

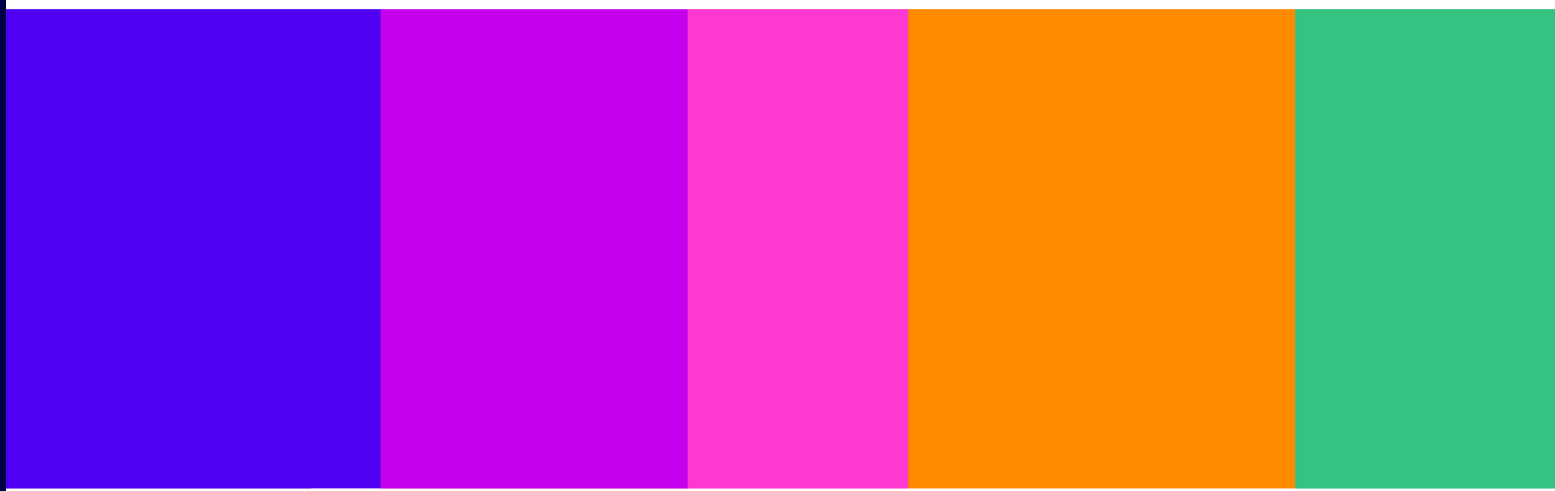
Statement: Updating the PSB Quotas

Implementing the Media Act

Statement

Published 16 October 2025

For more information on this publication, please visit [ofcom.org.uk](https://www.ofcom.org.uk)



Contents

Section

1. Overview.....	3
2. Background.....	6
3. Our overall approach.....	12
4. Original Productions.....	17
5. Regional Productions.....	28
6. Independent Productions.....	37
7. Reporting, monitoring and compliance	39
8. Next steps.....	42

Annex

A1. Legal framework.....	43
A2. Performance towards quotas.....	49
A3. Assessing the impact of our decisions	52

1. Overview

- 1.1 Production quota obligations support and safeguard the provision of new, UK public service media content. The public service broadcasters ('PSBs') each have quotas for original, regional and independent production. They form a key part of the delivery of the statutory public service remit which requires the PSBs (taken together) to meet the needs and satisfy the interests of as many different audiences as practicable.
- 1.2 However, the quota framework set out in the Communications Act 2003 ('the Act'), was designed for an age of linear TV, where content was delivered through a broadcast programme schedule, and only programmes shown on the main PSB channels counted towards relevant obligations. As a result, the different needs of audiences who increasingly consume TV programmes and content online have not been taken into account in the way quotas are fulfilled.
- 1.3 The Media Act 2024 ('Media Act') updates the regulatory framework for PSBs set out in the Act. It provides the PSBs: the BBC¹; ITV and STV - the providers of each Channel 3 service ('Channel 3 licensees'); Channel 4 Corporation ('Channel 4'); Channel 5 Broadcasting Limited ('Channel 5'), and S4C with greater flexibility as to where and how they deliver their remits and requirements.
- 1.4 The aim of the changes in the Media Act is to help ensure all audiences are well served, wherever they choose to consume content. One of the effects is that PSBs may for the first time use their on-demand services to deliver their quota obligations. In order to do so, those services must be, or form part of, a designated internet programme service ('designated IPS')².
- 1.5 We published a [consultation](#) in May setting out our proposals to implement updated quotas under the Media Act. We received 33 responses to that consultation from PSBs, the production sector, and other groups. We have considered all of the responses we received in reaching our decisions.
- 1.6 This statement, which takes account of changes relating to the regulatory framework for independent, original and regional production quotas recently introduced in secondary legislation, sets out our decisions for:
 - converting quota proportions to absolute hours and spend to ensure they are clear and readily applied to on-demand services.
 - the levels of original, regional and independent production quotas to be included in the Channel 3, 4 and 5 licences.
 - the level of S4C's original production quota.

¹ Changes directly affecting the BBC are those related to the level of its independent production quota, and the proposed Original Production Guidance which will apply to the BBC for the purposes of its original production quotas, insofar as relevant. The Government and the BBC plan to update the Framework Agreement in due course.

² A "designated IPS" or "designated Internet Programme Service", is a PSB TV player which has been "designated" by Ofcom for the purposes of the Act. We have separately consulted on the implementation of this part of the Media Act: [Statement Designation of Public Service Broadcaster Internet Programme Services](#))

- our guidance on which programmes can count towards fulfilment of the [original productions quota](#) ; and
- amendments to our [guidance on regional productions](#).

1.7 We plan to vary the relevant conditions in the Channel 3, 4 and 5 licences later in 2025. We expect that these new conditions will come into force with effect from 1 January 2026.

What we have decided – in brief

We have decided to change quota obligations following changes introduced by the Media Act as follows:

Converting proportions to hours and spend

Quotas are currently set as a proportion of a linear channel's output. We have converted these into absolute numbers as required by the Media Act.

We have set quota levels that broadly maintain the current requirements. To do this, we have used the average from the past five years, 2020-2024, of each broadcaster's total qualifying hours and spend,³ and multiplied it by the current proportional quota level.

Original productions

Original production quotas play an important role in ensuring the PSBs make available content that reflects the lives and concerns of different communities, cultural interests and traditions in the UK.

We have decided that broadcasters should continue to be able to count repeats on their main linear PSB channels towards this quota. This will help to secure an appropriate balance of original and acquired content on linear schedules, while ensuring broadcasters have flexibility in how they choose to meet the quota. We have also decided that content first provided on on-demand services can only count towards the original productions quota once, and content made available online that has previously had a linear transmission cannot count.

At this time, we have decided to retain the peak viewing time requirement for content on the main linear PSB channel. This ensures that original programming continues to reach linear audiences during peak hours, which remain the most popular time for live viewing.

We also set out our final [Original Production Guidance](#). This explains the types of programming that can and cannot count towards the requirements.

Regional productions

Regional production quotas help ensure content is commissioned that supports the creative economy across the UK's nations and regions. This programming may also help to authentically reflect the lives and interests of communities across the UK.

We have decided to uplift the spend quota by 2% each year to account for likely increases in production costs over time, but review the spend quota levels after three years, aligning with Ofcom's next Public Service Media review, when we will be reviewing and reporting on 2024-28. We set out final [Regional Production Guidance](#) which we have updated to reflect changes made by the Media Act.

³ 'Qualifying' hours and spend refer to the total output and investment considered towards quota. This corresponds to the base of quota calculations under the current proportional system.

Independent productions

Independent production quotas seek to ensure audiences benefit from programming from a range and diversity of independent producers and not only broadcasters' own in-house resources or broadcaster-owned production companies.

The Secretary of State sets the minimum amount of programming which PSBs must commission from independent producers. The Government published revised quota levels for the independent production quotas in the [Broadcasting \(Independent Productions\) Regulations 2025](#) ("Independent Productions Regulations"). We are required to include conditions in PSBs licences to ensure that at least this amount of programming is included in licensees' services. We will reflect the amounts set by the Secretary of State in the Channel 3, 4, and 5 licences.

Reporting and compliance

We will continue to monitor compliance with quota obligations and set out details of our approach to gathering data from PSBs including data from PSBs' on-demand services.

The overview section in this document is a simplified high-level summary only. Our reasoning is set out in the full document.

2. Background

Context

- 2.1 One of the functions of public service media is to provide audiences with a wide range of programming which portrays life in the UK with authenticity and freshness, helping to bring people together, reflect the diverse environments in which they live and make a crucial contribution to the UK's creative economy. The quotas which the statutory regime places on each PSB help to ensure continued investment in original, regional and independent production; a central pillar of a public service system designed to meet the needs and satisfy the interests of as many audiences as practicable.
- 2.2 The past decade has been marked by an audience shift towards on-demand services. Viewing of broadcast content on TV sets has fallen by 24% since 2019,⁴ with linear viewing now accounting for less than half of all in-home viewing (46%). In contrast, viewing of broadcast video on-demand ('BVoD') services such as ITVX and STV Player increased by 23% from 2023 to 2024 alone.⁵
- 2.3 The PSBs have responded to these changes by spending heavily on their digital services. This has required investment in digital infrastructure, refining user experiences and growing their programme catalogues. However, the need for the PSBs to continue to adapt in a way which serves changing audience interests, is only increasing over time.
- 2.4 The Media Act updates the regulatory framework relating to public service media. It has been designed to give PSBs greater flexibility than before in how they deliver their obligations and meet the changing ways audience consume media. Specifically, the licensed PSBs⁶ and S4C will for the first time be allowed to use on-demand programme services ('ODPS'), which are, or form part of, their designated IPS to meet some of their quotas, in addition to their main linear channels.
- 2.5 This change requires us to amend the way in which we specify quota requirements in licences. Whereas previously quotas were expressed as a proportion of the total relevant output on a linear television service, we must now set original and regional production quotas in absolute terms, i.e. the number of hours which we consider appropriate. In the case of regional quotas, this also means setting a monetary amount as a minimum spend quota. Because on-demand content libraries do not operate in the same way as linear TV schedules and enable access to a much broader range of catalogue programming, we are also required to determine in what circumstances repeats can count towards fulfilment of the original and regional production quotas.⁷ The framework in relation to these quotas (and the independent production quota) is set out below.
- 2.6 We recently carried out relicensing processes for the licensed PSBs, renewing their licences for another ten-year period, until 2034. As part of this we reviewed licensees' performance towards quotas over the previous licence period, and for the Channel 4 licence set revised

⁴ Barb 28-day consolidated.

⁵ Barb as-viewed. Linear viewing refers to live and recorded playback from broadcast TV channels.

⁶ "Licensed PSBs" refers to the holders of the Channels 3, 4, and 5 licences.

⁷ See the [Broadcasting \(Regional Programme-making and Original Productions\) \(Amendment\) Regulations 2025](#) ("Original and Regional Productions Regulations").

quota levels.⁸ The changes we are making to the licensed PSBs’ requirements will need to be brought into effect using the licence variation process, alongside determinations for S4C.⁹ As the Secretary of State has also updated the licensed PSBs’ independent production quota,¹⁰ we will also need to include the updated independent production requirement in the Channel 3, 4, and 5 licences. Finally, we are also required to issue Original Production Guidance, and to update our Regional Production Guidance to reflect these changes.¹¹

- 2.7 In light of the above, we consulted on the following:
- a) the appropriate conditions for the original, regional and independent production quotas to be set in the Channel 3, 4 and 5 licences, including the methodology for the calculation of the levels of their original and regional production quotas, the treatment of repeats and the peak-time viewing objective;
 - b) the level of S4C’s original production quota;
 - c) our guidance on which programmes can count towards fulfilment of the original productions quota; and
 - d) amendments to our guidance on regional productions.
- 2.8 In May we published a [consultation](#), [draft Original production quotas Guidance](#) and [draft amended Regional Production and regional programme definitions Guidance](#). We received 33 responses to our consultation from the PSBs, the production sector and other groups which we set out in Table 1. We also received further comments at stakeholder meetings. We have considered all of the information we received in response to our consultation in finalising our decisions and Guidance.

Table 1: Consultation respondents

PSBs	Production sector	Other
BBC	Teledwyr Annibynnol Cymru ('TAC')	Ofcom’s Advisory Committee for Northern Ireland ('ACNI')
ITV	Directors UK	23 individuals
Channel 4	Producers Alliance for Cinema and Television ('Pact')	
Paramount/Channel 5 'Channel 5'	Speaking Up for Scotland’s Screen Talent ('SUSST')	
S4C		
STV		

⁸ Ofcom, 2024. Relicensing of the Channel 3 and Channel 5 licences and Channel 4 licence renewal.
⁹ See sections 278, 286, 288 and Schedule 12, Part 2, para. 8 of the Act (as amended by the Media Act).
¹⁰ See Independent Productions Regulations.
¹¹ See Original and Regional Productions Regulations.

Quotas statutory framework

Regulatory framework of the PSBs

- 2.9 Ofcom has general duties in carrying out its functions, including in setting the original and regional quota requirements in the Channel 3, 4 and 5 licences, and where relevant for S4C, to further the interests of citizens in relation to communications matters and consumers in relevant markets, where appropriate, by promoting competition.¹² Ofcom must also have regard to a number of matters when carrying out its functions, including the desirability of promoting the fulfilment of the purposes of public service television broadcasting in the UK. Additional background on the legal framework is set out below and in full in Annex 1.
- 2.10 The regulatory framework for the PSBs' quotas varies depending on which PSB and which quota are being considered, see Table 2.
- 2.11 Changes directly affecting the BBC are those related to the level of its independent production quota, and the proposed Original Production Guidance which will apply to the BBC for the purposes of its original production quotas, insofar as relevant. We understand the Government and the BBC are working to update the Framework Agreement in due course, similarly amending its regional and original production quotas.¹³

Table 2: Source for each PSB's quotas

PSB	Source of each quota		
	Original production	Regional production	Independent production
Licensed PSBs: Channel 3,¹⁴ 4 and 5	Statutory requirement for Ofcom to set quotas through conditions in the PSB licences	Statutory requirement for Ofcom to set quotas through conditions in the PSB licences	Minimum set by Government in a Statutory Instrument, statutory requirement for Ofcom to include conditions in the PSB licences
S4C	Statutory requirement for quotas to be set by agreement between S4C and Ofcom, failing which by direction given by Ofcom	Not applicable	Minimum set by Government in a Statutory Instrument

¹² Section 3(2) of the Act.

¹³ Once the UK Government and the BBC have agreed the changes to the Framework Agreement, we will consult on changes to the BBC's operating licence to update its quotas reflecting these.

¹⁴ In relation to the Channel 3 licensees, there are 15 regional Channel 3 licences and one UK-wide breakfast licence. The licences are held by subsidiaries of ITV plc ('ITV') and STV plc ('STV'). STV provides the Channel 3 service in Central and Northern Scotland, while ITV provides Channel 3 services in England, Wales, Northern Ireland, Southern Scotland, and the Channel Islands, alongside the UK-wide breakfast service. Each national and regional Channel 3 licensee is required to fulfil the quotas set out in its licence.

PSB	Source of each quota		
BBC	Set by Ofcom under the BBC Framework Agreement between the BBC and the Secretary of State, included in BBC Operating Licence ¹⁵	Set by Ofcom under the BBC Framework Agreement between the BBC and the Secretary of State, included in BBC Operating Licence ¹⁶	Minimum set by Government in a Statutory Instrument and in the BBC Framework Agreement between the BBC and the Secretary of State

Original productions

- 2.12 Ofcom is required to set the minimum amount of original programming which it considers appropriate to be included in the licensed PSBs' and S4C's services.¹⁷ Ofcom must further determine whether, and if so at least how much, programming during peak times on each of these services should be original productions,¹⁸ and determine whether repeats can count towards fulfilment of the quota.¹⁹ The current requirements have been set out by Ofcom in the Channel 3, 4 and 5 licences, and by agreement with S4C.²⁰
- 2.13 Previously, original productions have been programmes that are commissioned by, or for, a PSB channel with a view to their first showing in the UK on television being on that channel.²¹ Following implementation of the Media Act, from 1 January 2026 original productions will be programmes commissioned by, or for, a PSB with a view to their first showing in the UK on a service that is a "qualifying audiovisual service". Qualifying audiovisual services are the PSB's main linear channel or an on-demand programme service which is, or forms part of, their designated IPS.²² The original production quota has until now been set as a percentage of qualifying hours, as shown in Table 3 below.²³

¹⁵ These quotas have not been amended by the Media Act.

