



Oliver & Ohlbaum

UK Television Production Survey

Financial Census 2024 – Nations & Regions Annex

July 2024

A report by Oliver & Ohlbaum Associates for Pact

External commissioning spend outside of London grew to 52% of all spend in 2023

The Nations & Regions continued to increase their share of UK production activity, with Nations & Regions share of primary commissioning spend, production budget, and direct employment all growing in 2023

Overall primary commissioning spend shrank slightly in 2023; however, the share of spend on external productions outside of London rose to 52%, and surpassed 50% for the first time.

2023 saw an increase in primary commissioning spend in the English Regions, with the Regions accounting for 63% of total spend outside of London. Wales also saw increased investment, accounting for 13% of primary commissioning spend outside of London in 2023.

UK PSBs continued to account for over half of all external commissioning spend outside of London, with the BBC remaining the largest spender as flagship shows such as *Dr Who* and *Waterloo Road* were filmed in Wales and the North West respectively.

Production budgets spent on commissions outside of London rose to 53% of all production budgets spent in the UK.

Total direct full-time equivalent (FTE) employment in the UK production sector remained stable in 2023, while the proportion of employment outside London rose to 39%.

Over half of UK production budgets continued to be spent outside of London

- Wales received 15% of all investment out of London, while investment in the English Regions grew to 29% in 2023

UK PSBs accounted for 57% of external commissioning spend outside of London

- The BBC remained the largest spender outside of London among the UK PSBs
- International commissioners continued to invest heavily in the Nations & Regions as their share of primary commissioning spend in the Nations & Regions remained stable at 32%
- As per the scope of the Pact Census, which excludes producers wholly owned by the PSBs, out of London spending figures do not include in-house broadcaster spend (e.g. BBC Studios productions)

Direct full-time equivalent employment in the Nations & Regions grew by 6%

- This increase in employment in the Nations & Regions was due to a shift in employment away from London, as the total number of people in direct employment within producers included in the census remained almost identical to 2022
- The share of people in full time employment who were based out of London rose to 39%, up from 33% in 2022
- The South West and North West of England were the largest individual employment locations outside of London

Methodology

The figures in this report are reflective of the total market; these are calculated by scaling up our financial survey data based on the current composition of the UK production sector

The Pact Census is conducted through a detailed financial survey of Pact members. Pact currently represents the majority of production companies active in the UK market.

The data from this survey is subsequently aggregated and scaled up in order to estimate the overall size of the market and specific sub-segments of activity.

Turnover band ranges are used to gross up sample responses to market size. Responses are placed into turnover bands, then totals within each band are scaled up based on known market composition (i.e. number of producers by turnover band).

The completeness of the Census is subject to the level of disclosure provided by participants. We reflect the revenues that are reported by participants in our figures.

Due to different company reporting periods, the annual Census returns include financial information spanning 2023 and 2024.

Sensitivity to sampling

Every year, new companies return our financial survey thus changing the make-up of our sample. This can cause slight variations in our year-on-year market values, though these small variations average out over time.

Regionality trends identified in the Census across multiple years provide an accurate indication of market developments, based on a broadly consistent survey sample, year-on-year.

Statistics should, however, be treated with caution when comparing individual years (especially where regions are broken out individually); this is due to the relatively small number of returns we receive from each individual region, and the variation in the companies providing returns between years.

This year, 86 complete responses were received, with 24 being from producers with their primary location out of London.

Scope of the Pact Census

The Pact Census defines the 'UK production sector' as TV and film production companies in the UK excluding those companies wholly owned by PSBs. All references to producers and the production sector within this report follow this definition.

