



**Response to Ofcom Call for Evidence:
Review of Regional TV Production and Programming Guidance
May 2018**

1. General Comments

- 1.1. TAC is the trade association which represents the independent TV production sector in Wales. This sector which is comprised of around 40 active companies making content for all the UK Public Service networks, plus BBC Wales and S4C, as well as being involved in international co-productions. TAC members' programmes and formats are sold internationally on a regular basis and have won several UK and international media awards.
- 1.2. TAC's position on the out-of-London PSB TV production criteria is that they need to be strengthened.
- 1.3. Currently, too much out-of-London commissioning acts within the letter of the requirements, but not the intended spirit. The fundamental purpose of encouraging out-of-London production to grow is to make sure a business is not disadvantaged if it is not based within the M25. It is also, at least partly, to allow the variety of stories, talent, locations and perspectives present around the UK to be employed for the benefit of PSB viewers, as well as making sure people from all around the UK are represented and reflected in the PSB schedules.
- 1.4. Many TV production companies in Wales begin with commissions for Wales-based broadcasters. Increasingly, these companies have ambitions to present their talents, ideas and perspectives in front of a wider audience, through the UK TV networks and further afield via co-productions and international distribution.
- 1.5. TAC is working constructively to encourage more PSB commissioners to engage with out-of-London companies on a regular basis. We believe that strengthening the criteria will enable PSB commissioners to develop better strategies for engaging with out-of-London production companies. For example, in our view all PSB should publish a regular schedule of commissioning meetings around the UK, to make sure they are regularly visiting and engaging with the production sectors in different areas.
- 1.6. Regarding Ofcom's intention to update research on production companies around the UK¹, as Ofcom will know TAC has concerns that, while we appreciate the companies concerned are those which have been commissioned by UK-wide networks, the production sector in Wales extends beyond that to companies which regularly make programmes for S4C, content which is available nationally although not technically a UK-wide PSB.

¹ Call for Evidence for the Review of Regional TV Production and Programming Guidelines. Ofcom, March 2018, p8, para 2.8

- 1.7. As invited to by Ofcom in correspondence, we are supplying further data shortly. We would appreciate Ofcom recognising the full extent of the overall production sector in Wales when reporting on the research. Beyond giving a more accurate picture of the true size of the sector in Wales, we believe this would provide further context to the figures for network commissions, in that it would show that the UK PSB networks have access to a much larger number of companies than they are actually commissioning at present. Arguably this shows the extent to which the sector is underused by the UK PSB networks.

2. Answers to Specific Questions

Question	TAC response
<p>Question 1: Which factors have, since the guidance was introduced in 2004, had the biggest impact (positive or negative) on the TV production sector in the nations and regions and why? Are these different to the factors affecting London-based productions?</p>	<p>Difficulties in the advertising market after 2004 caused some PSBs to argue for reduced N&R responsibilities.</p> <p>This was accompanied by a perception that where there were quotas or other requirements, broadcasters fulfilled the minimum requirements in terms of commissioning out-of-London production companies.</p> <p>There has been a rise in the practice of London-based companies ‘brass-plating’ and, in recent years, a reduction in the overall spend on PSB in TV, as demonstrated in Ofcom’s PSB reports.</p> <p>Without robust enough regulation, the concern is that out-of-London production companies are at the ‘sharp end’ of such developments, and that the growth potential of the sector is not being fully realised.</p> <p>For Wales’ creative sector to continue to grow, we need a greater supply of young people coming through the education system who are enthusiastic about the wide range of careers which the creative industries has to offer. Therefore, opportunities need to exist within sustainable home-grown companies in Wales, which have a long-term understanding of, and commitment to, the nation.</p>
<p>Question 2: What impact, if any, has the BBC’s move to Salford had on the sector, and on regional production specifically?</p>	<p>The BBC move to Salford should have brought advantages for production companies in North Wales, to whom it is nearer than London, but this has not been apparent in practice, with commissioners often being no more accessible than previously to several production companies.</p>
<p>Question 3: Do the opportunities for nations’ and regions’ producers vary by genre? If so in which genres is it easiest and hardest to get commissions?</p>	<p>Yes.</p> <p>Drama: Wales has historically focused on drama, mainly because of the BBC intervention in shifting network productions to Wales (<i>Doctor Who, Casualty</i> etc.), and there are notable examples of dramas co-financed between S4C and BBC Wales (<i>Y Gwyll/Hinterland, Un Bore Mercher/Keeping Faith, Craith</i>). Some dramas have attracted investment from distributors such as Banijay, e.g. <i>Bang</i>. The Welsh Government has made some large-scale investment to attract businesses such as Pinewood and to invest in new businesses such as</p>