¹⁶ These quotas have not been amended by the Media Act.

¹⁷ Section 278(1) and Schedule 12, Part 2, paragraph 8 of the Act.

¹⁸ Section 278(2) of the Act (section 278(1A) as amended) and Schedule 12, Part 2, paragraph 8 of the Act.

¹⁹ Regulation 3A(1) of the Broadcasting (Original Productions) Order 2004 as amended by the Original and Regional Productions Regulations.

²⁰ See [broadcast licences](#).

²¹ As [previously] defined by the [Broadcasting \(Original Productions\) Order 2004 SI 2004/1652](#). They are also required to be "European programmes".

²² See amendments to the Broadcasting (Original Productions) Order 2004 made by the Original and Regional Productions Regulations, regulation 3.

²³ Section 278 of the Act.

Table 3: Current original production quotas for hours in the licences

Service	All day quota	Peak viewing time quota
Channel 3	65% for the 15 national and regional licences, 80% for the breakfast licence	85% for the 15 national and regional licences
Channel 4	45%	70%
Channel 5	50%	45%
S4C	80%	90%

Regional productions

- 2.14 Regional production quotas ensure that a specified amount and value of programming on PSB services is made outside the M25 area. These quotas support the creative economy across the UK's nations and regions and can help to ensure the commissioning of content that reflects the lives and interests of communities in the UK.
- 2.15 Ofcom must set the minimum amount of regional productions (i.e. productions which are made in the UK, but outside the M25) which must be made by the licensed PSBs for inclusion in their services.²⁴ This quota was previously required to be a minimum proportion of the total time of, and amount spent on all first-run UK-originated programmes. These requirements have been included by Ofcom in the current Channel 3, 4 and 5 licences.²⁵
- 2.16 Channel 4 also has a separate made outside England quota which requires production in each of Scotland, Wales and Northern Ireland.²⁶
- 2.17 The BBC's regional production quotas are set out in the Framework Agreement and Operating Licence. These are not changed by the Media Act.
- 2.18 We must require a "suitable amount" of the licensed PSBs' expenditure on programmes made in the UK to be made at different production centres outside the M25 area.²⁷
- 2.19 The BBC and the Channel 3 licensees also have additional specific "regional programming" quotas requiring the provision of programming which serves, and is of interest to, audiences living in the smaller local broadcast area in which the programme is broadcast (e.g. local programming for audiences in Yorkshire served by the ITV Yorkshire licence). Although regional programming can count towards original and independent productions quotas, the specific quotas relating to the amount of regional programming (i.e. local

²⁴ Sections 286 and 288 of the Act.

²⁵ The quota is currently 35% for both expenditure and hours in the national and regional Channel 3 licences (there is no quota for the breakfast licence) and the Channel 4 licence, and 10% for each in the Channel 5 licence.

²⁶ Currently, the quota on Channel 4 is 9% of hours and spend to be allocated to productions made outside England. This will increase to 12% from 2030.

²⁷ Section 286(1), 286(3) and 288(1) of the Act, as amended by the Media Act. An amount of expenditure is not to be regarded by Ofcom as "suitable" if it constitutes "less than a significant amount of the expenditure in question". We must also ensure that the different programme production centres to which that expenditure refers, constitute what appears to us to be a suitable range of production centres (see further s286 and s288).

programming for and about a specific region) have not been amended by the Media Act and will not be affected by the proposals outlined in this consultation.

Independent productions

- 2.20 Previously, the independent production quota has been set as a percentage of the total duration of the qualifying programmes broadcast by a PSB and could only be met by programmes broadcast on the main linear PSB channels.²⁸
- 2.21 The minimum level of the quota in absolute hours has been specified by the Secretary of State in the Independent Productions Regulations. We are required to include conditions in the Channel 3, 4 and 5 licences which we consider appropriate to ensure that services meet this requirement, and which reflect the fact that the licensed PSBs will be able to use their designated IPS to meet this quota.²⁹

Structure of this document

- 2.22 The remainder of this statement is structured as follow:
- Section 3 sets out our approach to our analysis;
 - Section 4 explains our decisions for original production quotas;
 - Section 5 explains our decisions for regional production quotas;
 - Section 6 explains changes to the independent production quotas;
 - Section 7 sets out details of our approach on reporting, monitoring and compliance;
 - Section 8 sets out our next steps;
 - Annex 1 sets out further details of the legal framework;
 - Annex 2 sets out details of performance of the licensed PSBs and S4C towards quotas; and
 - Annex 3 sets out our assessment of the impact of our decisions.

²⁸ The quota has been 25% of qualifying hours for the licensed PSBs, the BBC and S4C. Separately, Channel 4 has committed to an increased quota of 35% from 2026.

²⁹ Section 277 of the Act.

3. Our approach

Introduction

- 3.1 In this section, we explain our approach to the calculation of the new quota levels insofar as this is common across the original, original peak time and regional production quotas. This includes consideration of consultation responses we received on our proposed methodology.
- 3.2 Our objective in this process is to translate those requirements into a format which ensures the minimum levels set out in the current quota requirements are broadly maintained and also give the licensed PSBs and S4C the flexibility to meet those quotas using their on-demand services. We note too that quota levels are a minimum. Broadcasters can outperform these and in some cases to date have significantly exceeded them.³⁰
- 3.3 Our approach has been underpinned by evidence from our own research and data collection. This predominantly includes hours and spend data provided by PSBs as part of our annual performance assessments. Where appropriate, we have also drawn on audience viewing data and our own research on audience perceptions of PSB services. We have also engaged with PSBs to understand their current practices for tracking data across their ODPS. We additionally have accounted for all of the information and responses we have received during the consultation process.

Converting quotas to absolute numbers

We have decided to base quota calculations on broadcasters' total historic qualifying hours and spend

- 3.4 In calculating absolute original, peak time and regional production quotas, we proposed multiplying broadcasters' total qualifying hours and spend by the current proportional quota levels. We also proposed basing calculations on qualifying hours on broadcasters' linear channels and not taking original online-only programming into account, which we understand accounts for a marginal amount of overall programming.
- 3.5 Stakeholders were broadly supportive of this as an approach to converting proportional quotas into absolute amounts, with no stakeholders suggesting alternative metrics on which to base the calculations.
- 3.6 We have decided to proceed with our proposal.

We have decided to use an average of five years of data in our calculations

What we proposed

- 3.7 In the consultation, we proposed that quota levels should be calculated using the most recent complete five years of data. At the time of publication, this was 2019-2023. We

³⁰ See our analysis on performance over 2019-24 in Annex 2.

noted that we would update the calculations to use 2020-2024 if final 2024 data became available before the licence variation process.

- 3.8 Using a multi-year average helps to smooth out fluctuations, such as major sporting events or the disruption in production from the COVID-19 pandemic and the boom that followed it, while reflecting current market conditions.

What respondents said

- 3.9 PSBs and production sector stakeholders were broadly supportive of using five years of historic data to set quota levels. However, a number of stakeholders commented on both the inclusion of 2020 and 2024 in the reference period.
- 3.10 Some broadcasters urged us to ensure our five-year average approach includes data for 2024 to ensure quotas reflect the most up-to-date position of broadcasters, particularly given that the regime will remain in place for some time.
- 3.11 Some stakeholders in the production sector raised concerns that including 2020 data unfairly lowers quotas, as production volumes and spend were disrupted by the COVID-19 pandemic. They said that a five-year period including 2020 does not sufficiently smooth out this impact and suggested that the calculations should be revisited. These stakeholders proposed excluding 2020 from the reference period to avoid skewing results, with some recommending a 2019–2024 baseline excluding 2020. In particular, Pact noted that excluding 2020 data would avoid significant drops in average original and regional hours for Channel 4 and Channel 5 and regional spend for ITV, Channel 4 and Channel 5, which would otherwise lead to lower regional production quota levels.³¹
- 3.12 The BBC said that where the broadcast hours of a channel changed during the five-year calculation period, Ofcom should only use the data from the years following the change, citing CBBC as an example of a channel that reduced its broadcast hours from 14 hours per day to 12 hours per day in 2022. It stated that it would be inappropriate for a quota to be based on volumes prior to any change in broadcast hours.³²

Our decision

- 3.13 We have decided to proceed with using the 2020–2024 reference period to set quotas, given the quota compliance data for 2024 has been collected and finalised. We consider this the most robust and representative baseline for setting quota levels. It reflects both the disruption of 2020 and the subsequent rebound in production activity, while ensuring that the most recent data is captured.³³
- 3.14 We recognise some stakeholders' concerns about the inclusion of 2020 in our quota calculations. However, our analysis shows that for original production quotas, the effect of 2020 on quota levels is limited. For example, excluding 2020 changes the figures we proposed for original production quotas by only 0–2% for each broadcaster. The quotas are based on total PSB hours, which is the total time allocated to the broadcasting of "qualifying programmes" on the main linear channels.³⁴ These qualifying hours, which we

³¹ Pact response, p.4

³² BBC response, sub-section 1.2.1

³³ We note that this is consistent with the approach taken by the Secretary of State for setting independent productions quotas. See Section 6 for more detail.

³⁴ Qualifying hours is defined as all transmission time, excluding advertisements, trailers, promotional material and home shopping programming.

have used to set new quota levels, were largely unaffected in 2020 and declined marginally in 2021.

- 3.15 Regional production quotas are calculated using qualifying first-run originated hours and spend, which were more significantly impacted by the COVID-19 pandemic. In 2020, commissioning and production activity fell sharply due to lockdowns and restrictions. However, this was followed by a strong rebound in 2021 and 2022, as projects delayed during the pandemic were delivered and broadcasters increased commissioning activity. In many cases, output in those years exceeded pre-2020 levels. For example, total licensed PSB qualifying hours for regional production quotas declined by 5% in 2020 to 7,222, but rebounded by 9% in 2021 to 7,891 hours, rising further to 9,024 hours in 2022.³⁵ Overall first-run origination spend by the licensed broadcasters followed a similar trend, declining by 20% in 2020 to £1.06bn, before recovering by 25% in 2021 to £1.32bn, and further rising to nearly £1.45bn in 2022.³⁶
- 3.16 We acknowledge the concern that including 2020 could reduce average first-run hours and spend data leading to lower regional production quota levels. However, excluding 2020 while retaining these rebound years would skew the averages upwards, leading to quota levels that would be higher than warranted by the longer-term trend. By including 2020 alongside the recovery years, the five-year average accounts for both the downturn and the subsequent recovery, producing a more robust and representative baseline for setting quotas.
- 3.17 We acknowledge the BBC's concern around quota calculations using data from periods where overall broadcast hours may have changed. However, for the relevant quota changes on channels in scope of this consultation, there were no significant changes in broadcast hours between 2019 and 2024, with the licensed PSB channels all being 24/7 channels, and S4C generally broadcasting from 6am to 12am daily. Given this, we did not consider that a change in broadcasting hours impacted our methodology for our approach to changes to the quotas in these licences.
- 3.18 As we have noted, we understand the Government and the BBC are working to update original and regional production quotas as set out in the Framework Agreement in due course. Once these changes have been made, we can consult on changes to the BBC's Operating Licence and will engage with them further as part of that consultation.

Providing regulatory certainty and stability

We will continue to monitor market developments over the licence term

What we proposed

- 3.19 We proposed to set the quota levels to apply throughout the licence term, until the end of 2034. However, within this there were two factors which impact the levels through the term: that the Channel 4 outside England quota increases in 2030 (in line with the current

³⁵ Ofcom/broadcasters. Figures include ITV, Channel 4 and Channel 5. Qualifying hours refer to first-run UK originations, excluding certain categories such as news programming.

³⁶ Ofcom/broadcasters. [Communications Market Report 2025](#). Figures include ITV, Channel 4 and Channel 5. Figures represent total first-run origination spend as already published by Ofcom, so include some spend that does not qualify for regional production quotas, such as news programming.

licence condition); and our proposal of an annual 2% uplift for all regional spend quotas to account for likely production cost increases over time.

- 3.20 We acknowledged that market conditions are subject to change, and we proposed to continue to monitor developments in public service broadcasting and market circumstances, to assess whether the obligations remain appropriate and suitable over time.

What respondents said

- 3.21 We had various comments from stakeholders requesting that we review the quota levels in future. TAC noted the licences will be in force for a ten-year period and market conditions could change during this time, and considered it essential we review all quota levels every five years.³⁷ Similarly, Directors UK commented on the long timeframe until licence expiry dates, and suggested we review the delivery of hours and spend on original production at an earlier point to ensure the absolute quotas are not leading to a reduction in output and spend.³⁸
- 3.22 Some PSBs also made references to future review periods for quotas. Channel 5 suggested that Ofcom commits to a review of the new quota obligations to ensure that the levels do not introduce significant regulatory or financial burdens on the PSBs.³⁹ Stakeholders also suggested we introduce a review period as part of their response to our proposal to uplift regional production spend quotas. ITV recommended a triennial review of qualifying spend⁴⁰, while Channel 4 suggested we assess whether a multiplier to account for inflation is required after at least the first couple of years of the new quota regime.⁴¹

Our decision

- 3.23 Having reviewed the responses to our consultation, we consider that it is appropriate for us to set the quota levels for the duration of the licence period. This will provide regulatory certainty to stakeholders. It will also give the broadcasters clear, predictable levels on which to base their long-term commissioning and production plans, while at the same time providing them with the flexibility to fulfil quotas using their on-demand services for the first time.
- 3.24 We recognise stakeholders' concerns that market conditions may change significantly during the licence period. To monitor this, we will continue to collect and report data annually on PSB delivery against original, regional and independent production quotas, which will allow us to identify significant changes over time.⁴²
- 3.25 We recognise however that regional spend quotas are more exposed to wider market factors than quotas based on hours and therefore require separate consideration. The production spend of broadcasters is more directly affected by issues such as economic conditions and inflation, which create greater risks to achieving the intended objectives of the regional spend quotas. Therefore, we consider it appropriate to commit to a review as to whether the regional spend quotas remain at an appropriate level after three years of

³⁷ TAC response, paragraph 12.

³⁸ Directors UK response, paragraph 9.

³⁹ Channel 5 response, p.3

⁴⁰ ITV response, p.2

⁴¹ Channel 4 response, p.5

⁴² We discuss more on our approach to reporting, monitoring and compliance in Section 7.

operation. This also coincides with Ofcom’s next PSM Review, which will cover 2024-28. Our decision on the review of regional spend quota is set out in Section 5.

We will maintain our approach to Channel 3 regional licences

What we proposed

- 3.26 For regional Channel 3 licences, we proposed setting each of the original and regional production quotas at the same level across all of the regional Channel 3 licences, unless otherwise stated.
- 3.27 In the case of London Weekend and London Weekday licensees, we proposed to pro-rate absolute requirements to reflect the different temporal aspect of those licences (i.e. that London Weekend has a licence to broadcast just over two days a week – inclusive of Friday after 5.15pm and Monday before 6am – and London Weekday has a licence to broadcast just under five days a week).