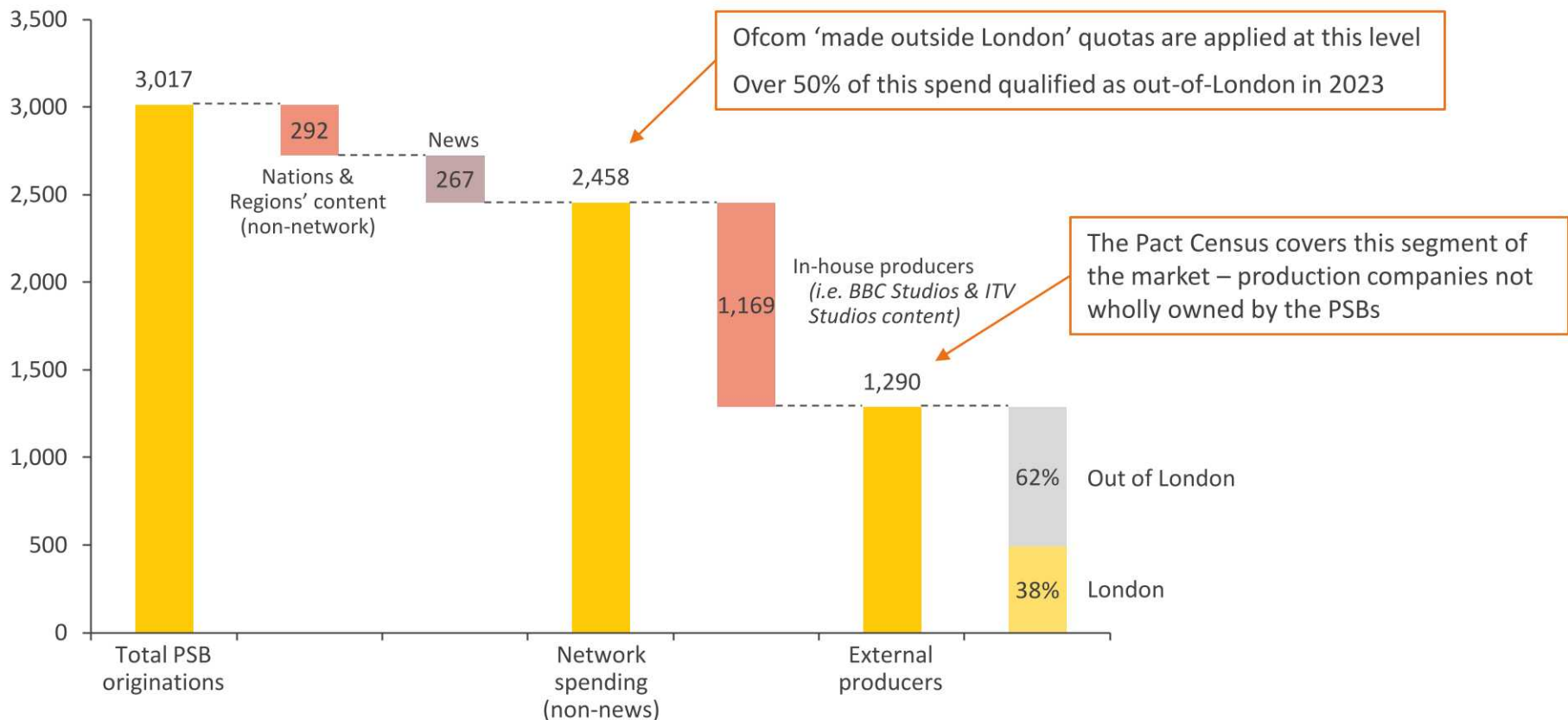
Regional classification in the Pact Census is based on the location of production. It should be noted that this is slightly different to Ofcom compliance reporting which is based on the 'made outside London' qualifying criteria.

N&R productions made up 62% of external PSB commissioning spend in 2023

PSB spending on productions outside of London reached over 60% of their total spend on external commissions in 2023

PSB commissioning spend (BBC1, BBC2, ITV1, Channel 4, Channel 5 and BBC portfolio) by category, 2023

£millions



Ofcom 'made outside London' quotas are applied at this level
Over 50% of this spend qualified as out-of-London in 2023

The Pact Census covers this segment of the market – production companies not wholly owned by the PSBs

Note: Network news and in-house producer spend has been estimated based on available information. 'Network' refers to content broadcast across the UK, whereas 'nations' and 'regions' content is broadcast only in specific areas or regions

