



## **Equity response to Public Service Television for the 21st Century – A Public Inquiry**

---

Equity is the UK based union representing over 39,000 creative workers. Our membership includes actors and other performers working in television drama, comedy, children's programming and entertainment produced by the main UK broadcasters and the independent sector. We also represent television and radio presenters.

This is a timely Inquiry, coinciding with important debates about BBC Charter Renewal and the possible outsourcing and privatisation of BBC production and Channel 4 respectively. Equity has been concerned that the views of performers and other creative workers have not been properly considered in the political processes related to BBC Charter Renewal in particular and we would any opportunity to provide further oral evidence to the Inquiry in due course.

- **The social and cultural purposes of television today.**

Television has a number of social and cultural purposes. Some of these are enshrined in legislation or regulation such as the remit of Channel 4, the regional production obligations all public service broadcasters are subject to or the public purposes of the BBC, as well as the BBC's overall mission to 'educate, inform and entertain'. Equity supports these principles and duties and has been lobbying for their reform and extension to other commercial broadcasters.

Equity believes that all UK broadcasters should have an obligation to contribute to the UK's cultural diversity through investing in original content production. We have lobbied Ofcom to increase quotas for original and regional drama, comedy, entertainment and children's programmes made in and about the UK, particularly with respect to Channel 3 and 5 licensees.

One of the social purposes of television should be to promote growth and employment opportunities across the creative industries. For some time Equity has been calling on broadcasters to produce more content in the Nations and Regions in order to draw on the skills and talents in these areas and we have urged Ofcom to reconsider its definition of regional/out of London production so as to include on screen talent.

The creative industries and television and film in particular should provide good jobs and training for the UK's strong base of highly skilled creative workers and performers. Equity has been lobbying, through the Charter Renewal process, for specific references to best practice in employment, training and development both for in-house and independent producers to be included in the BBC's public purposes.

- **Changing production, consumption and distribution practices and indeed the very meaning of ‘television’ in a digital age.**

Equity has worked with all of the major UK broadcasters towards developing new platforms for content delivery and has consistently sought to ensure that content can be made available for use on these platforms when made under Equity collective agreements.

The BBC led the way in terms of establishing the iplayer and Equity has been party to the launch of other such services through the negotiation of agreements with the BBC and other broadcasters for rights clearances. These agreements have contributed to the success of a multiplicity of digital services including 4od, ITV player and Sky Anytime. Crucially, these agreements provide a source of additional remuneration for performers in return for the exploitation of their work.

Most recently Equity has achieved the first agreement with outside of the US for the engagement of our members and the reuse of their performances by Netflix. As more new delivery mechanisms and platforms emerge, suitable agreements must be concluded that recognise the rights of performers whose work is exploited across all channels and platforms.

- **Funding and regulation of public service platforms and their content together with broader questions of regulation to secure public service across the UK TV landscape.**

In terms of funding, Equity continues to support the Licence Fee as the most appropriate funding method for the BBC however we have serious concerns about the most recent settlement, which was again concluded hastily with Government without any input from licence fee payers or consultation with those who work for the BBC.

The most pressing concern in terms of future funding of the BBC is the new obligation to provide free licences for the over 75s. We believe this is inappropriate as it confers social policy responsibilities on to the BBC and is likely to lead to a significant shortfall in BBC funding post 2018, despite the Government’s commitment to end top slicing for broadband rollout and the potential new income arising from the proposed closure of the catch up TV loophole. The projected shortfall in funding could be as much as £350m and this will inevitably lead to large scale job losses, content budget cuts and service closures.

The Government’s Charter Renewal consultation also considers other funding options for the BBC including a household levy and introducing subscription based services. We believe the latter would undermine the BBC’s ability to provide a range of content to all audiences and could lead to the adoption of a much more commercial approach by the BBC. It is also likely that under this model niche services such as radio drama could become underfunded or unaffordable.

BBC Worldwide is an important source of revenue which is re-invested in BBC production. This helps to keep the Licence Fee as low as possible. It exists to maximise profits for the BBC, but operates under the rules and principles outlined in BBC’s Charter and Agreement.