What respondents said

- 3.28 ITV said in their response that our separate listing of the London Channel 3 licence obligations implies that Ofcom might seek to have quotas for weekdays and separate quotas for weekends in London.
- 3.29 STV mentioned that the flexibility introduced by the Media Act necessitates a review by STV on the suitability of current Channel 3 networking arrangements.⁴³

Our decision

- 3.30 ITV has two separate broadcasting licences for London. Under the proportional quotas system, these two licences had the same figures for original productions quotas – at 65% for all day and 85% in peak viewing time. We are required by the Media Act to convert these figures to absolute requirements, which, due to the different broadcasting times over weekdays and weekends, results in different absolute quotas for each licence rather than identical percentages. We have decided that, given the requirements of the statutory framework, continuing with our proposal to pro-rate the figures is the appropriate approach to converting these particular licence requirements into absolute terms while maintaining the status quo.
- 3.31 Amendments to the Channel 3 networking arrangements were not within the scope of our consultation. However, we note that as a result of the Media Act, from next year, networking arrangements should also cover programmes commissioned or acquired for inclusion in “qualifying audiovisual services”⁴⁴. We will engage with the relevant parties on this separately.

⁴³ STV response, page 3

⁴⁴ Section 290 of the Act (as amended)

4. Original Productions

Introduction

- 4.1 Ofcom is required to set original production quotas in the Channel 3, 4 and 5 licences, and by direction to S4C.⁴⁵ These quotas require the broadcasters, each year, to broadcast a minimum level of original programming on their main linear channels. Currently, we set these quotas as a proportion of the total amount of time allocated to the broadcasting of “qualifying programmes” on the channel.⁴⁶ We also set an additional quota for the broadcasting of original productions in peak viewing time.⁴⁷
- 4.2 The definition of an “original production” is made by the Secretary of State in a statutory order.⁴⁸ Broadly speaking, from 1 January 2026, an original production will be a programme which is commissioned by, or for, the PSBs with a view to it first being shown on either the main channel or its designated IPS.
- 4.3 Repeats of UK originated programmes first shown on the main linear PSB channel can count towards delivery of the quota. Repeats traditionally helped to secure a diverse mix of programming and ensure that audiences did not miss out on scheduled programming potentially of interest to them that, for whatever reason, they were unable or chose not to watch. However, programming that first appeared on one of a licensed PSB’s other channels or elsewhere could not count towards delivery of this quota.
- 4.4 Our analysis, set out in detail in Annex 2, shows that the licensed PSBs and S4C have consistently met or exceeded both their overall and peak-time original production quotas.
- 4.5 The Media Act has amended the relevant provisions of the Act, so that Ofcom must now include quota conditions in the Channel 3, 4 and 5 licences (and make a determination for S4C) which we consider appropriate to secure that:
- i) the licensed PSB (or S4C) makes available qualifying audiovisual content that includes a range of original productions, and
 - ii) the duration (in total) of those original productions is at least the number of hours Ofcom consider “appropriate”.⁴⁹
- 4.6 Ofcom must also:
- i) Determine whether to remove or retain the peak time requirement, and if retain, determine the minimum number of hours of programming during peak times on each of these services that must be original productions,⁵⁰

⁴⁵ Section 278 and Schedule 12 Part 2, paragraph 8 of the Act.

⁴⁶ Qualifying hours is defined as all transmission time, excluding advertisements, trailers, promotional material and home shopping programming.

⁴⁷ Section 278(2)(b) and Schedule 12 Part 2, paragraph 8 of the Act.

⁴⁸ This is defined in the Broadcasting (Original Productions) Order 2004, as amended by the Original and Regional Productions Regulations. Section 278(7A) of the Act, as amended, provides that Ofcom may exclude programmes of a specified description from counting towards the quota.

⁴⁹ Section 278 and Schedule 12, Part 2, paragraph 8 of the Act (as amended by the Media Act).

⁵⁰ See section 278(1) and (1A) of the Act (as amended) and Schedule 12 Part 2 paragraph 8 of the Act.

- ii) Determine whether repeats can count towards fulfilment of the quota⁵¹, and
 - iii) Issue guidance that PSBs must have regard to, about which programmes can count towards fulfilment of the quota.⁵²
- 4.7 The Media Act gives broadcasters the flexibility to deliver this quota on their designated IPS, as well as their main linear PSB channel. In order to be able to count towards the quota a programme would need to be available free of charge on an ODPS which is, or forms part of, the designated IPS for at least 30 days.⁵³
- 4.8 We have decided to proceed with the majority of our proposals in this area, as explained in the remainder of this section.

Linear repeats

- 4.9 In our consultation, we considered different types of repeat programming separately – namely repeats on linear channels, and catalogue and catch-up programming made available online. We cover our proposals and decisions for these categories separately below – beginning with linear repeats in this section.

What we proposed

- 4.10 We proposed to continue allowing linear repeats to count towards the original production quotas. We noted that a mix of first-run and repeated original programming contributes to the objectives of this quota around securing a minimum amount of content that reflects the lives and concerns of UK audiences, and that excluding repeats could reduce the overall availability of UK-originated content on linear television, reducing the character and distinctiveness of PSB services. We also noted the value of flexibility for the licensed PSBs and S4C in allowing repeats to contribute to the fulfilment of their public service remit.

What respondents said

- 4.11 PSBs supported our proposal to maintain the current approach, welcoming our clarification that linear repeats can continue to count towards original production quotas.⁵⁴ Pact also agreed with our approach, while noting the need to give audiences the opportunity to view new content.⁵⁵
- 4.12 We received a number of individual responses arguing that allowing repeats to count towards quotas reduces opportunities for new production and risks weakening the UK production sector.⁵⁶

Our decision

- 4.13 We have decided to continue to allow repeats on linear PSB channels to count towards original production quotas, as is the case under the current proportional system. We have reflected this position in the Original Production Guidance. We consider this approach is

⁵¹ See regulation 3A(1) of the Broadcasting (Original Productions) Order 2004 as inserted by the Original and Regional Productions Regulations.

⁵² See regulation 3A(3) of the Broadcasting (Original Productions) Order 2004, as amended. The requirement that licensees must have regard to this Guidance can be included in the licence - s278(7A).

⁵³ Section 278B(2) of the Act (as amended by the Media Act) and s264(8B). The requirement that the content is available for 30 days does not apply to news programmes or sporting events

⁵⁴ BBC response, 1.2.2. ITV response, p.3

⁵⁵ Pact response, p. 1-2

⁵⁶ See Name Withheld responses 1-14.

consistent with the quota objective of securing the availability of original UK programming for audiences. Repeats make an important contribution toward meeting these objectives. Alongside first-run programming, repeats contribute to the range and accessibility of UK-originated content available to audiences, including those who are more reliant on linear television such as older viewers and lower-income households.⁵⁷ This supports the character and distinctiveness of PSB services.

- 4.14 We recognise the importance of a continued supply of new UK programming, which is beneficial for audiences while supporting the creative economy across the UK's nations and regions. This is also secured through other requirements of the overall quota regime, with both regional and independent production quotas requiring the provision of first-run originations (i.e. new productions). This means these quotas exclude repeats and aim to ensure new content continues to be commissioned from a variety of production companies across the UK.
- 4.15 We note stakeholder concerns about the balance between first-run and repeat programming towards original production quotas, and our monitoring of PSB compliance will continue to track how broadcasters deliver towards these. Our objective is to ensure that these requirements are applied in a way that secures the availability of minimum levels of original UK content for audiences. In practice, the licensed PSBs have consistently exceeded their original production quotas, providing audiences with a wider supply of UK programming than the minimum obligations require.

Online Content

- 4.16 The Media Act changes mean that if a programme is first made available by the licensed PSBs or S4C on an ODPS which is, or forms part of, a designated IPS it can count towards fulfilment of the original productions quota.
- 4.17 Some broadcasters' IPS include scheduled channels available to live-stream within the services. These can include FAST (free ad-supported streaming television) channels dedicated to a particular theme or programme, such as the *Midsomer Murders* and *Comedy 24/7* channels on ITVX. Programmes only included in "live" linear streaming channels accessed via a designated IPS cannot count towards fulfilment of the quota, since these are not available on-demand in the sense that they cannot be viewed at a time chosen by the user. These programmes also form part of a set schedule, meaning they are not available for consumers to freely select from a catalogue of programmes. As such, live streaming channels do not fall within the definition of "ODPS".⁵⁸
- 4.18 In considering "repeats" in the context of programming delivered online, we identified two broad types of content:
- a) **Catalogue programming**, which we define as previously broadcast programmes that are made available to stream on-demand. This includes full series offered as box sets (for example, an entire season of a drama series like *Downton Abbey*), as well as episodes of older back catalogue programming like *Coronation Street*.

⁵⁷ Ofcom, 2024. [Media Nations UK 2024](#) and [Future of TV Distribution](#) reports. Barb audience measurement and Establishment Survey data informed us that older age groups and lower socio-economic groups still tend to watch more linear TV.

⁵⁸ Section 368A of the Act sets out the definition of "on-demand programme service".

- b) **Catch-up programming**, which we define as programmes made available via on-demand services shortly after linear broadcast. This can include linear repeats made available on-demand as catch-up programming.

What we proposed

- 4.19 We proposed that online originations can only count towards the original productions quota once through the use of online services, and that online releases which have already had a linear broadcast cannot count. We considered that this was a practical way to provide broadcasters with the flexibility and freedom to meet quotas using their designated IPS, while avoiding multi-counting risk.
- 4.20 In addition, we considered that an online origination should only count towards a quota if it is exclusively available on a licensed PSB or S4C's ODPS which is, or forms part of, a designated IPS free of charge, for a minimum of 30 days. This reflects the fact that, under the legislation, a programme can only count as being "made available" for quota purposes at the end of the 30 day period.⁵⁹ It also avoids further potential for multiple counting of titles resulting from programming that may receive online and linear releases simultaneously, or within a short timeframe.⁶⁰ For example, a programme released on an ODPS shortly before being broadcast on the PSB's main linear channel would only count once towards quotas. In addition, this would also mean that a programme released on an ODPS and broadcast on a non-PSB portfolio channel within 30 days could not count towards quotas.⁶¹
- 4.21 We proposed not to permit catalogue programming or catch-up programming to contribute towards original production quotas. We said that permitting the inclusion of this type of programme would risk being inconsistent with the core objectives of the intervention and diminish the incentives for PSBs to commission new programming.

What respondents said

- 4.22 Stakeholders broadly welcomed our clarifications regarding types of online programming that could be considered repeats and were supportive of our decision to exclude catalogue and catch-up programming. Channel 5 regarded this approach as reasonable and stated that it would not create challenges in terms of quota delivery.⁶²
- 4.23 Directors UK particularly welcomed our clarification on what constitutes an origination and a repeat, noting that it would be concerned if changes were made to the regulations that resulted in broadcasters seeking more international acquisitions and commissioning/broadcasting less UK-originated work.⁶³
- 4.24 ITV and STV expressed concern about the complexity of the system we are proposing for online content, and the requirement it will place on PSBs for data tracking to navigate the complexity of release and broadcast windows (and the related cost of implementing tracking systems).⁶⁴ ITV suggested that a simpler approach would work – allowing a

⁵⁹ Section 278(B)(2) of the Act, as amended by the Media Act.

⁶⁰ This requirement would not however apply to news programming or sporting events provided on an online only basis – which we would allow to count towards quota.

⁶¹ In our draft Guidance we set this out in paragraph 2.14, and under the 'worked examples'. We also set out our approach to online releases which straddle calendar years in paragraph 2.15

⁶² Channel 5 response, p.2

⁶³ Directors UK response, paragraph 7

⁶⁴ ITV response, p.3. STV response, p.3.

programme to count once when it is placed on a designated IPS *and* each time it is broadcast on the main channel, whether or not it is shown before or after being included on a designated IPS.⁶⁵

- 4.25 Similarly to ITV, the BBC argued current proposals for counting repeats will be complex to administer and mean that a programme would count differently towards the quota in an arbitrary manner based on its release schedule. It wants to be able to release programmes in a way that will optimise the audience experience and bring as many viewers to the programme as possible.⁶⁶
- 4.26 Channel 5 also noted that this proposal would lead to additional reporting burdens, but overall agreed that the ability to deliver the original productions quotas by a combination of linear channel and on-demand players is important.⁶⁷ S4C welcomed the flexibility that counting programmes made available on its ODPS towards quotas allows, however it expressed concern with the exclusivity provision. S4C makes most of its content available on-demand via BBC iPlayer, as well as on its own designated IPS (S4C Clic) simultaneously, and makes content available at the same time via YouTube, depending on the nature of the content and intended audience.⁶⁸
- 4.27 S4C expressed concern that programmes only included in live streaming channels cannot count towards quotas, and urged us to “consider how the regulatory framework could be updated to recognise the important contribution made by PSBs in offering an increased range of streamed content, some of which would not be able – technically and/or proactively – to be shown on one linear channel.”⁶⁹
- 4.28 A stakeholder raised concerns about changes being made which would allow broadcasters to use content broadcast on their portfolio channels to meet their quotas.

Our decision

- 4.29 We have decided to adopt our proposal, with one exception which we outline below. We have decided that online originations will only count towards original production quotas once through the use of a designated IPS, and that online releases which have already had a linear broadcast cannot count towards fulfilment of the quota. This also means we will not allow catalogue and catch-up programming to count towards original production quotas.
- 4.30 An online origination can only count towards a quota if it is available on a licensed PSB or S4C’s ODPS which is, or forms part of, a designated IPS free of charge, for a minimum of 30 days.⁷⁰ In our consultation, we additionally stated that a programme that originated on a licensed PSB or S4C’s designated IPS must be *exclusively* available on that service for at least 30 days to count towards quotas. In light of broadcasters’ concerns about the complexity of monitoring the release of commissions across different platforms and services, and the restrictive impact this may have on the scheduling and availability of public service content, we will not be proceeding with this additional requirement.
- 4.31 We recognise that PSBs increasingly use other online platforms to distribute content. Therefore, we are amending our Original Productions Guidance to clarify that as long as an

⁶⁵ ITV response p.3.

⁶⁶ BBC response, 1.2.4.

⁶⁷ Channel 5 response, p.2.

⁶⁸ S4C response, p.1.

⁶⁹ S4C response, p.2.

⁷⁰ With the exception of news and sport programming.

original production is (a) commissioned to be first shown on an ODPS which is, or forms part of a designated IPS and (b) is made available free of charge for a minimum of 30 days on the licensed PSB or S4C's own ODPS, it can be made available on other channels or online platforms during that 30 days, and still count towards quota. This would allow S4C to count a first run origination placed on its own designated IPS which is also placed on the BBC's iPlayer towards its quota, and similarly would allow a first run network origination which has been placed on both STV and ITV's designated IPS to count towards each of their quotas respectively. It would also allow content which has been commissioned for, and is first shown on, the ODPS and is then shown on a portfolio channel to count towards fulfilment of the quota. However, if the programme goes on the main PSB channel within 30 days, it will only count once towards quota compliance in that time – this will avoid double counting of first releases in short periods of time. We have updated the Original Production Guidance to reflect this position.

- 4.32 PSBs will not be able to meet their quota obligations through content first shown on portfolio channels. The statutory framework is clear that a programme needs to be commissioned for a qualifying audiovisual service, with a view to its first UK release being on that service, in order for it to count towards an original production quota. At present, for the licensed PSBs, only the main PSB channel and an ODPS which is, or forms part of, a designated IPS can count as “qualifying audiovisual services”.⁷¹
- 4.33 We have also considered ITV's suggestion of allowing a programme to count once each time it is placed on a designated IPS *and* when it is first broadcast on a linear PSB channel. However, we consider this approach double counts the first release of a programme on linear and the ODPS respectively, which would therefore arbitrarily inflate broadcasters' quota performance figures compared to our proposed quota levels if the majority of content is released both on linear and online. However, as set out above, a programme repeated on the main channel will be able to count again if it is broadcast 30 days after it is first released on the ODPS.
- 4.34 As the 30 day period is a requirement of the legislation, PSBs will need to track the availability of all original productions they wish to count towards their quota, regardless of our approach to repeats.
- 4.35 We understand that broadcasters' on-demand services are an increasingly central part of their content delivery strategies and that new systems may need to be developed to additionally report on these. We would be concerned however if broadcasters were unable to report on how their online content is being used to help meet original production quotas, and will seek to work with them to make this as practicable as possible. As explained in Ofcom's recent Statement of Programme Policy (SoPP) [Guidance](#), the licensed PSBs and S4C must set out each year how they intend to meet their regulatory obligations for the following year, including identifying the audiovisual services through which they will deliver their public service remit. As the PSB remit is increasingly delivered over both linear services and designated IPS, we will expect to see increased reporting of what the PSBs have made available on their relevant services (including their designated IPS) to meet the overall PSB remit. Within their annual SoPPs, PSBs must also explain how they will meet the relevant quotas, including those addressed in this document.