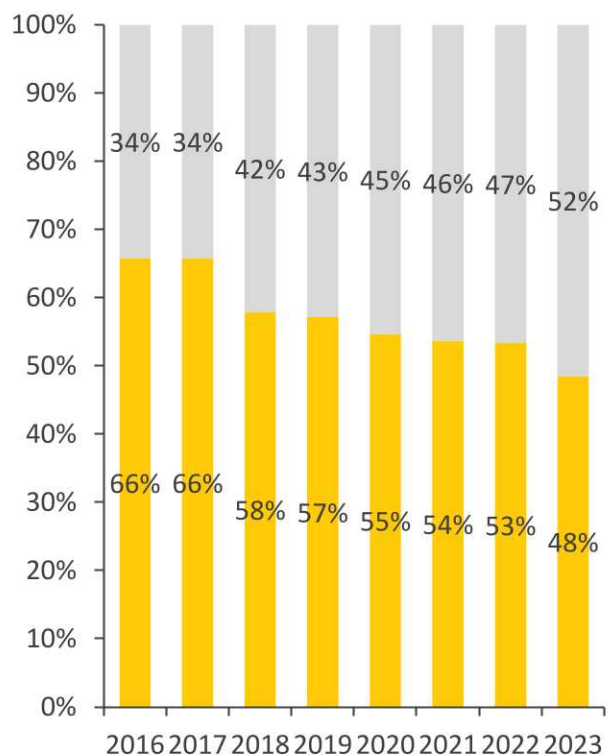
Source: Ofcom, Pact UK Television Production Census 2024, Oliver & Ohlbaum analysis

Nations & Regions trends 2016 – 2023

Since 2016, commissioners have spent an increasing proportion of their primary commissioning spend outside of London. Employment in the Nations & Regions has also followed this trend but to a lesser extent

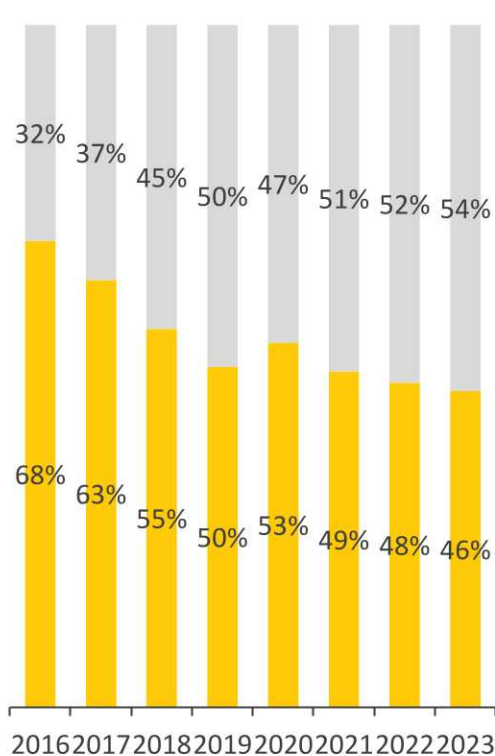
Primary commission spend

% of primary commissions spend amongst producers included in the census



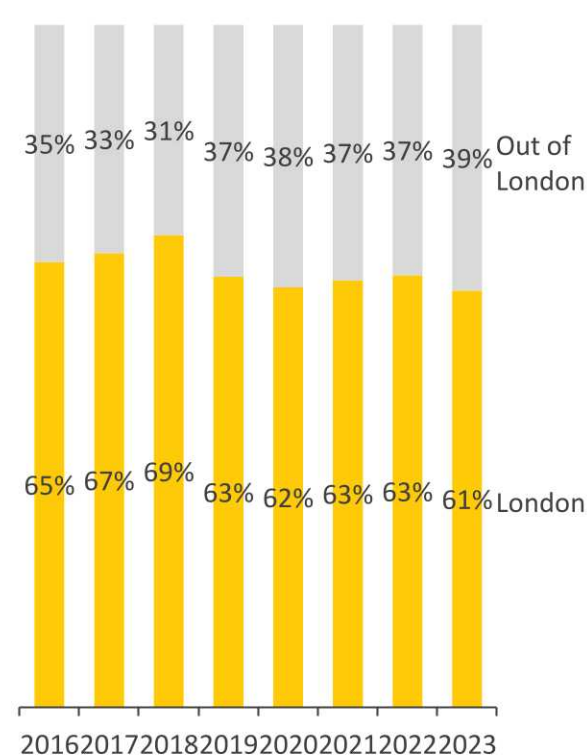
Production budget

% of production budget (UK) spend amongst producers included in the census



Direct employment

% of direct, full-time equivalent employment within producers included in the census



