### **BBC Quotas and targets**

The BBC is subject to a number of formal quotas and targets relating to who makes content, what the content is about and where it is made. Some of these commitments are legal requirements which are monitored by <u>Ofcom</u> and some are targets which were agreed with the <u>BBC Trust</u>.

These quotas and targets can be broken down into the following categories:

- The so called "Tier 2 Quotas": relating to the levels of news and current affairs, levels of original production, levels of regional production and levels of regional programming.
- The Independent Production Quotas: relating to the levels of programming made by Qualifying Independent Producers on BBC One, BBC Two and across all BBC Television services.
- The Access Services targets: relating to the provision for the deaf and visually impaired.
- The Audiovisual Media Services (AVMS) Directive: relating to the levels of European programming.

In addition to these formal quotas, the BBC also operates under a number of other commitments and conditions regarding programme production and programme content:

- The BBC's Network Supply Review (NSR) commitments relating to the levels of regional production, the levels of Nations production, and the levels of Scotland, Wales and Northern Ireland production.
- Service Licence conditions relating to levels of genres and types of content on each service.

The BBC treats the quotas as a floor, and not a ceiling. It will ensure that in each year a plan is in place (including commissioning processes and transmission scheduling) which delivers all of the BBC's quotas and targets.

The BBC runs an annual planning process which takes the channel portfolio and genre strategies and builds them into a detailed plan, or 'shopping list', of what kind of programming is needed, at what price and by when. These plans are designed in line with the BBC's financial year which operates from 1 April to 31 March.

Genres and channels agree which series they plan to bring back and what new programming is needed for the remaining slots. Quotas and targets are overlaid on this plan to make sure that all commissioning teams are clear on what is required to meet all of the BBC's commitments.

At this stage the BBC has an initial idea of which programmes would make up the quotas and targets, ensuring a range of programming, prices and locations. However, the plan will evolve as the commissioning landscape changes in response to channel and genre strategy, audience reception or production requirements.

## Independent producer

In brief, an 'independent producer' is a producer:

- 1. who is not employed by a broadcaster
- 2. who does not own more than 25% of a broadcaster (unless the producer is based in the EEA
- 3. and the broadcaster it has a shareholding in is outside the EEA)
- 4. in which no single UK broadcaster owns a stake of more than 25% or no two or more UK broadcasters together own more than 50%.

A UK broadcaster is any broadcaster who provides a television service intended for reception in any area of the UK (even if it is also intended for reception elsewhere).

#### Tier two quotas

This relates to levels of news and current affairs, original production, regional production and regional programming for independent production companies and in-house production.

The specific obligations relate to:

- Levels of news programming on BBC One and levels of current affairs programming across BBC One and BBC Two.
- Levels of original production on BBC One, BBC Two, BBC Three, BBC Four, CBeebies channel, CBBC channel, BBC
   News and BBC Parliament.
- Levels and range of regional productions ie network programmes that are produced outside of London.
- Levels and range of regional programming ie non-network productions that are produced for the Nations and English Regions.

#### Independent production quota

This relates to levels of qualifying programming made by qualifying independent producers and is set out in the Communications Act 2003.

The BBC must ensure that at least 25% of qualifying programmes broadcast across its television services are made by independent producers.

The BBC is also required to ensure at least 25% of BBC One qualifying programmes and at least 25% of BBC Two qualifying programmes are allocated to independent productions.

#### **Regional production**

The BBC Operating Licence sets spend and hours quotas for BBC Network production from outside of London:

- 50% of network spend and hours will be made out of London
- 30% of network spend and hours will be made in the English Regions by 2020
- 8% of network spend and hours will be made in Scotland
- 5% of network spend and hours will be made in Wales by 2022
- 3% of network spend and hours will be made in Northern Ireland by 2022.

Using Ofcom's definitions, to qualify as a regional production a programme must meet at least two out of the following three criteria:

- a. The production company must have a substantive business and production based in the UK outside the M25. A base will be taken to be substantive if it is the usual place of employment of executives managing the regional business, of senior personnel involved in the production in question, and of senior personnel involved in seeking programme commissions;
- b. At least 70% of the production budget (excluding the cost of on-screen talent, archive material and copyright costs) must be spent in the UK outside the M25
- c. At least 50% of the production talent (ie not on-screen talent) by cost must have their usual place of employment in the UK outside the M25. Freelancers without a usual place of employment outside the M25 will nonetheless count for this purpose if they live outside the M25. Ofcom will consider as part of their 2004 review whether this percentage should rise over time.

Example Production	Where substantive base is located	> 70% spend out of London	> 50% talent out of London?	Regional production?
А	Wales	Yes	Yes	Regional production

В	Wales	Yes	No	Regional production
С	Wales	No	No	Not a regional production
D	London	Yes	Yes	Regional production

The substantive base remains the primary driver of where a regional production is allocated to;

- macro region (ie Scotland, Wales, Northern Ireland, North of England, Midlands and East, South of England)
- 'multi nation/region production' for regional productions from London producers which do not meet both 70% of spend and 50% of talent in any one particular macro region.

A regional production is classified to another macro region if more than 70% of spend and more than 50% of talent is in that particular region.

Example Production	Where substantive base is located	Where > 70% spend is	Where > 50% talent comes from	Allocated Macro Region
Production A	North	Various	Various	North
Production B	North	Scotland	Various	North
Production C	North	Scotland	Scotland	Scotland
Production D	Scotland	North	North	North
Production E	London	Scotland	Scotland	Scotland
Production F	London	Scotland	Various	"Multi regional"

Read Ofcom's guidelines to see how this allocation works in detail.

## **Access services targets**

The BBC is required to observe Ofcom's Access services code and any additional BBC targets relating to the provision of subtitling, signing and audio description services for the deaf and visually impaired. This is subject to any exclusions agreed between Ofcom and the BBC.

This is applicable to each of the BBC public television services separately.

The targets are expressed as percentages of the service for all programmes other than 'excluded programmes' (as defined by Ofcom's Access services code). This excludes any advertisements, trails or continuity.

The regulated channels are BBC One, BBC Two, BBC Four, CBeebies, CBBC and News.

Service	Targets
Subtitling	100%
Signing	5%

Audio Description	20%
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# **Audiovisual Media Services Directive (AVMS)**

The Communications Act 2003 and the European Union Council Directive 89/552/EEC set requirements regarding the level of European programming:

- 1. Where practical the majority of programmes shown must be European (including UK productions).
- 2. At least 10% must be independent European works.
- 3. At least 50% of the independent productions must be 'recent' ie made within the last five years.

  These quotas are applied to the BBC's network public services as a whole rather than each network channel although BBC Television does monitor and report the position on each network.