⁷¹ We note that the Secretary of State can make regulations specifying that other audiovisual services can be regarded as “qualifying audiovisual services” (see s278B(6))

- 4.36 Therefore, in addition to the data that PSBs already provide to Ofcom on linear hours, we will seek to collect more comprehensive online data from the PSBs, including the online origination hours that have been available on their designated IPS for at least 30 days, and which they wish to count towards the quota. We have set out examples in our original productions guidance which illustrate our intended data collection approach.
- 4.37 Our approach means that in the short term while the new quota regime embeds, we intend to prioritise capturing linear programming data and then overlaying the data on on-demand only originations on top of this. This prevents double counting of hours on both linear and online. It also means that at first, we will only require the minimum provision of on-demand origination data. We believe this allows time for the PSBs to transition towards more holistic reporting of their PSB remit delivery through their linear services and Designated IPS in the longer term, which we outline further in Section 7 below. We will continue to work with broadcasters as we develop our updated reporting requirements, and prior to issuing updated information requests as appropriate.
- 4.38 We note S4C's request that we consider updating the framework to allow for live streamed programmes to count towards the quota.⁷² However, as set out above, for the licensed PSBs and S4C only the main PSB channel and ODPS which are, or form part of a designated IPS can count as "qualifying audiovisual services". Programmes only included in "live" streaming channels which are accessed via a designated IPS cannot count towards fulfilment of the quota.⁷³ Therefore, our position reflects the current legal framework.

Peak-time programming

- 4.39 Currently, the licensed PSBs and S4C have specific obligations relating to original productions broadcast during the peak viewing period which is 18:00 to 22:30 every day. We are required to decide whether to retain or remove this requirement, and if retaining, propose a minimum amount of hours of original content for broadcasters to include within peak time.⁷⁴
- 4.40 At consultation, we had proposed retaining the peak viewing time requirement for content on the main linear PSB channel. This ensures that original programming continues to reach linear audiences during peak hours, which at this time remain the most popular time for live viewing.
- 4.41 Respondents agreed with the proposal to retain the peak-time viewing requirement, recognising that there is still a demand for original programming in peak time despite declining linear audiences.
- 4.42 We have decided to maintain the peak-time viewing quota for original content on linear services. We set out details of the levels which we have decided to set in relation to peak time in Table 1, based on the methodology set out in Section 3, at the end of this section.

⁷² S4C response, p.2.

⁷³ Section 368A of the Act sets out the definition of "on-demand programme service".

⁷⁴ Section 278 (1A) and Schedule 12 Part 2 paragraph 8 of the Act.

Ofcom Guidance

- 4.43 The revised Broadcasting (Original Productions) Order requires us to issue guidance about the types of programming that can and cannot count towards original production quotas. We provide this in our Original Production Guidance.
- 4.44 The entirety of this Original Production Guidance will apply to the licensed PSBs and to S4C.⁷⁵ It will apply to the BBC for the purposes of its original production quotas, insofar as relevant, and as explained in the Guidance itself.⁷⁶ Under the terms of the BBC Framework Agreement, the BBC's Original Production quotas remain set as a proportion of programming included on its linear channels.
- 4.45 The Guidance:
- sets out which programmes can count towards the original production quota. This reflects the position set out in this Statement.
 - explains that a co-production first shown outside the UK may still count towards a quota if the programme's first release in the UK is on the PSB's main linear channel or designated IPS, and it meets the other criteria for being an original production.⁷⁷
 - explains that for the licensed PSB and S4C, original productions first made available on an ODPS which is, or forms part of a designated IPS, as well as the licensed PSB or S4C's main linear service, can contribute towards fulfilment of the original production quota, provided that the programme has been made available, free of charge, for a minimum of 30 days.⁷⁸ It also provides worked examples of how many times a programme can count towards quota, reflecting the position on repeats set out above.⁷⁹
- 4.46 The Original Production Guidance will come into force on 1 January 2026, when the updated quotas come into effect.

What we proposed

- 4.47 In our draft guidance we set out that:
- i) In order to count as an "original production" programmes must be commissioned for the licensed PSB's main linear channel (or S4C) or designated IPS, rather than acquired. The programme must be produced with a view to its first showing in the UK being on the PSB's main service or an ODPS which is, or forms part of, a designated IPS. The programme must also be a "European Programme"⁸⁰.
 - ii) We calculate the original productions quota using running time, which excludes advertising, trailers and promotional material. Closedown time and teleshopping (if relevant) cannot count as "original productions" and towards fulfilment of the quota.

⁷⁵ Later in the year, we propose to insert conditions requiring the licensed PSBs to have regard to this Guidance, and issue a direction to S4C to the same effect. See the Broadcasting (Original Productions) Order 2004 as amended by the Original and Regional Productions Regulations, regulations 3A and 4A.

⁷⁶ BBC Framework Agreement, Schedule 2, paragraph 5(3).

⁷⁷ See Guidance, paragraphs 2.12 and 2.23.

⁷⁸ See section 278B(2), 264(8B) and 264(8C) of the Act as amended by the Media Act. The requirement that the content is available for 30 days does not apply to news programmes or sporting events.

⁷⁹ See Guidance, paragraphs 2.14 and 'worked examples'.

⁸⁰ See the Broadcasting (Original Productions) Order 2004 (as amended) for more detail on the requirement to be a European Programme.

- iii) The original productions quota can be fulfilled by programmes commissioned by broadcasters from in-house production resources or external producers. Acquisitions cannot count towards original production quotas.
- iv) Co-productions can be considered as original programmes made or commissioned by the broadcaster if more than 25% of the cost of the programme has been met by the broadcaster on whose service the programme will appear.
- v) In cases of co-productions and co-commissions between broadcasters, if each meets at least 25% of the cost of the programme, each commissioner can claim that programme towards its original production quota, where relevant.

What respondents said

- 4.48 ITV and STV responded that where a PSB is a co-commissioner there should not be any threshold for funding in order for the programme to qualify as an original production. ITV said a threshold might make some commissions unviable, leading to increased reliance on acquisitions.⁸¹ Channel 4 also agreed that a 25% threshold could be problematic in the future where approaches to financing production continue to evolve and could disincentivise this type of investment.⁸²
- 4.49 STV said it was unreasonable for a regional licensee to contribute a minimum of 25% of funding toward a co-production with a network, when its maximum audience is a fraction of the UK total of the network partner. It said this would prevent regional programmes with a regional focus and national appeal from being co-produced.⁸³
- 4.50 The BBC and ITV noted that the broadcaster having some degree of editorial control is more important and in keeping with the intentions of the guidance than a spend threshold.⁸⁴ Channel 4 noted that while production is becoming more expensive and multiple co-funders may become standard practice, the PSB in question could still have a significant role in the creative development of a project.⁸⁵
- 4.51 ITV and STV also challenged the definition of an original production being required to first air on a PSB channel or designated IPS.⁸⁶ They raised concerns that PSBs may not always be able to secure this arrangement, but that value for UK audiences would still be provided even if the PSB channel or designated IPS does not run the first transmission.

Our decision

- 4.52 Having considered the responses to our consultation, we have made the following amendments to our original production guidance:
- i) We have removed references to a 25% cost threshold for original productions that are co-produced or co-commissioned with another broadcaster or third-party.
 - ii) We have clarified that a programme commissioned for the designated IPS and made available for the first time on that service and then made available on another channel or online platform can count towards original production quotas, so long as it remains available on the designated IPS free of charge, for a minimum of 30 days.

⁸¹ ITV response, pg. 2-3, STV response, p.2.

⁸² Channel 4 response, pg. 5-6.

⁸³ STV response, p.2.

⁸⁴ BBC response, 1.2.3, ITV response pg. 2-3.

⁸⁵ Channel 4 response, pg. 5-6.

⁸⁶ ITV response, p.2, STV response, p.2.

- 4.53 Broadcasters’ responses to our consultation have highlighted the increased complexity of funding original productions in what is a challenging environment for PSBs. We recognise that broadcasters are increasingly required to draw from a range of sources to finance productions to ensure high quality programming. We also accept that a funding threshold for original production quota eligibility may lead to increased reliance on acquisitions to fill schedules, which would be at odds with the objective of the quota. As such, we have amended our original production guidance to remove our proposed reference to a 25% funding threshold in respect to co-productions and co-commissions.
- 4.54 Irrespective of the precise funding contribution, we consider that as a commissioner, a PSB would be involved in the creative process to provide characteristically original programmes. We believe our approach retains incentives for PSBs to embark on co-funding ventures in a challenging economic environment. However, we would be concerned if co-production arrangements affected the availability of high-quality original productions for audiences on a free-of-charge basis.
- 4.55 The provision in our Guidance that an original production must first be transmitted on a PSB channel or designated IPS reflects the legislation.⁸⁷ Article 3 of the Original and Regional Productions Regulations states that original productions are those commissioned “*with a view to their first being made available in the UK on a service that is a qualifying audiovisual service*” (i.e. a PSB channel or designated IPS). We understand ITV and STV’s concern that co-productions may not always be able to be first shown in the UK on the licenced PSB’s main linear channel or on the designated IPS.⁸⁸ However, this is a requirement of the Order, and such productions would not be able count towards fulfilment of an original production quota. Our guidance does make clear that an original production which is shown internationally first (i.e. outside the UK) can still count towards the quotas, provided its first showing within the UK is on the licensed PSB’s main linear channel (or S4C), or ODPS which is, or forms part of, a designated IPS. We believe this provides sufficient flexibility for PSBs in respect to the first release of a co-production, while adhering to the requirement of the [Original Production Order](#) (as amended).

Converting the proportional quotas to absolute numbers

- 4.56 In Table 4 below, we set out quota levels using the approach as laid out in Section 3. We have taken an average of qualifying hours from the last five years (updated to 2020-2024 instead of 2019-2023 as presented in our consultation) and multiplied this by the current percentage level of each licensee’s current quota to calculate the quota levels.
- 4.57 As proposed in our consultation, we have made a further minor adjustment to align Channel 3 licences to ensure consistency and parity between the English regional licensees and the other regional licensees. Individual calculations for STV, UTV and ITV Cymru resulted in those licensees having slightly higher requirements, so we have instead aligned these with ITV English regions, reflecting that all these regional licensees should have the same regulatory burden given they have identical licences and remits. As stated above, we

⁸⁷ Section 278(6) the Act.

⁸⁸ ITV response, p.2, STV response, p.2.

have decided to proceed with our proposal to pro-rate ITV London Weekday and Weekend requirements.

Table 4: Original production quota levels

Service	Current proportional requirement	Absolute requirement from 2026	Current proportional peak time requirement	Absolute peak time requirement from 2026
Channel 3 licences operated by ITV and STV	65%	3,640 hours	85%	1,130 hours
ITV Breakfast	80%	1,140 hours	n/a – Breakfast licence airs 06:00 – 09:25	n/a – Breakfast licence airs 06:00 – 09:25
ITV London Weekday	65%	2,320 hours	85%	650 hours
ITV London Weekend	65%	1,320 hours	85%	480 hours
Channel 4	45%	3,160 hours	70%	920 hours
Channel 5	50%	3,250 hours	45%	560 hours
S4C	80%	5,200 hours	90%	1,390 hours

Source: Ofcom/broadcasters. Figures are rounded to the nearest multiple of ten. “Channel 3 licences operated by ITV and STV” cover original production requirements for each of the ITV English regional licences (except the London area), ITV Cymru Wales, STV North, STV Central and UTV. Original production programming requirements for “Channel 3 licences operated by ITV and STV”, London Weekday and London Weekend are inclusive of both network programming and regional programming, but exclude ITV Breakfast hours.

The ITV Breakfast quota has been revised since consultation to incorporate regional news hours for which the ITV Breakfast licensee is responsible, which were not previously included.

Peak time hours have been revised since consultation following improvements to calculations accounting for programmes that straddle peak time boundaries (i.e. 6pm to 10.30pm).

5. Regional Productions

Introduction

- 5.1 Ofcom is required to set regional production quotas in the Channel 3, 4 and 5 licences.⁸⁹ A regional production is defined as one made in the UK outside the M25 area. Currently, Ofcom is required to set both the minimum number of hours and minimum amount of expenditure which the licensed PSBs are each required to include on their linear channel. These quotas are set in the licences as proportions of the total amount of the channel's programming (by time and expenditure) on programmes made in the UK. There is an additional made outside England regional production quota contained in Channel 4's licence.
- 5.2 In addition, the statutory PSB remit requires that programming includes an appropriate range and proportion of content made outside the M25, and a sufficient quantity of content reflecting the lives, concerns, and cultural traditions of communities across the UK. We consider that production distributed across the nations and regions contributes towards the fulfilment of the public service remit.
- 5.3 As per our current [regional production and programme guidance](#), the regional production quotas only apply to first-run programmes made within the UK and do not apply to news programmes, self-promotional content or acquisitions.
- 5.4 Under the Media Act, Ofcom must now set these quotas in absolute terms (hours and spend), rather than proportions. Regional productions "made available" on PSBs' main linear channels, as well as on designated on-demand services, may count towards these quotas.
- 5.5 The Original and Regional Productions Regulations published by the Secretary of State on 13 October 2025 also requires Ofcom to determine whether repeats can count towards fulfilment of the regional production quota.⁹⁰
- 5.6 In addition, the Act requires that the regional productions constitute what appears to Ofcom to be a suitable range of programmes, from a range of different production centres.⁹¹
- 5.7 We have decided to proceed with the majority of our proposals in this area, as explained in the remainder of this section.

⁸⁹ Section 286 (in respect of Channels 3 and 5) and 288 (in respect of Channel 4) of the Act.

⁹⁰ See Regulation 2 of the Original and Regional Productions Regulations.

⁹¹ This requirement remains unchanged by the Media Act. Ofcom's regional production guidance (last updated in 2019) sets out that, in order for a programme to count towards the quota, relevant productions must meet two out of the following three criteria: a) A substantive base outside the M25; b) A minimum of 70% of total production spend outside the M25; and c) A minimum of 50% of production talent, by cost, have their usual place of employment outside the M25.

Repeats and counting programming across multiple platforms

What we proposed

- 5.8 Under regulation 2 of the Regional and Original Productions Order 2025, we are required to determine whether repeats of regional productions should continue to be excluded from quota fulfilment.
- 5.9 We proposed to continue excluding repeats from regional production quotas. Limiting these quotas to first-run originated programming helps secure a supply of new productions made in the nations and regions of the UK and ensures continued investment across a range of production centres.
- 5.10 Related to this, considering both linear and online platforms also brings with it the risk of multiple counts of the same programme occurring. For example, a regional production could appear first on a broadcaster's designated IPS and later be aired on the licensed PSB channel. As with repeats, multiple counts of programmes could also negatively impact the supply of new productions. To prevent this, we proposed that only the initial release of a qualifying programme should continue to count towards the regional production quota, whether that is on a linear service or a designated IPS. This also precludes catch-up and catalogue programming from counting towards regional production quotas.

What respondents said

- 5.11 Respondents were supportive of our proposals regarding repeats, with some individuals welcoming them in light of challenges faced by the production sector in the nations and regions, and the BBC noting that it is consistent with our current approach and matches expectations about how the regime would operate.⁹²

Our decision

- 5.12 We have decided to continue to exclude repeats from regional production quotas. This means that only a regional production's first release can count towards quota.

Converting the proportional quotas to absolute numbers

What we proposed

- 5.13 We proposed to set absolute regional production quotas by multiplying average qualifying hours and spend over a five-year period by the current proportional quota levels, as outlined in Section 3 above.
- 5.14 For confidentiality reasons, in our consultation we published ranges within which the calculated spend figures sit, rather than quoting the exact figures at which we arrived.

What respondents said

- 5.15 Stakeholders were broadly supportive of our approach to calculating the figures, as discussed in Section 3.