This framework is important as it means that BBCW is independent of Government, but supports the BBC's public service mission and is accountable to licence fee payers. There should be no privatisation of any part of the BBC in the coming Charter period and the BBC should instead be free to explore how it can maintain and expand investment in content via all income derived from commercial activities into programme-making.

Equity does not support proposals to divert Licence Fee funds towards contestable budgets for other broadcasters or producers to create drama or children's content. The BBC's viewers have an expectation that Licence Fee funding goes predominantly towards the production of high quality programmes for the BBC. Currently this is the case and indeed most UK drama production employing professional performers originates with the BBC and the independent producers who work with the BBC.

In terms of addressing the funding needs of non BBC PSBs, we are supportive of the Government's proposal to remove s 73 of the Copyright, Designs and Patents Act 1988. The original policy intention behind this clause was to encourage growth and competition in television platforms in the UK market. This section is now redundant as it is clear that the UK has a thriving audiovisual market. In addition given that abuse of this provision has enabled online services to avoid payment for the inclusion of PSB content in their services it is important that the Government provides clarity about the necessity to pay copyright fees.

The EPG remains an important element in the funding of all PSBs. Prominence on the EPG remains a key benefit for PSBs and contributes towards their ability to invest in skills and content which provide the vast majority of job opportunities in the audiovisual sector for performers and other creative workers.

Our members are very strongly in favour of a regulatory approach to public service broadcasting that can facilitate the continuation and an expansion in the production of original drama, comedy, entertainment and children's programmes made in and about the UK.

Without regulation which aims to support UK original content production, we fear that certain genres, particularly those for niche audiences, could disappear from our screens at an increasing rate. Ofcom's objective must therefore be to seek to maintain and strengthen existing public service broadcasting commitments, so that UK audiences can continue to get high-quality original TV from a range of providers.

In terms of addressing the future regulation of television and the media more generally, we have urged Ofcom and any future regulator of the BBC to adopt a more active approach to issues such as positive employment relations and on screen diversity. At European level we have also argued that a wider range of businesses operating and profiting from the growth in digital and new media services should comply with the standards set by the Audiovisual Media Services Directive. Specifically we believe that there are sound reasons for revisiting the scope of the Directive to bring regulation to emerging services, in the interests of ensuring fair competition with traditional broadcasters and particularly in the areas of identification, product placement and sponsorship.

- **The representation of UK citizens in the television landscape in terms of ethnicity, gender, nationality and class.**

Film and television production is heavily concentrated in London and the South East of England. As a result, performers in the UK's nations and regions often struggle to find enough employment to sustain a career and many are forced to move to London in order to access opportunities. All broadcasters should invest in the nations and regions so that a greater proportion of production employment, including performing talent, is spread across the UK.

We believe that the BBC should lead the way in investing in underrepresented areas and in particular Scotland, Wales, Northern Ireland and the Midlands. To this end, investment in the Nations and Regions should be codified in the BBC's public purposes. We have also argued that regional production quotas for all broadcasters should be increased by Ofcom.

On-screen talent is currently excluded from most targets and regional production quotas set by Ofcom and the BBC however there is a pressing need to ensure that opportunities are opened up to local performers in order to make the regionally production definition truly meaningful. Equity has been campaigning for many years to encourage broadcasters to undertake more local casting and to encourage Ofcom to consult with stakeholders about an appropriate inclusion of on-screen talent in its definition of an Out of London production.

Ofcom's recent Public Service Broadcasting Review reports that several audience groups are concerned about how they are portrayed on screen across the UK's PSB channels - particularly people from BAME backgrounds or people with disabilities. These audiences believe that they are either being under-represented or unfairly portrayed. Audience research conducted for the BBC also finds that C2DE audiences are underserved, particularly young women and BAME audiences and within the latter group Black Caribbean and Black African audiences. Equity has also been concerned for some time that all broadcasters should do more to better represent and portray the LGBT community and women, particularly older women.