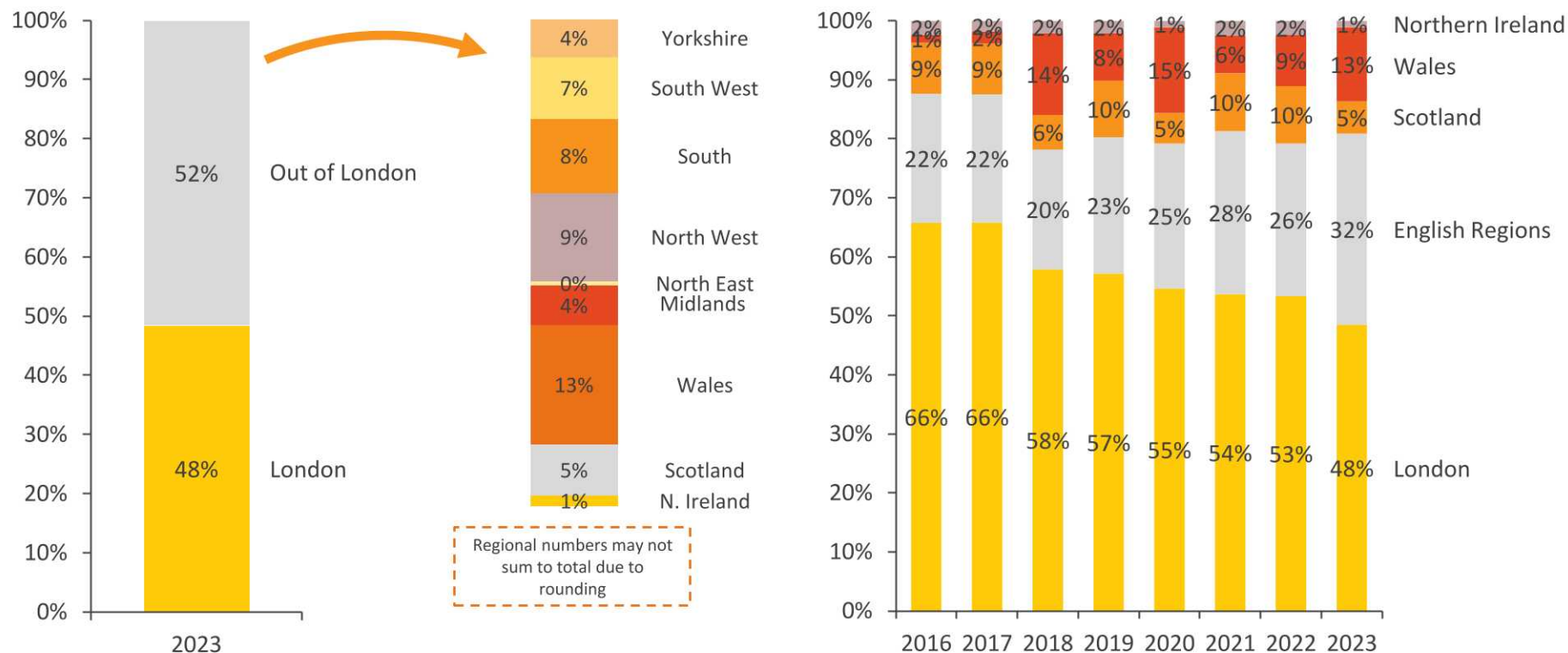
The Nations & Regions accounted for the largest share of primary rights spend

Spend on London productions dropped below 50% of primary commissions spend for the first time in 2023. The English Regions in particular experienced strong growth, accounting for nearly one third of spend

Primary commission value by region of production, 2023 & 2016 – 2023

% of primary commissions spend amongst producers included in the census

Total primary rights for UK productions = £2.38 billion



Note: Anglia/East England, at 0%, is not visible on the graph above. Overseas productions have been excluded.