⁹² BBC response, 1.2.5

- 5.16 Some stakeholders argued that the spend ranges should be higher to better support production across the UK. TAC and Directors UK noted that the range of spend we proposed for Channel 4's outside England quota seemed broad, with both expressing concern if our calculated figure was at the lower end of the range.⁹³

Our decision

- 5.17 For the reasons set out in Section 3, we have decided to proceed with the proposal we set out in the consultation and update the calculations of the levels to include 2024 data.
- 5.18 The ranges presented in the consultation were designed to minimise the publication of potentially commercially sensitive broadcaster data at the consultation stage. However, from 2026, broadcasters will be subject to clearly defined minimum quota levels in absolute terms, which we set out below.
- 5.19 Quota levels have been set to broadly maintain current levels of regional investment and to deliver significant, sustained production outside London, consistent with statutory requirements.

Table 5: Regional production quotas for 2026

	Current proportional requirement	Regional production (hours)	Regional production (spend) for 2026
Channel 3 regional licensees	35%	1,190 hours	£191.1m
Channel 4 Outside London	35%	780 hours	£124.5m
Channel 4 Outside England	9%	200 hours	£32.0m
Channel 5	10%	230 hours	£11.4m

Source: Ofcom/broadcasters. Hours figures are rounded to the nearest multiple of ten. Spend figures are rounded to the nearest £0.1m.

Adjusting the regional spend quota over time

- 5.20 Currently, the regional production spend quota in a given year is based on a percentage of qualifying spend in that year. The Media Act requires us to convert these quotas to an absolute number.
- 5.21 The current proportional system automatically reflects changes in production costs over time – for example, if overall qualifying spend increases in a given year, the fixed percentage ensures the absolute regional spend requirement adjusts with it. However, absolute spend quotas, which the Media Act brings in, do not adjust to changes to overall budgets in the same way. As part of our consultation, we considered how we can best

⁹³ TAC response paragraph 11. Directors UK response, paragraph 10.

maintain the value of spend quotas with the absence of the automatic adjustment mechanism inherent in the proportional system.

What we proposed

- 5.22 During our consultation, we discussed three potential approaches to adjusting absolute spend quotas over time:⁹⁴
- i) Fixing the quotas in nominal terms with no in-built adjustments over time.
 - ii) Adjusting the quotas annually to reflect inflation based on the Consumer Price Index (CPI).
 - iii) Making a fixed annual uplift to the spend quotas of 2% in line with the Bank of England's long-run inflation target.⁹⁵
- 5.23 We considered that fixing the spend quotas over time would be likely to erode the value of the quotas as costs of TV production are not fixed. This could have negative effects on the range and quality of regional productions made available to audiences, and may dilute the contributions PSBs make in achieving the objective of the quota. As one of the purposes of a regional production quota is to support the creative economy across the UK's nations and regions, we would be concerned if the erosion of the value of quotas led to a decline in real-terms investment in these vital creative hubs.
- 5.24 We considered uplifting the spend quotas by 2% each year to be a simpler approach with less associated administrative burdens than uplifting by CPI. Although a CPI-based approach would track annual inflation more directly, it can be volatile. Our proposal to uplift the spend quota by 2% annually recognises that production commissioning cycles can take several years and therefore provides greater long-term certainty to the PSBs and producers.
- 5.25 We also recognised that market conditions can change, and so we proposed to continue to monitor developments in public service broadcasting and market circumstances to assess whether the quota obligations remain appropriate and suitable over time.⁹⁶

What respondents said

Proposed 2% annual uplift to the regional production spend quota

- 5.26 There were mixed responses to this particular aspect of our proposal, with the licensed PSBs being concerned an annual uplift in spend quotas would create an increasing burden over time, which they considered would be challenging in light of the increasingly difficult economic market they describe. On the other hand, stakeholders in the production sector were supportive of our approach. We discuss the PSBs' and production sector responses in turn.
- 5.27 Broadly, PSBs were concerned about the additional burden of our proposal over the challenges already introduced by absolute quotas, especially where absolute levels do not automatically reflect their underlying spend in the way that the proportional system does. ITV noted that if absolute spend quotas had come into place during 2019, its 2024 quota would be significantly higher than the status quo equivalent.⁹⁷ It further emphasised that it considered our proposal a fundamental departure from setting quota levels that maintain

⁹⁴ Ofcom, 2025. [Consultation: Proposals to update the PSB quotas](#), paras 5.27 – 5.31.

⁹⁵ [Inflation and the 2% target | Bank of England](#).

⁹⁶ Ofcom, 2025. [Consultation: Proposals to update the PSB quotas](#), para. 3.15

⁹⁷ ITV response, p.2.

the existing proportional requirements, while the BBC argued that our approach would lead to a higher quota than under the current proportional approach.⁹⁸

- 5.28 In addition to its concerns around increased burden from our proposal, Channel 4 also considered that regional production hours quotas provide a level of protection against investment declining in the nations and regions over time.⁹⁹
- 5.29 Given the combination of PSBs' flat budgets and the real decline in their revenues, the PSBs considered that a rising production spend quota will increase the burden of the quota over time.¹⁰⁰ The BBC and ITV observed that our proposal to uplift the regional production spend quota by 2% does not take into account the challenges identified in our recent PSM review. The BBC particularly pointed to real term decreases in licence fee income, while STV additionally noted that the licensed PSBs are under pressure due to changes in the advertising market, meaning an increasing spend quota could be onerous and unaffordable.
- 5.30 Given these concerns, some PSBs asked for the regional production spend quota to be fixed in nominal terms, i.e. with no uplift, with varying suggestions on the length of the period over which to fix the quota.¹⁰¹ For example, Channel 4 suggested that the spend quota is fixed for 'at least the first couple of years of the new quota regime' before assessing if there is a need for an uplift, while ITV suggested that the spend quota is updated on a triennial basis, factoring in data from the previous three years' qualifying spend.
- 5.31 Pact and TAC, on the other hand, supported our proposed approach, as they argued that the uplift ensures the value of the quotas does not diminish over time.¹⁰² ACNI recognised that our approach has benefits in terms of providing certainty, but was concerned that the 2% uplift may not reflect real costs in the production sector as accurately as a CPI-adjustment.¹⁰³

Review of the regional production spend quota

In suggesting alternative approaches to determining and adjusting the regional production spend quota (see paragraph 5.30), some PSBs suggested that the quota is reviewed periodically, such as:

- a nominal fixed quota that is reviewed after a period of time;¹⁰⁴
- a quota that is reviewed and consequently updated every year or every three years based on previous years' spend data.¹⁰⁵

- 5.32 Channel 5 suggested that Ofcom has an 'agile mechanism' to review and update the spend quota where unforeseen future economic circumstances could lead to a greater regulatory burden than intended.¹⁰⁶

⁹⁸ BBC response to the consultation, para1.2.6; ITV response, pp. 1-2; Channel 4 response, pp.5-7.

⁹⁹ Channel 4 response, p.6

¹⁰⁰ BBC response to the consultation, para1.2.6; ITV response, pp. 1-2; Channel 4 response, pp.5-7; STV response, p.3

¹⁰¹ BBC response to the consultation, para1.2.6; ITV response, pp. 1-2; Channel 4 response, pp. 5-7; STV response, p.3

¹⁰² Pact response to the consultation, p.3; TAC response, p.1

¹⁰³ ACNI response to the consultation, p.2

¹⁰⁴ BBC response to the consultation, paragraph 1.2.6; Channel 4 response, p. 6.

¹⁰⁵ ITV response to the consultation, p. 2; STV response, p. 3.

¹⁰⁶ Channel 5 response to the consultation, p. 3.

- 5.33 ACNI suggested that we review the levels of the quota every three to five years to ensure that they reflect real terms costs in the market.¹⁰⁷
- 5.34 Several stakeholders requested that we review quota levels more broadly in future, which we have discussed in paragraph 3.21.

Our decision

Proposed 2% annual uplift to the regional production spend quota

- 5.35 We have considered stakeholders' views on our proposal and recognise that the PSBs are concerned that they are working within an increasingly dynamic and challenging economic market.
- 5.36 We replicated ITV's model of a situation where absolute quotas came into force in 2019, with the figure based on the average of 2014-2018 qualifying spend. We found that regardless of whether an uplift is applied, there are some years where the move from proportional to absolute quotas results in an increase in the scale of the quota compared to the status quo equivalent, but others where it results in an effective decrease in requirement. This suggests that the concerns outlined by the PSBs are those inherent in an absolute quotas regime, which the Media Act requires us to implement.
- 5.37 Our analysis additionally found that with the exception of 2020, when production was disrupted by the COVID-19 pandemic, the licensed PSBs consistently overdelivered against modelled absolute quotas both with and without a 2% uplift – often by a significant margin. This implies that, particularly in the short term, spend quotas do not appear to be a constraining factor for the licensed PSBs.
- 5.38 Our approach to converting to absolute quotas is to broadly maintain the existing requirements, and not to increase or decrease the burden of the obligations. We believe our proposal of a 2% adjustment to regional spend quotas is in line with maintaining the status quo in that it broadly maintains the real value of the quota over time – therefore protecting against a real decline in investment in the UK's nations and regions. This is something the current proportional system does – if the cost of production were to rise over time, resulting in a real terms increase in qualifying spend levels, the effective absolute quota requirement increases in tandem.
- 5.39 While the PSBs do have regional production hours quotas alongside spend quotas, we do not consider that they fully safeguard against the value of investment declining in the nations and regions. This is because they only secure the minimum volume of hours produced, rather than the scale of production spend. As a result, PSBs could, in theory, comply with the hours quota but also reduce spend, by commissioning a higher volume of low-cost programmes.
- 5.40 We have decided to proceed with uplifting the regional production spend quotas annually by 2%. However, we are aware of the challenging context in which the PSBs operate, and following suggestions from stakeholders, we have separately considered the question of a review of the spend quota below.
- 5.41 Reflecting the annual 2% uplift, we have set out regional production spend quota levels for the remainder of broadcasters' operating licence periods in Table 6 below. As per its licence renewal in January 2025, Channel 4's Outside England proportional quota will increase from

¹⁰⁷ ACNI response to the consultation, p.2

9% of qualifying hours and spend to 12% of qualifying hours and spend in 2030. In reflecting this in Table 6 below, we have multiplied the average qualifying hours and spend for 2020-2024 by 9% up to 2020 and 12% thereafter. We have also uplifted the spend with annual increases of 2%.

Table 6: Regional spend quota levels until 2034 (all figures in £m)

	2026	2027	2028	2029	2030	2031	2032	2033	2034
Channel 3	191.1	195.0	198.9	202.8	206.9	211.0	215.3	219.6	224.0
Channel 4	124.5	127.0	129.5	132.1	134.8	137.4	140.2	143.0	145.9
Channel 4 Outside England	32.0	32.7	33.3	34.0	46.2	47.1	48.1	49.0	50.0
Channel 5	11.4	11.6	11.9	12.1	12.3	12.6	12.8	13.1	13.4

Source: Ofcom/broadcasters. All figures are in £m and rounded to the nearest £0.1m. Figures highlighted for 2030-2034 are subject to review by Ofcom as part of its PSM Review for 2024-28.

Review of the regional production spend quota

- 5.42 We recognise the PSBs are operating in an increasingly challenging market, as we identified in our recent PSM review. We have decided to commit to a review of the regional production spend quota levels, to ensure they remain appropriate and suitable for meeting the objective, before the end of the licence periods. We will also take account of the wider economic and regulatory context as part of this assessment.
- 5.43 We have decided to review the spend quota levels after three years, aligning with Ofcom's next PSM review, when we will be reviewing and reporting on delivery of the PSB remit in 2024-2028. We consider reviewing levels after three years to be a sufficient duration for us to undertake a meaningful assessment. This gives enough time for the new quota regime to take effect, and for us to have sufficient data to assess whether the quotas remain appropriate and effective. We believe this approach provides stakeholders with certainty that spend levels will be reviewed within a reasonable timeframe.
- 5.44 We will also continue with our ongoing monitoring on how the PSBs deliver against their obligations through their annual returns.

Proposed amendments to Regional Production Guidance

- 5.45 Our [Regional Production Guidance](#) sets out details on the programmes which can count towards fulfilment of the licensed PSBs regional production quotas.
- 5.46 Regional production quotas currently exclude certain types of programming: acquisitions, repeats, news programming, home shopping programming, closedown time, and self-promotional material.¹⁰⁸

¹⁰⁸ [Regional production and regional programme definitions, June 2019](#)

- 5.47 The Media Act gives the licensed PSBs greater flexibility in delivering their quotas via an ODPS which is, or forms part of a designated IPS, but does not contain changes which affect the type of programming which should be included or excluded from counting towards the quota.
- 5.48 The Regional Production Guidance applies to the licensed PSBs and the BBC.¹⁰⁹ However, our proposed changes to the Guidance only affect the licensed PSBs. The Media Act has not changed the BBC's regional production quotas and the services it can use to meet them.

What we proposed

- 5.49 We proposed to update the Guidance to implement the changes required by the Media Act. These include technical updates to clarify that programmes made available on qualifying audiovisual services¹¹⁰ (including content placed on an ODPS which is, or forms part of a designated IPS) can be used to fulfil quota obligations.
- 5.50 We did not receive any comments on these technical updates from stakeholders.
- 5.51 In our consultation, we also proposed an amendment to the regional production objective to recognise that the programmes commissioned can help ensure the representation and portrayal of audiences in the UK.¹¹¹

What respondents said

- 5.52 BBC, ITV and Channel 4 were concerned that Ofcom was making a substantive change to the aim of the regional production quotas, suggesting that it introduced a new objective around representation and portrayal. They noted that the purpose of the obligations is to support the creative economy, and any representation and portrayal benefits are incidental.¹¹²

Our decision

- 5.53 We agree with the PSBs that the aim of the regional production quotas is to support the production sector and the creative economies across the UK. Our proposal was not intended to be a substantive amendment to the objective of the quotas. We have amended the drafting to make this clear and to recognise that, in delivering these obligations, regional productions may reflect the lives and interests of communities across the UK, helping PSBs to fulfil their remit, but are not required to.
- 5.54 The revised wording is: *The aim of the regional production obligations is to support and strengthen the television production sector and creative economies of the UK's nations and regions. The obligations play a role in securing a diverse range of programmes, and may also help to authentically represent the lives and interests of communities across the UK.*¹¹³
- 5.55 We have decided to implement the rest of the technical changes to the Regional Production Guidance as set out in our consultation with one change to paragraph 2.5 to clarify that programming commissioned for and shown on portfolio channels first cannot count

¹⁰⁹ The Regional Production Guidance does not apply to S4C as it is not subject to regional production quotas.

¹¹⁰ This includes television broadcasting services (i.e. the public service channels) and ODPS which are, or form part of, a designated IPS, with the Secretary of State able to add further audiovisual services by way of regulations.

¹¹¹ See [draft Regional Production Guidance](#), paragraph 1.4.

¹¹² BBC response, 1.2.7, ITV response p.4, Channel 4 response p.7

¹¹³ See Regional Production Guidance, paragraph 1.4.

towards fulfilment of the quota. [The amended Guidance](#) has been published alongside this statement and will come into effect on 1 January 2026.

Responses on issues not in scope of our consultation

- 5.56 Some stakeholders raised concerns around parts of Ofcom’s regional production guidance that were not part of the consultation. Directors UK and Speaking up for Scotland’s Screen Talent were concerned that our guidance – which allows for two out of three criteria to be met for a production to qualify as a regional production – could enable productions to be classified as regional without employing local production talent.¹¹⁴ TAC echoed these concerns and further noted that productions are currently able to qualify as made in Wales without companies having a substantive base in that nation.¹¹⁵
- 5.57 Our consultation was focused on implementation of the Media Act and did not consider the criteria set out in the Guidance which are outside of the scope of our review. We will continue to monitor productions used to meet broadcasters’ regional production quotas, which include quality assurance checks of information provided to us by broadcasters, and publish these annually within the [Made Outside London register](#). As part of our annual reporting process, we regularly query any productions where we require further information from broadcasters about how the individual criteria were met.

