, we believe that it is important that the BBC continues to produce a diverse range of programming, and support smaller and independent productions.

Furthermore, we note the removal of quotas for genre programming, including children's content. Until recently, the BFI administered the Young Audiences Content Fund on behalf of UK Government, the three-year pilot for which ended in March 2022. In response to the decline in investment in UK children's content, noted by Ofcom among others, the fund aimed to stimulate plurality of content for audiences up to the age of 18 by providing industry with £44m of grant-in-aid for the creation of distinctive, high-quality content.

The Fund has supported 144 development projects, many of which have converted to broadcast commissions already, and 79 productions. Research and re-commissions demonstrate that these programmes have a high level of appreciation from young audiences and we hope the Fund's legacy will be to encourage UK broadcasters to continue to focus on programmes that nurture and nourish and reflect the lives of young people across the UK.

The continued production of distinctive UK programming specifically for children is vitally important. It is right that the BBC leads the way in delivering this programming, given its unique role and funding model. In order to reach a wide range of audiences, it is important that this content continues to be shown on linear television as well as online.

In the consultation, in relation to Purpose 3, Objective 3, Ofcom recognises that "through its decisions, initiatives and training schemes, the BBC is a key facilitator for new UK voices and talent in the UK creative economy". This role is particularly important given the current workforce shortages facing the film and TV production sector across a wide range of roles and levels. The BFI recently published its <u>Skills</u> Review 2022, which highlighted the issues currently facing the sector

² https://deadline.com/2022/07/netflix-content-spending-plateau-17-billion-1235072812/

	and called for increased investment and ownership from industry in addressing the issues identified.
	Finally, in relation to Purpose 3, Objective 4 states: "The BBC should ensure all audiences in the UK can easily discover original UK content. The BBC should also continue to explore how it can innovate the ways in which it engages and reaches audiences". The BFI considers that the BBC's role in promoting original UK content overseas should be considered in assessing how it is meeting this objective.
Question 5: Do you agree	Confidential? – N
with our preliminary view	
on the BBC's request to change Operating Licence	As explained above, we have significant concerns about the impact of
conditions 2.21 and 2.32	any reduction in UK original productions commissioned by the BBC.
for BBC Four, including our	
proposal to remove BBC	
Four's peak original productions quota and set	
the 'all hours' quota at	
65% instead of 60% as	
requested by the BBC? If not, please explain why.	
	Confidential? – N
Question 6: Do you agree with the proposals for	Confidential? - N
Public Purpose 4? If not, please explain why.	We recognise that there is long-standing inequality in the UK screen sectors – both in terms of on-screen representation and opportunities to work, create and access film and the moving image.
	We agree that it is vitally important that the BBC accurately and authentically represents and portrays audiences across the UK.
	The BFI Diversity Standards encourage equality of opportunity and
	address under-representation in the screen industries – in creative
	leadership; crew and project staff; in training, opportunities and career progression; in audience outreach and development; and on-screen.
	The Standards are a flexible framework which can be used for feature films, television content produced for broadcast and online, as well as a range of audience-facing activities such as film festivals, distribution releases, multiplatform distribution proposals and ambitious film programmes. They are a contractual requirement for all BFI funding, including fiction and documentary films funded via the BFI's partners.
	We welcome requirements for the BBC to monitor and report to Ofcom annual on the diversity of all those working for the BBC (employees and freelance) who are employed in connection with the provision of the UK Public Service, on the extent to which the BBC has made progress towards meeting its on-screen and on-air representation and/or

	portrayal targets, and on audience satisfaction in relation to reflecting and representing the whole of the UK. In recent years we have seen a rise in the volume of film and TV production being made outside of London and the South East, however more is still to be done to address the existing imbalance. We therefore welcome the retention of quotas for first-run content made outside the M25 and agree that these requirements should include first-run content for BBC iPlayer.
Question 7: Taken together, do you agree with the proposals for a new Operating Licence? If not, please explain why.	Confidential? – N Yes – however as explained above we would be concerned if the proposals resulted in a reduction in UK original productions commissioned by the BBC.