This page, and the following, cover all UK productions whereas page 28 only covers productions commissioned by the PSB channels

Source: Pact UK Television Production Census 2024, Oliver & Ohlbaum analysis

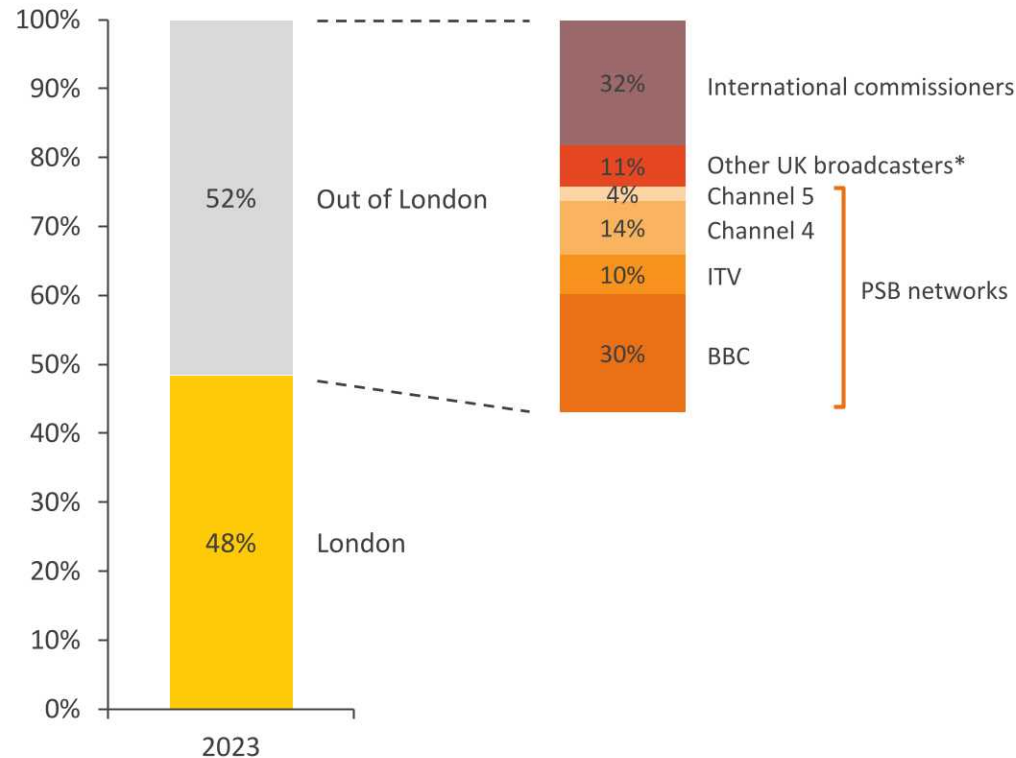
PSBs accounted for 57% of out of London primary commissions spend

International commissioners' share of programming produced outside of London remained stable at 32%. Share of revenue derived from UK PSB networks in the Nations & Regions also remained similar to 2022

Out of London primary commission value by commissioner, 2023

% of primary commissions spend amongst producers included in the census

Total primary rights for UK productions = £2.38 billion



- Primary commissions produced in the Nations & Regions generated just over £1.2 billion of revenue in 2023 for the second year in a row
- International commissioners accounted for 32% of primary commissions produced in the Nations & Regions, this was a similar level to the 33% seen in 2022
- The share of Nations & Regions revenue derived from UK PSB network commissions declined from 58% in 2022 to 57% in 2023. In absolute revenues this represented a £16 million increase, with revenues from UK PSB networks in the Nations & Regions totalling £703 million in 2023
- In order to meet quotas, the PSBs also spend a significant amount on in-house out of London productions. These statistics are not included in this Census