¹¹⁴ Directors UK response, paragraph 11, Speaking up for Scotland’s Screen Talent response to consultation question 2.

¹¹⁵ TAC response, paragraph 15

6. Independent Productions

Introduction

- 6.1 The independent production quotas seek to ensure that audiences benefit from programming from a range and diversity of independent producers, by ensuring that PSBs commission from a range of producers and do not only rely on their own in-house production resource or broadcaster-owned production companies.
- 6.2 There are separate independent production quotas which apply to:
- a) The PSBs;¹¹⁶
 - b) The digital TV programme service ('DTPS') licensees.
- 6.3 The DTPS independent production quotas come from Section 309 of the Act and are reflected in the DTPS licences. The changes set out in this statement do not apply to the DTPS quotas or DTPS licences. The way in which DTPS licensees can fulfil their independent production quotas will not change.¹¹⁷
- 6.4 The focus of this statement is the PSBs' independent production quota. Previously, the licensed PSBs, S4C and BBC independent production quotas were set as a percentage of the total amount of time of qualifying programmes broadcast by that PSB. Qualifying programmes are defined by the Secretary of State,¹¹⁸ and broadly consist of first-run UK originations. News, party political broadcasts and home shopping programming are excluded, as are advertisements, trailers and promotional material.¹¹⁹
- 6.5 The licensed PSBs' performance towards their independent production quotas is set out in Annex 2.
- 6.6 The Media Act requires the Secretary of State to set the independent quotas for the licensed PSBs, S4C and BBC as a minimum number of hours, rather than as a proportion of "qualifying hours". It also gives the PSBs the flexibility to deliver this quota on their designated IPS in addition to their linear PSB channel (or in the case of the BBC, its television broadcasting services).
- 6.7 This change applies to the BBC, as it also has an independent production quota. The Government and the BBC plan to update the Framework Agreement in due course to reflect these legislative changes. Once these changes have been agreed and published, we will consult on any required changes to the BBC's Operating Licence.

¹¹⁶ Section 277 and Schedule 12 of the Act.

¹¹⁷ Although we note that from 1 January 2026 the definition of "qualifying programmes" and "independent production" for the purposes of section 309 and the DTPS licences is set out in the Independent Productions Regulations – see regulations 5 and 6. The substance of the definition has not changed from that included in the Broadcasting (Independent Productions) Order 1991.

¹¹⁸ Previously defined in the Broadcasting (Independent Productions) Order 1991, now defined in the Independent Productions Regulations.

¹¹⁹ Previously defined in the Broadcasting (Independent Productions) Order 1991 SI 1991/1408 (as amended), now defined in the Independent Productions Regulations.

Changes to the independent productions quota

- 6.8 The Secretary of State has published the revised quota levels for the independent production quotas in the Independent Productions Regulations.
- 6.9 We must include conditions in the Channel 3, 4 and 5 licences which we consider appropriate to ensure that at least the amount of programming required by the Independent Productions Regulations is included in the licensed PSB services. We must also amend the Channel 3, 4 and 5 licences to reflect the fact that they will be able to use their designated IPS to meet this quota. Details of these are set out in Table 7 below. We note that these figures, just like the other quota levels, are minimum requirements. For completeness, we also set out the independent production quotas set by the Secretary of State on the BBC and S4C.

Table 7: Levels for independent production quotas (as set out in the Schedule to the Independent Productions Regulations)

Relevant Provider	Independent production quota
BBC	1,675 hours
Channel 3 (excluding STV)	750 hours
Channel 3 (STV only)	725 hours
Channel 4	600 hours
Channel 5	350 hours
S4C	375 hours

Source: Independent Productions Regulations.

7. Reporting, monitoring and compliance

Our approach

- 7.1 In this section we set out at a high level our approach to the data which the PSBs will be required to send to Ofcom on an annual basis in order to demonstrate compliance with their quota obligations.
- 7.2 Using our formal information-gathering powers, we collect information from the PSBs annually to monitor compliance with their original, regional, and independent production quotas. This process is known as the “annual returns” process.
- 7.3 Currently, we collect annual information on PSBs’ linear transmissions, which sets out the duration of programming broadcast on the relevant channels together with descriptive information on the source of each programme (and where relevant, the qualifying programme spend). This enables us to determine which programming counts towards quotas, allowing us to conduct calculations on broadcaster performance. We engage with broadcasters once we have received their annual returns, including any queries we may have about the data. Following this process, we set out PSB performance towards quotas in our [PSB Annual Compliance Report](#). This interactive report also incorporates our register of titles qualifying as regional productions.
- 7.4 We also use this data:
- a) to inform our regular reviews of public service media,¹²⁰ and
 - b) for the annual factual and statistical reports we are required to produce.¹²¹
- 7.5 We also recently published revised [guidance](#) to assist PSBs in preparing their annual Statements of Programme Policy (‘SoPP’) which will set out how they intend to fulfil their regulatory obligations for the following year. Within their annual SoPP, each PSB will be required to include information about how they will fulfil their quotas including those discussed in this document.

What we proposed

- 7.6 We proposed to continue to require the information we currently request from the PSBs for the purposes outlined above. We noted that the expansion of the scope of programming which can count towards fulfilment of quotas (i.e. content delivered on designated IPS) means that we are also likely to need to collect additional information from broadcasters for the purpose of assessing their compliance with quotas.
- 7.7 In addition to the current reporting requirements, we proposed that broadcasters will need to provide information on those programmes made available on their designated IPS which they wish to count towards quotas, and to provide this with descriptive information about the programming in a similar manner to that provided on linear programming. As more

¹²⁰ See section 264 of the Act.

¹²¹ Under section 358 of the Act.

content is online-first or online-only and PSB online reporting systems develop, we may seek to collect more comprehensive data on online catalogues from the PSBs.

What respondents said

- 7.8 Many of the respondents' views on reporting, monitoring and compliance are discussed above in the context of review periods for quotas, and in respect of the data that will be required for measuring online originations' contribution towards the original production quota. More generally, Channel 5 highlighted the need for Ofcom to work with broadcasters to make sure data for annual reporting can be collected and submitted efficiently, with minimal additional burden.¹²² Additionally, ITV appealed to Ofcom in its response to streamline all information gathering to the minimum essential collection to minimise overhead costs coming from data collection and reporting.¹²³
- 7.9 Separately, Pact emphasised the need for clarity on how Ofcom will respond if PSBs do not meet their obligations, and for assurances that spending and quota levels will be monitored to prevent reductions beyond normal market fluctuations.¹²⁴

Our decision

- 7.10 We will continue to require the information we collect for the purposes of our annual statistical reporting, and our PSM reviews, which we publish pursuant to our functions under the Communications Act 2003. Collecting this data also enables us to accurately assess if a suitable range of programming and production centres is being used to meet quotas. It also helps us to understand whether the quota levels remain appropriate – and is likely to be used in particular in our review of the regional spend quota.
- 7.11 We are aware of the additional reporting burden that is required from broadcasters in measuring contributions to quotas from their designated IPS. However, we are also conscious of the mismeasurement that can occur if the first release of programmes via both linear and on-demand services are not distinguished from one another in broadcasters' reporting. In addition, as we note in Section 4 above, we understand that broadcasters' on-demand services are an increasingly central part of their content delivery strategies, and would be concerned if broadcasters were unable to demonstrate delivery of their remit via reporting on these services.
- 7.12 We believe our approach to compliance monitoring and reporting is proportionate in implementing the new requirements, ensuring we gather necessary information we require to undertake our monitoring and compliance role. In amending our information requirements, we will seek to minimise this administrative burden on broadcasters in our approach. We will continue to work with broadcasters as we develop our updated reporting requirements, and prior to issuing updated information requests as appropriate.
- 7.13 Ofcom is committed to the transparent reporting of broadcasters' compliance with quotas and does so with its PSB Annual Compliance Report each year. We additionally publish output and spend trends as part of our annual [Communications Market Report](#) and [Media Nations](#) reports.
- 7.14 These reports are underpinned by the data we collect from our annual returns process. Performance monitoring is built into this process, as upon receipt of information from

¹²² Channel 5 response, p.2.

¹²³ ITV response, p.4.

¹²⁴ Pact response, pg.3-4.

broadcasters, we fully quality assure data and analyse it against trends observed in previous years. This enables us to identify any significant changes in performance or potential non-compliance with licence conditions. Where issues arise, we engage directly with broadcasters to seek clarification and understand the reasons behind them. We publish information about these cases in our PSB Annual Compliance Report.

- 7.15 Failure to meet a quota requirement can constitute a breach of licence condition. We consider such cases under our published [procedures](#) for investigating breaches of broadcast licences. Our decisions are published in our Broadcast and On-Demand Bulletin.

8. Next steps

Implementation timeline

- 8.1 We will implement the changes outlined in Sections 4 and 5 by making variations to the Channel 3, 4 and 5 licences, including making the required determinations in relation to the treatment of repeats, following the process set out in those licences.
- 8.2 We set out indicative next steps and implementation timings:
- a) November 2025: Ofcom start licence variation and S4C determination/direction process to amend the quota conditions.
 - b) 1 January 2026: Amended licence conditions, S4C determination and direction, and Original and updated Regional Production Guidance takes effect.¹²⁵
- 8.3 Changes directly affecting the BBC are those related to the level of its independent production quota, and the proposed Original Production Guidance which will apply to the BBC for the purposes of its original production quotas, insofar as relevant. The Government plans to work with the BBC to update the Framework Agreement in due course. Once these changes have been agreed and published, we will consult on changes to the BBC's Operating Licence as appropriate.

¹²⁵ Amendments to the regional ITV "Channel" licence will take place once the relevant provisions of the Media Act have been extended to the Channel Islands.

A1. Legal framework

Introduction

- A1.1 This Annex is in two sections. The first section sets out Ofcom's general duties under section 3 of the Act and other duties which we must fulfil when carrying out our functions.
- A1.2 The second section describes the statutory framework applicable to PSBs and how the Media Act changes the way in which PSBs' original production, regional production and independent production quotas are expressed and delivered.¹²⁶ In this section, we also summarise the requirements on Ofcom and how the statutory framework applies to the BBC and S4C.

Ofcom's general duties

- A1.3 Ofcom's principal duty under the Act is to further the interests of citizens in relation to communications matters, and the interests of consumers in relevant markets, where appropriate, by promoting competition.¹²⁷
- A1.4 In carrying out our functions, we are required to secure certain objectives, including:
- a) the availability throughout the United Kingdom of a wide range of television and radio services, which (taken as a whole) are both of high quality and calculated to appeal to a variety of tastes and interests,
 - b) the maintenance of a sufficient plurality of providers of different television and radio services, and
 - c) the application, in the case of all television and radio services, of standards that provide adequate protection to members of the public from the inclusion of offensive and harmful material in such services.
- A1.5 In securing these objectives, Section 3(4) of the Act requires Ofcom to have regard to a number of matters, including:
- a) the desirability of promoting the fulfilment of the purposes of public service television broadcasting in the United Kingdom,
 - b) the desirability of encouraging investment and innovation in relevant markets,
 - c) the needs of persons with disabilities, of the elderly and of those on low incomes, and
 - d) the different interests of persons in the different parts of the United Kingdom, of the different ethnic communities within the United Kingdom and of persons living in rural and in urban areas.¹²⁸

¹²⁶ The relevant sections of the Media Act were commenced for specified purposes by the Media Act 2024 (Commencement No 1) Regulations 2024 (SI 2024/858), and the provisions were fully commenced on 1 October 2025 by [the Media Act 2024 \(Commencement No. 3\) Regulations 2025](#). These Regulations have not yet been extended to the Crown Dependencies (Jersey, Guernsey and the Isle of Man). This is expected to occur in 2026.

¹²⁷ Section 3(1) of the Act.

¹²⁸ Section 3(4)(a), (b), (i) and (l) of the Act.

- A1.6 In performing our general duties, Ofcom is required to have regard to the principles under which regulatory activities should be transparent, accountable, proportionate, consistent, and targeted only at cases in which action is needed, and any other principle appearing to us to represent the best regulatory practice.¹²⁹

Economic growth duty

- A1.7 [Section 108 of the Deregulation Act 2015](#) sets out Ofcom's duty to have regard to the desirability of promoting economic growth when exercising our regulatory functions. In order to consider the promotion of economic growth, Ofcom will exercise its regulatory functions in a way that ensures that:
- a) regulatory action is taken only when it is needed, and
 - b) any action taken is proportionate.¹³⁰
- A1.8 The government's statutory guidance on this duty recognises innovation and competition as drivers of economic growth.

Public sector equality duty

- A1.9 [Section 149 of the Equality Act 2010](#) ('the 2010 Act') imposes a duty on Ofcom, when carrying out its functions, to have due regard to the need to eliminate discrimination, harassment, victimisation and other prohibited conduct related to protected characteristics.¹³¹ The 2010 Act also requires Ofcom to have due regard to the need to advance equality of opportunity and foster good relations between persons who share specified protected characteristics and persons who do not.
- A1.10 [Section 75 of the Northern Ireland Act 1998](#) ('the 1998 Act') also imposes a duty on Ofcom, when carrying out its functions relating to Northern Ireland, to have due regard to the need to promote equality of opportunity and have regard to the desirability of promoting good relations across a range of categories outlined in the 1998 Act. Ofcom's Revised Northern Ireland Equality Scheme explains how we comply with our statutory duties under the 1998 Act.

Welsh language duty

- A1.11 [The Welsh Language \(Wales\) Measure 2011](#) established a legal framework to impose duties on certain organisations to comply with standards in relation to the Welsh language. The standards issued to Ofcom are listed in our compliance notice effective from 25 January 2017.
- A1.12 When formulating a new policy or reviewing or revising an existing policy, the Welsh Language Policy Making Standards require Ofcom to:
- a) assess opportunities for persons to use the Welsh language; and

¹²⁹ Section 3(3) of the Act.

¹³⁰ Section 108(2)(b) of the Deregulation Act 2015.

¹³¹ These are age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

b) treat the Welsh language no less favourably than the English language.

A1.13 Ofcom have considered the Welsh language duty following the changes introduced to quotas by the Media Act and our assessment in relation to the Welsh Language can be seen in our Welsh Language Impact Assessment (see Annex 3).

Changes introduced by the Media Act

Original productions

- A1.14 Section 278 and Schedule 12 Part 2, paragraph 8 of the Act require Ofcom to set original production quotas in the Channel 3, 4 and 5 licences, and by determination on S4C. These quotas require the broadcasters, each year, to broadcast a minimum amount of original productions on their main linear channels. Previously, these quotas (as set in the licences and by agreement with S4C) have been proportions of the total amount of time allocated to the broadcasting of “qualifying programmes” on the channel. An additional quota has previously been set requiring the broadcasting of original productions in peak viewing time (section 278(2)(b), Schedule 12 Part 2, para 8).
- A1.15 The Secretary of State defines what an “original production” is in the Broadcasting (Original Productions) Order 2004.¹³² This definition was amended by the [Broadcasting \(Regional Programme-making and Original Productions\) \(Amendment\) Regulations 2025](#) (“Original and Regional Productions Regulations”), to reflect changes made by the Media Act 2024. Under section 278(3), Ofcom can exclude programmes of a specified description from counting towards the quota. Broadly speaking, an original production is a programme which is commissioned by, or for, the provider of a licensed public service channel (or S4C) with a view to its first being shown on that channel or on the licensee’s qualifying audiovisual service.¹³³
- A1.16 The Media Act has amended the relevant provisions of the Act. Ofcom must include quota conditions in the Channel 3, 4 and 5 licences, and by determination¹³⁴ on S4C which we consider appropriate to secure that the PSB makes available qualifying audiovisual content that includes “a range of original productions”. These quotas should be expressed in absolute terms (i.e. set as an absolute minimum number of hours to be provided) rather than as a proportion of broadcasting time on the main channel.
- A1.17 Original productions “made available” on the PSBs’ main linear channel (i.e. broadcast on the Channel 3, Channel 4, Channel 5 or S4C linear service), as well as on ODPS which are, or form part of a designated IPS¹³⁵ can count towards fulfilment of the quota. Where content

¹³² SI 2004/1652.