Question	TAC response
	<p>Bad Wolf. But there has been less support for home-grown companies.</p> <p>Factual: Channel 4 is particularly active in commissioning returning daytime volume series in Wales, particularly from Cardiff (examples include award-winning series such as <i>Extreme Cakemakers</i>, <i>Posh Pawnbrokers</i> and <i>Find it, Fix it, Flog it</i>. Commissioning high-volume returnable series enables companies to grow as businesses and to invest further in staff and resources. Several businesses tend to win single programmes or short-run series, and can struggle in between these productions to develop new ideas. Winning a bulk of work is important to ensure sustainability and critical mass of talent in the factual entertainment genre. Other broadcasters could do more to commission returning formats and factual series from Wales.</p> <p>Entertainment: this is a genre that is difficult to break into for Wales-based producers, due to the bulk of the supply coming through London and Scotland, and lack of outreach from PSB commissioners.</p>
<p>Question 4: What are stakeholders' views on the impact anticipated future structural changes in the industry might have on the production sector in the nations and regions?</p>	<p>The greatest worry is the impact of BBC Studios on the production ecology. BBC Studios has a sizeable, built-in head start when it comes to establishing substantive bases in the Nations and Regions in the context of Ofcom criteria, so they can contribute to fulfilling quotas which should be taken up by national or regional companies.</p> <p>The BBC's drama facility in Roath Lock does little to stimulate production further around Wales' production sector.</p>
<p>Question 5: In your experience does the definition of a substantive base work well in practice? If not, how could it be improved?</p> <p>And Question 6: Does the criterion currently contribute to the objective to strengthen regional production? If so how, if not why not?</p>	<p>No. Currently, a production company does not have to prove that it has a substantive base out of London until after a commission is agreed. This means that London-based production companies can pitch for projects anywhere and then brass-plate in the location afterwards.</p> <p>As a consequence, home-grown production companies and start-ups are given less of an opportunity to prove their capability, and this does not encourage the development of long-term quality or competition on an even playing-field.</p>
<p>Question 18: Do broadcasters give producers the flexibility to employ the staff they want regardless of location?</p>	<p>Increasingly, it is the case that Wales-based production companies are contractually obliged to use some senior staff from outside of Wales, most notably Executive Producers and Directors who have a proven network track-record or who are known to the individual commissioner. Whilst this type of collaboration is often valuable, in the long-term, it doesn't lead to sustainability in terms of Wales' ability to upskill and retain this type of senior production expertise, and therefore it can act as a brake on the sector's ability in skills training. It also does little to support opportunities for new creative talent to work on network productions.</p>

Question	TAC response
<p>Question 29: Does ‘Lift and Shift’ help or hinder the sustainability of production in the locality of a production and in the nations and regions more widely?</p>	<p>Largely hinder.</p> <p>‘Lift and Shift’ stifles the ability of Wales-based companies to grow their businesses. The concern is that ‘Lift and Shift’ is not just done where there is a shortage of local talent or facilities, but out of habit and based on companies and people with whom commissioners are familiar.</p> <p>‘Lift and Shift’ means that what should be production in the Nations and Regions becomes production to the Nations and Regions. It is arguable therefore that it does not contribute sufficiently to maintaining and growing the local sector and talent base.</p>
<p>Question 30: Are there different parts of the production process which are more likely to happen in/out of London?</p>	<p>Yes</p> <p>Executive Producers: Currently, there are many cases where the executive producer on a production made in Wales is on loan from London. This can be occasionally due to continued lack of contacts and awareness on behalf of commissioners as to the level of talent available in Wales.</p> <p>Post-production: It is also a problem that post-production of a production filmed in Wales is done in London, despite again there being suitable high-quality facilities and experienced staff available within Wales – staff that work on a wide range of network and international output.</p>
<p>Question 39: Are there ways in which the Register could be improved? If yes, how?</p> <p>And Question 40: Is there additional information which could be included in the Register to aid transparency?</p>	<p>Yes.</p> <p>The Register should include a breakdown of hours and spend in each nation and region for each PSB.</p> <p>It should also ensure that the broadcasters report in a consistent format.</p>