Note: Overseas productions have been excluded

*Other UK broadcasters refers to all UK non-PSB network channels and groups

Source: Pact UK Television Production Census 2024, Oliver & Ohlbaum analysis

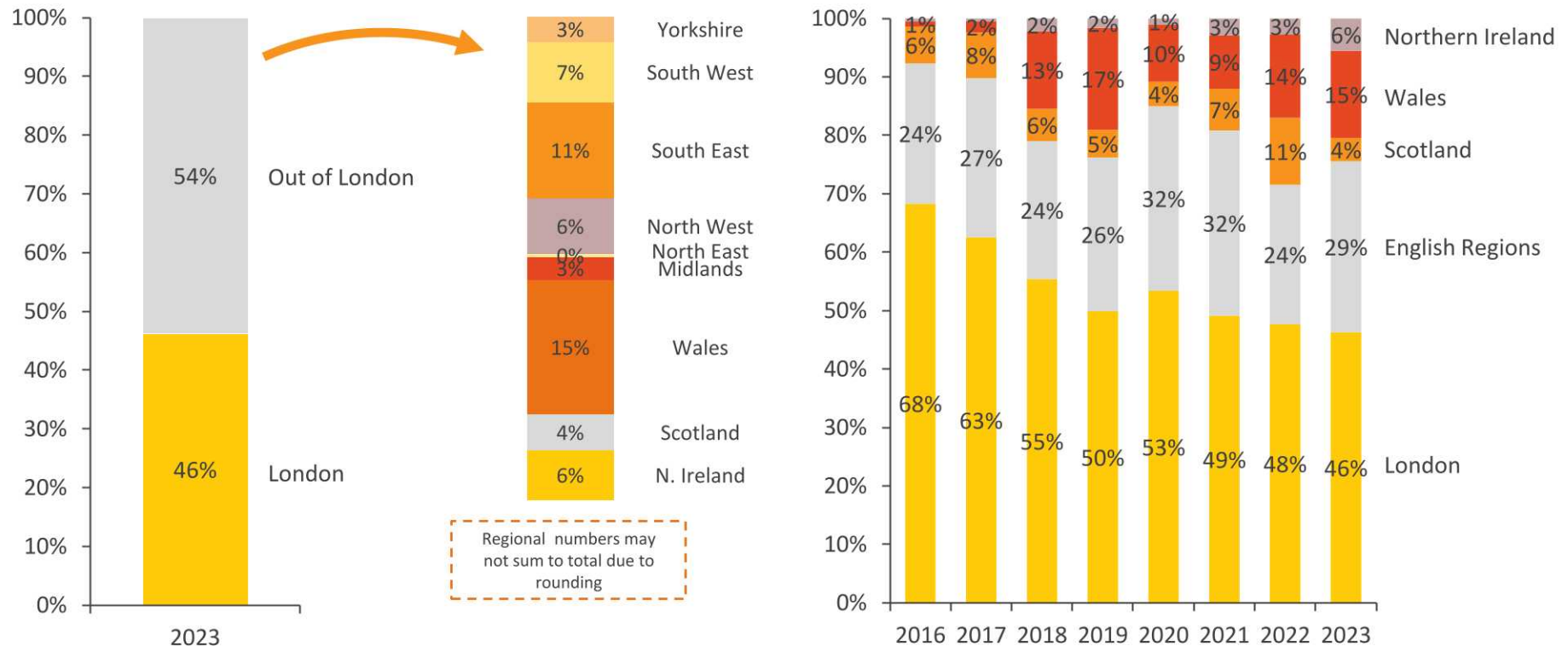
London's share of production budgets remained below 50%

London's share of production budgets continued to fall in 2023. Additionally, the English Regions had a strong year in 2023, pushing the Nations' share under a quarter down from a 28% share of production budgets in 2022

Production budget by region of production, 2023 & 2016 – 2023

% of production budget (UK) spend amongst producers included in the census

Total budgets for UK productions = £4.49 billion



Note: Anglia/East England, at 0%, is not visible on the graph above. Overseas productions have been excluded.
Fewer respondents provided production budget information so our sample is not consistent with the primary commission figures