¹³³ Section 278(6) the Act. Original productions for the purpose of section 278 (Channel 3/4/5) are now defined in the Original and Regional Productions Regulations: “... programmes which— (a) are commissioned by or for the provider of a licensed public service channel with a view to their first showing on television in the United Kingdom being either— (i) on that channel, or (ii) in the case of a Channel 3 service, on that service or on another Channel 3 service; and (b) are European programmes”. “Programme” does not include advertisements (section 278(10)).

¹³⁴ Schedule 12 Part 2, paragraph 8 of the Act requires a determination to be by agreement between S4C and Ofcom, failing which by direction given by Ofcom following consultation with S4C.

¹³⁵ A “designated IPS” or “designated Internet Programme Service”, is a PSB TV app which has been “designated” by Ofcom for the purposes of the Act (as amended by the Media Act). We have separately consulted on the implementation of this part of the Media Act: [Consultation on Designation of PSB Internet Programme Services](#) and published a [Statement](#).

has been included in an on-demand programme service, it must be on that service, free of charge, for a period of at least 30 days in order to count towards fulfilment of the quota (the 30 day requirement does not apply to news and sporting events).¹³⁶ The Original and Regional Productions Regulations published by DCMS on 13 October 2025 has amended the 2004 Order to reflect this position.¹³⁷

- A1.18 Changes made by the Original and Regional Productions Regulations also require Ofcom to determine whether repeats can count towards the fulfilment of the quota, and to issue Guidance that PSBs must have regard to, which excludes programmes of a specified description from counting towards the quota. As part of this Statement, we are also publishing Guidance as required by the Original and Regional Productions Regulations.

Regional productions

- A1.19 Section 264 of the Act (as amended) requires that the audiovisual content provided by the PSBs (taken together) “so far as the audiovisual content consists of programmes made in the United Kingdom, consists of an appropriate range of programmes made outside the M25 area with an appropriate combined duration.”¹³⁸ As noted above, it also provides for the objective that they “include what appears to Ofcom to be a sufficient quantity of programmes that reflect the lives and concerns of different communities and cultural interests and traditions within the United Kingdom, and locally in different parts of the United Kingdom”.¹³⁹ We consider that the production of programming across the UK contributes towards the fulfilment of this objective.
- A1.20 Section 286 (in respect of Channels 3 and 5) and section 288 (in respect of Channel 4) require Ofcom to set regional production quotas in the Channel 3, 4 and 5 licences. A regional production is one which is made in the UK outside the M25 area. Ofcom has previously been required to set both the minimum number of hours and minimum amount of expenditure which the licensed PSB are each required to include on their linear channel, on an annual basis. These quotas have been set in the licences as proportions of the total amount of the channel’s programming (by time and by expenditure) on programmes made in the UK. There is an additional Made Outside England regional production quota contained in Channel 4’s licence.¹⁴⁰ The regional production quotas only apply to first-run programmes made within the UK and do not apply to news programmes. The quotas also do not apply to self-promotional content or acquisitions.
- A1.21 The Media Act has amended the relevant provisions of the Act, so that Ofcom must include quota conditions in the Channel 3, 4 and 5 licences which we consider appropriate to secure that the PSB, in each year, “make available” a minimum amount of regional productions. These quotas should be expressed in absolute terms (i.e. set as an absolute number of hours and amount of spend) rather than as a proportion.¹⁴¹ Regional productions “made available” on the PSBs’ main linear channel (i.e. broadcast on the Channel 3, Channel 4, and Channel 5 services), as well as on ODPS which are, or form part

¹³⁶ See section 278B of the Act, which explains the circumstances in which a person “makes available” qualifying audiovisual content.

¹³⁷ The Original and Regional Productions Regulations.

¹³⁸ Section 264(5)(d)(iii) of the Act (as amended).

¹³⁹ Section 264(6)(i) of the Act.

¹⁴⁰ Ofcom, 2024. [Statement on Channel 4 licence renewal](#).

¹⁴¹ See sections 286 and 288 of the Act, as amended by the Media Act.

of their designated IPS can count towards fulfilment of the quota.¹⁴² Where content has been included in an ODPS, it must be on that service, free of charge, for a period of at least 30 days in order to count towards fulfilment of the quota (sporting events are excluded from this requirement).

- A1.22 The Original and Regional Productions Regulations require Ofcom to determine whether repeats can count towards fulfilment of the regional production quota¹⁴³.
- A1.23 In addition, the Act requires that the regional productions constitute what appears to Ofcom to be a suitable range of programmes, from a range of different production centres. This requirement remains unchanged by the Media Act. Ofcom's regional production guidance¹⁴⁴ sets out that, in order for a programme to count towards the quota, relevant productions must meet two out of the following three criteria:
- a) A substantive base outside the M25;
 - b) A minimum of 70% of total production spend outside the M25; and
 - c) A minimum of 50% of production talent, by cost, have their usual place of employment outside the M25.

Independent productions

- A1.24 Section 277 of the Act requires Ofcom to include conditions in the licences of the licensed PSBs that Ofcom considers appropriate for securing that, in each year, "not less than 25 per cent of the total amount of time allocated to the broadcasting of qualifying programmes included in the channel is allocated to the broadcasting of a range and diversity of independent productions".¹⁴⁵ A similar duty is placed on the BBC and S4C through Schedule 12 Parts 1 paragraph 1 and Part 2 paragraph 7 of the Act respectively.
- A1.25 For the licensed PSBs, the BBC and S4C, 'Independent productions' means any programme¹⁴⁶ made by an independent producer. An independent producer is one not tied to a UK broadcaster by significant common ownership. It is a producer: i) who is not a broadcaster, and not employed by a broadcaster or connected with a broadcaster; ii) which does not have a shareholding greater than 25% in a UK broadcaster; and iii) in which no single UK broadcaster has a shareholding greater than 25% or more than two UK broadcasters have an aggregate shareholding greater than 50%. In order to count towards the quotas, productions must also be commissioned in accordance with provider's commissioning code.
- A1.26 The effect of the Media Act on independent production is that it moves away from a proportional quota system to requiring the inclusion of a minimum absolute (number of hours) of independent productions for each of the licensed public service channels, S4C and the BBC.
- A1.27 The Independent Productions Regulations published by DCMS on 13 October 2025 set the minimum number of hours of independent productions which must be provided by the

¹⁴² See section 278B of the Act, which explains the circumstances in which a person "makes available" qualifying audiovisual content.

¹⁴³ See Regulation 2 of the Original and Regional Productions Regulations.

¹⁴⁴ Ofcom has published updated guidance alongside this Statement to incorporate Media Act changes as explained in Section 5.

¹⁴⁵ Section 277 of the Act.

¹⁴⁶ Previously defined in the Broadcasting (Independent Productions) Order 1991 SI 1991/1408. This is now defined in the [Broadcasting \(Independent Productions\) Regulations 2025](#) ("Independent Productions Regulations").

PSBs. Independent productions “made available” on the PSBs’ main line channels, as well as on ODPS which are, or form part of, a designated IPS will be able to count towards fulfilment of the quota. Where content has been included in an ODPS, it must be on that service, free of charge, for a period of at least 30 days in order to count towards fulfilment of the quota (the 30 day requirement does not apply to coverage of sporting events).¹⁴⁷ Ofcom is required to include a condition in the Channel 3, 4 and 5 licences that secures the availability of qualifying audiovisual content that includes a range and diversity of independent productions commissioned in accordance with the provider’s commissioning code, and for those productions to be at least the number of hours specified by order of the Secretary of State.¹⁴⁸

The framework in place for the BBC and S4C

The BBC framework agreement and Operating Licence

- A1.28 The independent production quota is the only BBC quota whose level is affected by the changes made by the Media Act.¹⁴⁹ Its original production and regional production quotas levels are in the BBC’s Operating Licence,¹⁵⁰ pursuant to the Framework Agreement and Royal Charter. As set out above, the Media Act amends Schedule 12 of the Act to require the BBC to secure that, in each year, it makes available audiovisual content that includes a range and diversity of independent productions commissioned in accordance with any relevant code drawn up under the BBC Charter and Agreement, and which is at least the amount specified by the Secretary of State. This number has been set out in the Independent Productions Regulations published on 13 October 2025. The BBC’s independent production quota can be met by the provision of programmes on television broadcasting services provided by the BBC, as well on an ODPS which is, or forms part of, a designated IPS.

Framework for S4C

- A1.29 Various changes are made to the S4C legal framework by the Media Act. The current provisions for S4C to continue to provide S4C and S4C Digital (TV broadcast channels)¹⁵¹ and other services/activities¹⁵² are now replaced by new provisions¹⁵³ setting out S4C’s amended purposes, public service remit and other powers. For example, section 204A of the Act makes it clear that S4C can fulfil its public service remit by way of programmes and online digital content distributed through television and the internet.
- A1.30 There are also quota provisions in place for S4C.¹⁵⁴ The amendments made to S4C’s quota obligations move away from the proportional quota system to a minimum absolute (number of hours) of independent and original productions, and are set out in detail above where relevant.

¹⁴⁷ Section 278B(2) of the Act (as amended by the Media Act) and section 264(8B).

¹⁴⁸ Section 277 of the Act (as amended by the Media Act).

¹⁴⁹ Schedule 12, paragraph 1 of the Act.

¹⁵⁰ Ofcom, 2024. [Operating licence for the BBC’s UK Public Services](#).

¹⁵¹ Section 204 of the Act.

¹⁵² Sections 205 and 206 of the Act.

¹⁵³ Sections 204A, 204B and 204C of the Act.

¹⁵⁴ These are set out in paragraphs 7 to 9 of Part 2 of Schedule 12 of the Act.

A2. Performance towards quotas

A2.1 In this annex we set out a summary of how the licensed PSBs and S4C have performed towards their production quotas during the period 2019-24. Following the publication of our consultation in May, we have extended the below data to include 2024 performance figures. For the purposes of converting quotas from proportional to absolute levels, we have used data from 2020-24, as explained in main body of this statement.

Original productions

A2.2 The licensed PSBs and S4C have all consistently exceeded their annual original production quotas in majority of the years (Table 8). They have also comfortably exceeded the requirement for broadcasting original programming during peak viewing hours (Table 9).

Table 8: Licensed PSBs and S4C performance towards original production quotas (share of total qualifying hours, %), 2019-2024

Licensee	2019	2020	2021	2022	2023	2024	Quota	Average performance
ITV	92	92	92	91	89	90	65	91
STV	80	79	93	93	90	91	65	88
Channel 4	62	60	64	63	64	56	56	61
Channel 5	59	56	60	65	60	65	50	61
S4C	88	87	86	86	86	90	80	87

Source: Ofcom/broadcasters. ITV's performance represents results across the Channel 3 licenses in England. Channel 4's original production quota has become 45% under its renewed licence as of 1 January 2025. S4C figures have been revised since the consultation, in July 2025, following corrections from S4C.

Table 9: Licensed PSBs and S4C performance towards original production peak-time quotas (share of total qualifying hours, %), 2019-2024

Licensee	2019	2020	2021	2022	2023	2024	Quota	Average performance
ITV	94	90	95	95	95	95	85	94
STV	94	91	96	95	96	95	85	94
Channel 4	84	79	81	83	79	79	70	81

Licensee	2019	2020	2021	2022	2023	2024	Quota	Average performance
Channel 5	80	75	81	83	89	87	45	82
S4C	100	100	98	99	100	100	90	99

Source: Ofcom/broadcasters. ITV's performance represents results across the Channel 3 licenses in England. Figures may differ slightly to what was previously published due to refinements in calculations of peak time made during 2025. S4C figures have been revised since the consultation, in July 2025, following corrections from S4C.

Regional productions

- A2.3 The licensed PSBs have consistently overperformed towards their quota obligations for qualifying productions made outside of London, allocating more of their production across the UK (Table 10 & 11).
- A2.4 For Channel 3 and Channel 5, the share of spend outside of London was higher than the share of hours in recent years. However, for Channel 4 the share of hours exceeded the share of spend.

Table 10: Licensed PSB performance towards regional production quotas (share of total qualifying spend, %), 2018-2023

Licensee	2019	2020	2021	2022	2023	2024	Quota	Average performance
Channel 3	47	47	59	51	55	52	35	52
Channel 4	45	47	55	52	51	54	35	51
Channel 5	35	28	37	38	41	38	10	36

Source: Ofcom/broadcasters. Channel 3 performance represents results across all Channel 3 licenses. Channel 4 is also subject to a "Made Outside of England" quota. Some figures differ slightly to what was previously published due to the correction of rounding errors.

Table 11: Licensed PSB performance towards regional production quotas (share of total qualifying hours, %), 2018-2023

Licensee	2019	2020	2021	2022	2023	2024	Quota	Average performance
Channel 3	48	46	47	47	47	41	35	46
Channel 4	54	57	66	66	67	63	35	62

Licensee	2019	2020	2021	2022	2023	2024	Quota	Average performance
Channel 5	21	16	22	18	23	23	10	20

Source: Ofcom/broadcasters. ITV performance represents results across Channel 3 licenses. Channel 4 is also subject to a “Made Outside of England” quota. Some figures differ slightly to what was previously published due to the correction of rounding errors.

Independent productions

A2.5 The PSBs have also delivered towards their independent production quotas, with particular overperformance by Channel 4 and S4C (Table 12).

Table 12: Licensed PSB and S4C performance towards independent production quotas (share of qualifying hours, %), 2018-2023

	2019	2020	2021	2022	2023	2024	Quota	Average performance
ITV	37	40	34	35	33	35	25	36
STV	43	53	42	33	18	25	25	36
Channel 4	45	50	53	55	54	46	25	50
Channel 5	44	39	40	38	29	32	25	37
S4C	89	98	95	73	73	73	25	83

Source: Ofcom/broadcasters. ITV's performance represents results across the Channel 3 licenses in England. STV did not meet its independent production quota in 2023 due to its opting out of *Unwind with ITV1*. We resolved this matter on [20 January 2025](#). S4C figures have been revised since the consultation, in July 2025, following corrections from S4C.

