



**Response to: Proposed changes to requirements for BBC Radio 5 Live, BBC Radio 2 and programming of a national or regional interest: Consultation on the BBC's request to change the Operating Licence**

**January 2023**

**About TAC**

1. TAC (Teledwyr Annibynnol Cymru) represents the independent television production sector in Wales. Our sector is a substantial component of the creative industries, in Wales and in the UK overall, with Cardiff alone having the third largest film and TV cluster in the UK<sup>1</sup>. This provides economic, social and cultural benefits through supplying creative content.
2. There are around 50 companies in the sector in Wales, ranging from sole traders to some of the leading players in the UK production industry. They produce content for the BBC, ITV, Channel 4, Channel 5 and Sky as well as other commercial broadcasters and platforms. Our member companies produce almost all the original television and online media content for Welsh-language broadcaster S4C, and a variety of radio productions for the BBC.

**Note on this response**

3. TAC previously submitted views<sup>2</sup> to Ofcom's original consultation on the new draft Operating Licence and we have therefore kept our comments brief in this response, with the expectation that that this submission will be considered in tandem with our earlier submission. Our response is directed at Question 3 as this is the most relevant to our sector.

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<sup>1</sup> <https://www.cardiff.ac.uk/news/view/2510538-cardiff-has-third-largest-film-and-tv-cluster-in-uk,-study-shows>

<sup>2</sup> See TAC's full response at <https://www.tac.cymru/wp-content/uploads/2022/09/Response-to-Ofcom-consultation-on-BBC-Operating-Licence.pdf>

**Question 3: Do you agree with Ofcom’s provisional assessment and its proposed changes to the Operating Licence for Programmes of a national or regional interest? If not, please explain why, providing appropriate supporting evidence where possible.**

4. Our views relate to the proposed changes as illustrated in paragraph A1.4 of the Consultation, which in turn relates to para 4.31 and para 4.32 of the draft Operating Licence<sup>3</sup>.
5. In its previous response, TAC registered its members’ concerns regarding Ofcom’s plans to reduce the amount of hours required to be produced ‘of national or regional interest’ for BBC One and Two taken together, from the current requirement of 6,300 hours to 5,909 hours<sup>4</sup>. We note in this latest consultation there is a proposal to further reduce this quota to 5,000 hours (para 4.31.1). This constitutes a reduction amounting to just over 20%.
6. We also note the proposed change of non-news programmes in Peak Viewing Time from 557 to 200, along with a reduction from 179 to 150 hours immediately preceding or following Peak Viewing Time (para 4.31.5). Finally we note the reduction in programmes of ‘national or regional interest’ on BBC One from 4,300 to 3,900 and from 2,100 hours in Peak Viewing Time to 1,700 hours (Para 4.32).
7. Together these proposed further changes would appear to represent a significant downward trend in programmes reflecting the UK nations in, or either side of, Peak Viewing Time, especially on the BBC’s main channel.
8. We welcome the retention of 95% of programmes being made in the nation or region to which they relate (4.31.3), however there is no guarantee as such that these will be made by indigenous companies from the independent sector. We continue to be concerned at the ability for companies outside Wales to set up offices in the nation, which win commissions and qualify as ‘out-of-London’ but use some talent and services from outside Wales, do not invest in training in the Welsh sector and which also return profits to the main (often London-based) company.
9. We recognise the shifting media consumptions that have led the BBC to pursue its ‘Digital First’ initiative. But as we stated in our previous response, some content will not necessarily attract big audiences over a long period of time, due to relatively ‘niche’ interest and short shelf life. In addition the BBC needs to be making sure that iPlayer audiences can find content from and about Wales – personalisation of the ‘more of the same’ variety cannot necessarily achieve this and can reduce discoverability. We would welcome further clarity from Ofcom as to how it intends to have the BBC demonstrate its ongoing commitment to its mission and purposes as it moves to an increasingly ‘digital first’ broadcaster.

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<sup>3</sup> [Proposed changes to requirements for BBC Radio 5 Live, BBC Radio 2 and programming of a national or regional interest: Consultation on the BBC’s request to change the Operating Licence. Ofcom, 14 December 2022, p28, para 4.31-4.32](#)

<sup>4</sup> [Operating Licence for the BBC’s UK Public Services: Draft for consultation. Ofcom, July 2022, p27 para 4.31.1](#)

10. TAC also recognises the continuing pressures on the BBC's finances, not least in the light of growing inflation. BBC Cymru Wales has offered assurances to TAC that the intention behind these proposals is to ensure, as Ofcom states, that it can adequately fund the commissions it does make and that the spend will not fall.
11. Notwithstanding this, we do still believe there is a need to ensure as much as possible that what makes the BBC unique as a public service broadcaster is protected, not least in terms of its offering tailored content to the individual UK nations and its commitment to representing the nations to the rest of the UK.
12. In tandem with this, concern remains regarding the proposal to remove the quotas for a specified minimum amount of hours of non-news content on the BBC's nations opt-out TV services. It continues to be our view, as expressed in our earlier response, that to remove this quota altogether removes any meaningful way of holding the BBC to account in terms of its commissioning an adequate amount of such programming.
13. We certainly welcome the proposal for Ofcom to require the BBC to be more transparent and more consistent in the information it provides, however Ofcom needs to be clear about the point at which such information will prompt it to action. The consultation states that: "If we were to find that the BBC failed to deliver on behalf of audiences in the Nations, we would not hesitate to step in and review the quota"<sup>5</sup>. It would be of benefit for Ofcom to see out exactly what it would interpret as the BBC 'failing to deliver', in order that stakeholders understand and be assured of the rigour of Ofcom's process. The BBC's last Annual Report stated that "50% of adults in Wales who think the BBC is effective at reflecting people like them (ineffective 26%)"<sup>6</sup>. This is obviously not a satisfactory figure.
14. While reductions may be small year-on-year, a consistent downward trend will result in the BBC having significantly reduced key programming over a few years. It is therefore important that Ofcom tracks long-term trends in terms of the amount of BBC commissioning in any particular genres and for any particular service, rather than just looking at the next annual plan with reference to the plan for the previous year.
15. Also finding measures to look at BBC commissioning in the creative industries would benefit Ofcom in seeing the extent to which it is investing across the sector. To provide further transparency Ofcom could request from the BBC on an annual basis a breakdown of overall spend on independent production companies in each nation.

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**[www.tac.cymru](http://www.tac.cymru)**

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<sup>5</sup> [Proposed changes to requirements for BBC Radio 5 Live, BBC Radio 2 and programming of a national or regional interest: Consultation on the BBC's request to change the Operating Licence. Ofcom, 14 December 2022, p5-6](#)

<sup>6</sup> Annual Report & Accounts 21/22. BBC, August 2022, p38