Source: Pact UK Television Production Census 2024, Oliver & Ohlbaum analysis

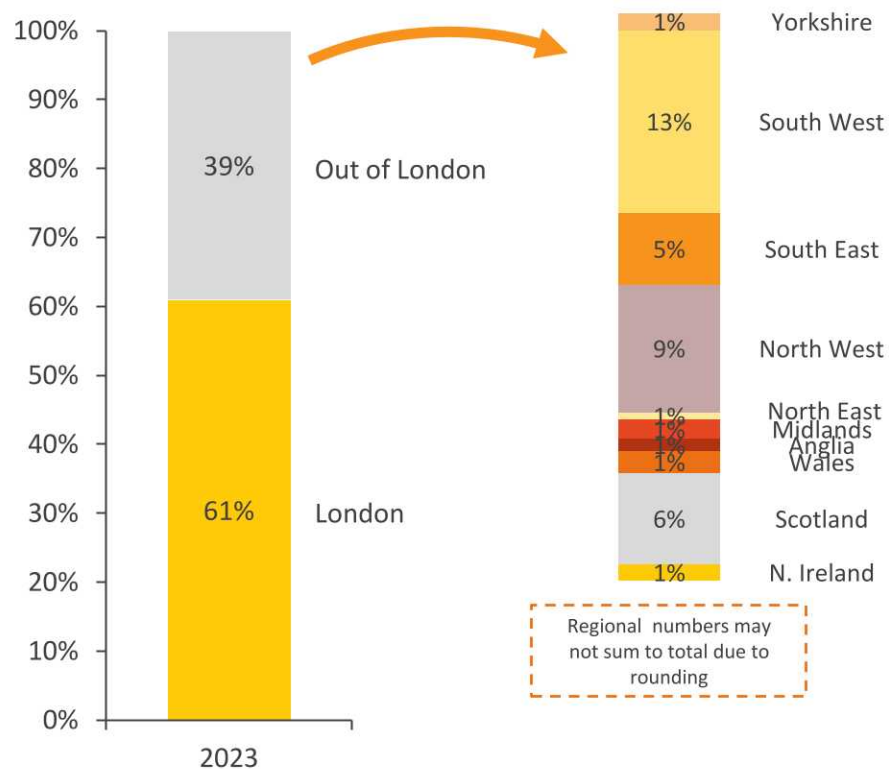
The proportion of employment outside of London rose to 39% in 2023

The share of employment rose to 39%, up from 33% in 2022. Over three quarters of employment out of London was in the English Regions. Between 2016 and 2023 the total number of people employed out of London grew by over 800

Direct employment by region, 2023

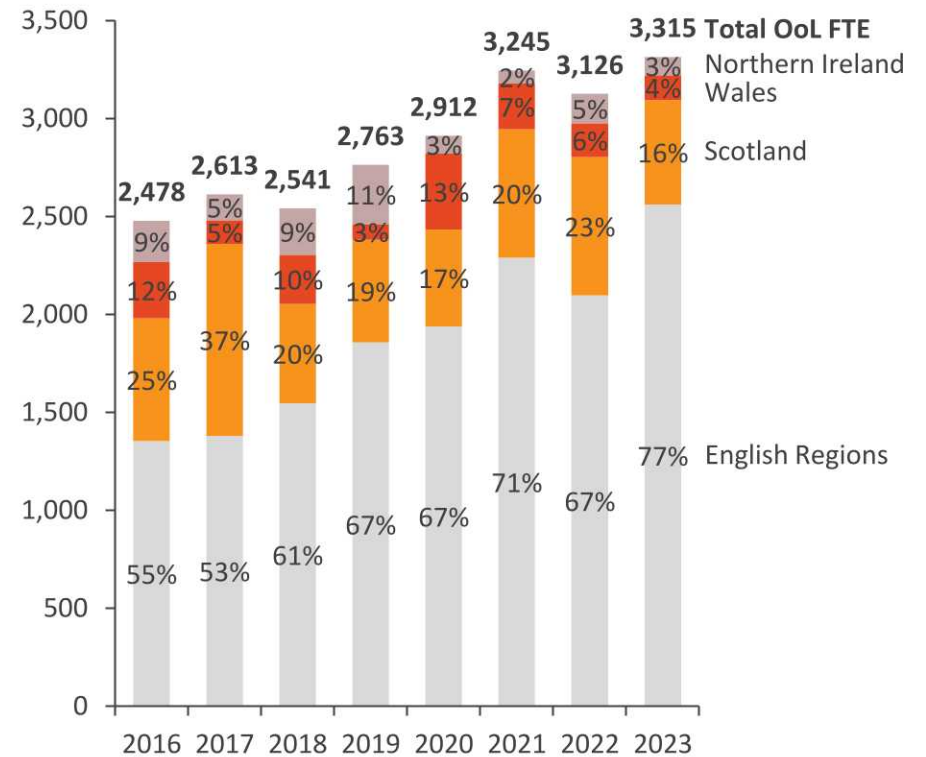
% of direct, full-time equivalent employment within producers included in the census

Total direct employment = 8,506 FTE*



Out of London employment by area, 2016 – 2023

and % of average direct, full-time equivalent employment



Note: *FTE = Full-time equivalent (FTE)

Direct employment does not include freelance workers and total FTE represents an average across the year. Regional breakdown is particularly sensitive to differences in sampling between years

Source: Pact UK Television Production Census 2024, Oliver & Ohlbaum analysis

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