A3. Assessing the impact of our decisions

Impact assessment

- A3.1 [Section 7 of the Act](#) requires us to carry out and publish an assessment of the envisioned impact of implementing a change which would be likely to have a significant impact on businesses or the general public, or when there is a major change in Ofcom's activities. Impact assessments help us to understand the policy decisions we have decided to take and why we consider those decisions best fulfil our applicable duties and objectives in the least intrusive way. We consider that the decisions we have reached in this statement are consistent with the duties we set out in Annex 1. Our [impact assessment guidance](#) sets out our general approach to how we assess and present the impact of our proposed decisions.
- A3.2 As set out above, we are required to update the original production quota (hours) and the regional production quotas (hours and spend) as part of our work to implement the Media Act. The changes made by the Media Act mean that the licensed PSBs and S4C may, for the first time, use their on-demand services towards fulfilment of their quotas if they are, or form part of, a designated IPS. As a result, the way in which quotas have been set to date – as a proportion of a linear channel's output – also needs to change. It is therefore necessary for us to make changes in how we determine quotas, so they can be expressed in absolute terms of hours and spend. Our aim is to do this in a way which translates current requirements into a format which ensures the minimum levels set out in the current quota requirements are broadly maintained, and so continue to meet the objectives of the quotas.
- A3.3 In our consultation we considered the potential impacts of our changes to the quotas to implement the Media Act in particular on audiences, the licensed PSBs and S4C, and the production sector.¹⁵⁵ A number of stakeholders responded to our consultation highlighting concerns about the impact of our proposed decision, including highlighting concerns about the burden associated with the complexity and data requirements of our proposals for assessing online originations' contribution towards the original production quota, our proposal to require a 25% minimum financial contribution for co-productions to count towards the original productions quota, and the potential adverse impacts on the broadcasters as a result of the proposal to increase the regional production spend quota by 2% annually. Pact was concerned that our impact assessment did not appropriately consider the impact of including 2020 when converting quotas to absolute levels using data from the last five years. We have considered all consultation responses, and taken account of relevant stakeholder evidence and reasoning, as discussed in the main body of this statement when arriving at our final impact assessment. We provide our final view as to the likely overall impact below, as well as our view as to the impact of specific changes.
- A3.4 We have considered the impacts of our changes relative to the current situation, i.e. the scenario where the current linear proportional quota rules are maintained. We consider this is the most appropriate way to clearly and transparently assess the impacts of the

¹⁵⁵ We have not assessed the impact of the changes to the independent production quota as these changes are set by the Secretary of State, and there are no significant decisions for Ofcom to take on this (see Section 6).

changes on the various groups. While there are a range of plausible choices for the various implementation issues under consideration for each quota, there is no obvious alternative baseline counterfactual. Some of the impacts described below are therefore inherent to the legal changes required by the Media Act, but we have sought to implement the required change in a way that, overall, enhances any positive impacts and minimises any negative impacts.¹⁵⁶

Assessment of overall impacts

- A3.5 Based on the discussion of the impacts of our proposals throughout Sections 3, 4 and 5, we expect the impacts of our changes to be positive overall. We consider that the approach we have adopted to implement the ability for the licensed PSBs and S4C (where appropriate) to count content made available on its designated IPS towards quotas will result in positive impacts for both PSBs and audiences. We note potential for some increase in regulatory burden for broadcasters due to the additional data they will need to capture and report on which is necessary to allow robust monitoring and reporting towards the updated quotas. However, we consider that the positive impacts arising from designated IPS content being allowed to count towards the quota providing greater flexibility outweigh any negatives, such that the overall impacts of the changes are positive. We do not expect significant impacts on the production sector to arise from any changes we have proposed.
- A3.6 We recognise the changes to quotas from proportional to absolute numbers is a requirement of the legislation, and we consider the approach we have adopted in implementing this change broadly reflects and maintains the quota obligations under the proportional system with no material impacts on PSBs, audiences, or the production sector.¹⁵⁷ We expect the measures to have a no significant positive or negative impact on economic growth, as the existing quota obligations are broadly maintained.
- A3.7 Overall, we consider the changes that we have proposed for implementation are proportionate and go no further than is necessary to fulfil our regulatory duties to implement the Media Act and do this in the most effective way. Drawing from our discussion in Sections 3, 4 and 5, our view as to the likely impacts of specific changes are set out below.

Assessment of impacts of specific changes

- A3.8 This section provides an assessment of the impacts of specific changes to each quota to implement the Media Act. We have grouped the impacts of some policy proposals for all quotas together, where the same policy considerations apply and the anticipated impacts are the same.

¹⁵⁶ We reviewed the DCMS Media Bill Impact Assessment which included an assessment of the impacts of the required changes to the production quotas. We consider that the impacts we have discussed here that arise from these required changes are aligned with impacts discussed in the DCMS impact assessment.

¹⁵⁷ Channel 4 raised concerns on the 'potential negative impacts of shifting to absolute quotas in a wider context of challenges to the long-term sustainability of PSM delivery', where it states that the regulatory burden of absolute quotas 'appears far more likely to increase over time'. We note Channel 4's concern but consider that the change from proportional to absolute numbers is a clear legislative requirement and out of the scope of this impact assessment. The government impact assessment for the Media Act is [here](#). However, we also recognise that we have discretion over the precise implementation of this change, and consider our approach overall enhances any positive impacts and minimises any negative impacts as detailed in paragraphs A3.10 and A3.11.

Our methodology for converting quotas from proportional to absolute numbers (original and regional)

- A3.9 In order to convert production quotas from proportional to absolute numbers we have calculated the quotas as a percentage of average historical qualifying linear spend/hours from five previous years, i.e., 2020-2024. We have applied the current percentages for each quota under the proportional system to calculate absolute numbers such that the current minimum levels are broadly maintained in absolute terms. We have also decided to uplift the regional production spend quota by 2% annually consistent with the Bank of England long run inflation target.
- A3.10 In terms of the impact on licensed PSBs and S4C, we consider that this approach will not generally result in an increased regulatory burden arising from the quota requirement relative to the current situation. We have carefully considered our approach which includes 2020 in our five-year reference period for quota calculations, and consider that the impact of including 2020 alongside the post COVID-19 recovery years, produces a more robust and representative baseline for setting quotas (see paragraphs 3.14-3.16). We also consider that our approach to uplifting the regional production spend quota by 2% annually will support the objectives of the regional production quotas (see paragraph 5.39). It will provide a reasonable proxy for changes in costs of production over time and therefore, compared to a nominally fixed quota, safeguard the value of the quota.¹⁵⁸ We do not expect our approach to result in any significant impact on audiences or the production sector.
- A3.11 However, because absolute quotas will not adjust to changes in underlying levels of output or spend in the same way as proportional quotas, we do anticipate that in any given year, the regulatory burden on licensed PSBs and S4C could increase or decrease slightly depending on total qualifying hours or spend. The inability of absolute quotas to respond automatically to the underlying market conditions may also indirectly affect audiences and the production sector, e.g., if the regional production spend quota level diminishes significantly in real terms over time. We have considered these unintended consequences of setting the quotas in absolute levels and provided for safeguards to mitigate these risks through a) our annual data collection and reporting process for PSBs¹⁵⁹ and b) specifically, reviewing the regional production spend quota after three years, aligned with our next PSM review, when we will be reviewing and reporting on delivery of the PSB remit in 2024-28 (see paragraph 5.44).

Counting content from designated IPS towards the quotas (original and regional)

- A3.12 In implementing the Media Act changes allowing the licensed PSBs and S4C to use designated IPS content to meet their quotas, we have made the following decisions:
- a) that content first provided on a designated IPS can only count towards the original productions quota through the use of online services once, including our decision to not

¹⁵⁸ At consultation, we also considered the option to uplift the regional production spend quota annually in line with the Consumer Price Index (CPI) but have decided against this approach. Compared to the more volatile CPI-based approach, the 2% uplift will provide certainty to stakeholders, including in developing their commissioning strategies. It is also simpler than a CPI-based approach with less administrative burden (i.e. no need to track inflation and adjust on that basis) and it may be more readily understandable across the sector.

¹⁵⁹ We discuss more on our approach to reporting, monitoring and compliance in Section 7.

go ahead with the proposed requirement of content being *exclusively* available on the designated IPS for at least 30 days to count towards quotas.

- b) that only the first release of a programme made available on a designated IPS can count towards the regional production hours quota, and
- c) that the value of a programme first released on the designated IPS can only count once towards the regional spend quota.

A3.13 We expect these changes to result in positive impacts for PSBs relative to the current situation. The changes will provide the licensed PSBs (and where relevant, S4C) with more flexibility in how they can meet their quotas and in turn greater flexibility in how they can develop their content strategies as the market evolves (e.g. through the introduction of more online-first or online-only content).

A3.14 We also expect these changes to result in positive impacts for audiences, as it gives the licensed PSBs and S4C greater flexibility to respond to changing audience preferences, by giving them the option to fulfil quotas using an ODPS, which is, or forms part of, a designated IPS. We do not expect this proposal to result in any significant impacts on producers.

Repeats and catalogue programming for the original production quota

A3.15 We have decided to continue to allow linear repeats to count towards the quota as is the case under the proportional system, but not to allow catalogue or catch-up programming on designated IPS to count towards the quota – meaning that programmes that have already had a linear broadcast and been uploaded online cannot count.

A3.16 We do not expect this proposal to result in any impacts on licensed PSBs and S4C, audiences or the production sector relative to the current situation. The benefits to audiences and broadcasters of allowing linear repeats to count will be maintained as per the current situation. Additionally, given that designated IPS archive programming does not currently count towards the quota, there are no further impacts for the licensed PSBs and S4C, audiences or producers arising from our decision to not allow archive programming to count.

Peak-time viewing quota for the original content

A3.17 We have decided to maintain the peak-time viewing quota for original content on linear services as is the case under the proportional system.

A3.18 We do not expect this decision to result in any impacts on the licensed PSBs and S4C, audiences or the production sector relative to the current situation. This is because the benefits received by audiences, and any regulatory burden on licensed PSBs and S4C, will be maintained. There is also no change for producers resulting from this decision.

Original Production Guidance and Regional Production Guidance

A3.19 We have issued guidance on the types of programming that can and cannot count towards original production quotas, and revised guidance on the types of programmes that are eligible to count towards regional production quota. The Original Production Guidance (see paragraphs 4.45, 4.47, and 4.52) and the Regional Production Guidance (see paragraphs 5.55-5.56) reflect our decisions that follow directly from the implementation of the Media Act. Beyond the inclusion of some content delivered via designated IPS, we have decided to not make any changes to the types of programming which are allowed to count towards any of the quotas, as we have determined that these remain appropriate. Within the

Original Production Guidance, we have also clarified our approach to counting co-productions towards the quotas, i.e. our decision to not go ahead with the proposed 25% minimum financial contribution by a PSB, as we consider this may reduce the broadcasters' flexibility to finance productions. There are other minor updates that we have made to the language to improve clarity.

- A3.20 We expect any impacts arising in relation to the issuing of the Original Production Guidance and changes to the Regional Production Guidance to be positive by making these easier to understand for PSBs. We do not expect our decision to maintain the types of programming that count towards the quotas to result in any impacts on PSBs, audiences or the production sector relative to the current situation.

Reporting and Monitoring (all quotas)

- A3.21 We will continue the annual process of ongoing monitoring and reporting on compliance for quotas, and have set out at a high level the information we anticipate requesting to inform this process. As detailed in Section 7, given the PSBs now have the option to meet their quotas with programmes made available on a designated IPS, additional information will be required from broadcasters for effective and accurate monitoring, reporting and assessment of compliance with the updated quotas, should PSBs wish to rely on programmes included in their designated IPS.
- A3.22 As discussed in paragraph 7.12, we are conscious that relative to the current situation, the requirement for additional information from the PSBs in relation to content on their designated IPS may place some modest additional burden on stakeholders, which we will seek to minimise through our approach. We will continue to work with broadcasters as we develop our updated reporting requirements, and prior to issuing updated information requests as necessary. We do not expect these additional information and requirements to result in any significant impacts on audiences or producers.

Equality impact assessment

- A3.23 Section 149 of the Equality Act 2010 (the 2010 Act) imposes a duty on Ofcom, when carrying out its functions, to have regard to the need to eliminate discrimination, harassment, victimisation and other prohibited conduct related to protected characteristics under the 2010 Act.¹⁶⁰ The 2010 Act also requires Ofcom to have due regard to the need to advance equality of opportunity and foster good relations between persons who share specified protected characteristics and persons who do not.
- A3.24 Ofcom has separate but complementary duties under Northern Ireland's equality legislation. This requires Ofcom to screen policies for their impact on equality of opportunity and/or good relations in each of the nine equality categories identified for Northern Ireland.
- A3.25 We have given careful consideration to whether the decisions in this document will have a particular impact on persons sharing protected characteristics (including race, age, disability, sex, sexual orientation, gender reassignment, pregnancy and maternity, marriage and civil partnership and religion or belief in the UK and also dependents and political opinion in Northern Ireland), and in particular whether they may discriminate against such

¹⁶⁰ These protected characteristics are: age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion or belief; sex and sexual orientation.

persons or impact on equality of opportunity or good relations. This assessment helps us comply with our duties under the Equality Act 2010 and the Northern Ireland Act 1998.

- A3.26 When thinking about equality we think more broadly than persons that share protected characteristics identified in equalities legislation and think about potential impacts on various groups of persons (see paragraph 4.7 of our [impact assessment guidance](#)).
- A3.27 In particular, section 3(4) of the Act also requires us to have regard to the needs and interests of specific groups of persons when performing our duties, as appear to us to be relevant in the circumstances. These include:
- a) the vulnerability of children and of others whose circumstances appear to us to put them in need of special protection;
 - b) the needs of persons with disabilities, older persons and persons on low incomes; and
 - c) the different interests of persons in the different parts of the UK, of the different ethnic communities within the UK and of persons living in rural and in urban areas.
- A3.28 We examine the potential impact our policy is likely to have on people, depending on their personal circumstances. This also assists us in making sure that we are meeting our principal duty of furthering the interests of citizens and consumers, regardless of their background and identity.
- A3.29 As the decisions intend to ensure the minimum levels set of the current quota requirements are broadly maintained, we consider that they will have an overall neutral impact in relation to persons sharing protected characteristics; they are unlikely to impact on specific groups of people in a different way to the general population. Since our approach ensures that the levels are broadly maintained, we expect that all UK audiences will remain served as they currently are.
- A3.30 We consider that our decision to retain peak time requirements will allow for the continued positive impact upon older audiences, and audiences from lower social economic groups, or those with limited connectivity unable to use broadband or IP-delivered services, as these groups are more likely to have linear-heavy viewing habits.¹⁶¹
- A3.31 We have considered whether our decisions, which may encourage greater use of BVOD services, could have a negative impact on those who rely on access services. Given that Part 4 of the Media Act sets accessibility requirements for video on-demand services, we do not believe that this will be the case.¹⁶²
- A3.32 Publishing the Original Production guidance on what content can and cannot be counted for the purposes of the original production quota for the first time, as required by the Media Act, will increase the transparency of the quota obligations. We believe that this may have a positive impact through ensuring improving equity of access to information. In preparing this guidance, we are following best practice on digital accessibility.

¹⁶¹ Ofcom, 2024. [Media Nations UK 2024](#) and [Future of TV Distribution](#) reports. Barb audience measurement and Establishment Survey data informed us that older age groups and lower socio-economic groups still tend to watch more linear TV.

¹⁶² Ofcom, 2024. [Media Bill: Ofcom's roadmap to regulation](#), page 14 provides the proposed process for implementation of the accessibility requirements to ensure that more people with disabilities can use and enjoy these services, reflecting the [recommendations](#) we made in 2021.

Welsh language

- A3.33 The Welsh language has official status in Wales.¹⁶³ To give effect to this, certain public bodies, including Ofcom, are required to comply with Welsh language standards in relation to the use of Welsh, including the general principle that Welsh should not be treated less favourably than English in Wales.¹⁶⁴ Accordingly, we have considered the potential impact of our review on (i) opportunities for persons to use the Welsh language; and (ii) treating the Welsh language no less favourably than the English language.
- A3.34 We reviewed responses to the proposals set out in our consultation document and received one response on the Welsh language from TAC.¹⁶⁵ They considered that our proposed measures did not allocate the appropriate amount of investment into production in the nations and regions, which would have a detrimental effect on the independent TV production sector in Wales. TAC said that this would have a detrimental impact on S4C's purpose of maintaining and strengthening the Welsh language and culture.
- A3.35 As set out above, we have sought to ensure that the real-world levels for the regional production quota are not lowered during the process of conversion from proportions to absolute figures. In implementing the changes made by the Media Act we have sought to broadly maintain the existing requirements, and not to increase or decrease the burden of the obligations. In addition, there is no current or new separate requirement that independent, original or regional productions made in Wales should be in Welsh or in English, and we do not have scope to require this.¹⁶⁶ We also note that the minimum independent production quotas are set by the Secretary of State in the Independent Production Order, which would require further legislation to increase. As such, we do not consider our decisions will have any impact on opportunities for persons to use the Welsh language or treat the Welsh language less favourably than the English language. We also do not think that there are ways in which our proposals (given our stated aim of seeking to broadly maintain equivalent levels to the current levels for the purposes of implementation) could have been formulated so as to have, or increase, a positive impact, or not have adverse effects or decrease any adverse effects on the use of the Welsh language.
- A3.36 To the extent we have discretion in the formulation of the changes to the final Regional Production Guidance and Original Productions Guidance, we have considered the potential impacts on opportunities to use Welsh and treating Welsh no less favourably than English where relevant.

¹⁶³ Section 1(1), Welsh Language (Wales) Measure 2011.

¹⁶⁴ The Welsh language standards with which Ofcom is required to comply are available on our website.

¹⁶⁵ TAC response, paragraphs 21-24.

¹⁶⁶ See Communications Act 2003 Schedule 12, Part 2, paragraph 3 for S4C's Welsh language obligations which relate to the overall service and not particular types of productions.