All broadcasters must do better in reflecting society through on-screen diversity. Currently only Channel 4 has a duty, through the Digital Economy Act 2010, to "produce of a broad range of relevant media content of high quality that, taken as a whole, appeals to the tastes and interests of a culturally diverse society". Equity has called for amendments to the BBC's public purposes to include a responsibility to portray modern Britain. We believe that all broadcasters should aim to increase on screen diversity and provide more opportunities for performers and creative workers who are BAME, women, disabled, LGBT and from underrepresented socio economic backgrounds. As a first step we have called on the UK's main broadcasters to undertake equality monitoring and welcome the awaited launch of the Project Diamond initiative.

- **The performance of specific public service genres, including current affairs, drama, news and sport.**

The UK has witnessed fluctuations in the level of investment in television content production during the last ten years and this has had a huge knock-on effect on the employment prospects and job security of performers as well as other creative workers in the sector.

Ofcom's latest Public Service Broadcasting Review reports that investment in television drama has fallen by 44per cent since 2008 and notes that the declining level of investment by ITV is of particular concern. The Review also finds that the BBC accounts for 97per cent of children's content production – spending by ITV, Channel 4 and Channel 5 in this genre has fallen by 74per cent since 2008.

Underinvestment in local production by Channel 3 and Channel 5 public service broadcasters is also of concern to Equity. In Northern Ireland, the Channel 3 licence holder UTV has failed to invest in original drama production for over 15 years. This in turn means that they have not helped to develop Northern Ireland's local talent base, despite being in a monopoly position in terms of holding the Channel 3 licence. Given that UTV has been making significant profits for some time, we believe they should be in a position to invest in more original content production in Northern Ireland.

As noted in the Ofcom Review, the BBC is much more likely to invest in high quality genres such as television drama and UK originated children's programming. Freed from commercial interests it will continue to do so, as opposed to commercial operators who are more likely to buy content from abroad or pursue a larger proportion of formats such as reality shows that generate advertising revenue.

- **Reflections on 'quality' – does the UK still make 'the best TV in the world'?**

The UK is a world leader in television content production. This reputation is built on a number of foundations, including the presence of the BBC and the availability of a highly skilled creative workforce, which includes performers. The UK's television and film industries are global in their reach and operations, denoted by the mobility of UK born performers who have been successful in the US and internationally as well as the growth in international co-productions. In this environment it is crucial that standards are maintained and improved, specifically in terms of ensuring best practice in employment as well as continuing to ensure that producers and broadcasters invest in original, challenging programming made in and about the UK.

The BBC is a standard bearer for the UK's television industry. In 2013 the BBC Trust's Purpose Remit Survey found that 76per cent of audiences thought that the BBC makes high quality programmes or online content. 74per cent thought that the BBC produces a wide range of enjoyable and entertaining programmes and online content.

Equity supports the continuance of the BBC as a broadcaster that provides a wide range of different types of content and programmes for range of different audiences. The BBC should continue to provide a universal service and produce content for everyone however Equity has suggested that it may be useful to consider enshrining a commitment to producing high quality original TV and radio drama, comedy, entertainment and children's programming as part of the process of reform of the BBC's public purposes.

Evidence from Ofcom also suggests that audiences are largely satisfied with the output from the main public service broadcasters. Ofcom's 2015 PSB Review found that half of all TV viewing is on these main channels - but that figure rises to more than 70per cent when the time shifted channels are taken into account. Equity believes that if broadcasters and producers commit to investing in the UK's Nations and Regions and embrace the need to portray the diversity of modern Britain, UK television content could offer audiences even more in terms of originality and distinctiveness.

- **The contribution of non-public service content providers to public service output.**

The recent increase in content production by commercial broadcasters and other service providers such as Netflix is very welcome and has led to the creation of a large number of good quality jobs for performers and many other creative workers however the reality is that PSBs continue to be the source of the vast majority of investments in drama production in the UK.

Notwithstanding welcome developments such as the tax reliefs for high end television content and children's programming, ensuring that the BBC can maintain a solid level of investment in content production is vital for the sustainability of all of the UK's creative industries. As part of this, the BBC's in house production must be protected from full competition so that the UK's content production base can weather any future downturn in investment by other broadcasters or international producers.

**If you require any further information regarding this submission please contact**

**Louise McMullan**  
**Head of the General Secretary's Department, Equity**  
**02076700260 and [lmcmullan@equity.org.uk](mailto:lmcmullan@equity.org.uk)**