

pact.

Constitution, Europe, External Affairs  
**and Culture Committee inquiry into**  
**Broadcasting in Scotland.**

January 2026

## Introduction.

1. Pact is the UK trade association which represents and promotes the commercial interests of independent feature film, television, digital, children's and animation media companies.
2. The UK independent television sector is one of the biggest in the world, with revenues of £3.66 billion in 2024<sup>1</sup> with production sector revenues growing by 150% since 2003.<sup>2</sup> Large parts of the resulting revenues are invested back into the development and production of UK content. The sector is a key part of the UK's growth plans as it, along with others in the screen sector, sound recording and music publishing activities industry, saw 8.4% growth in December 2024 offsetting the declines seen in other areas of the service sectors.<sup>3</sup>
3. Pact works on behalf of its members to ensure the best legal, regulatory, and economic environment for growth in the sector. Pact has around 800 member companies across the UK, including 56 companies in Scotland, and the majority of these are SMEs (small and medium sized enterprises) with a turnover of less than £50m a year.

## The Production Sector in Scotland.

- Pact has around 800 members across the UK, with 56 members based in Scotland. The majority of Pact's Scottish members are based in Glasgow, which is a well-established screen sector cluster and in 2022 had an estimated GVA of £788m<sup>4</sup>. Pact members in Glasgow produce programmes for the UK Public Service Broadcasters (PSBs), commercial broadcasters, international broadcasters and global streaming services.
- The UK production sector is one of the most successful, innovative, and creative in the world, with sector revenues reaching a high of just under £4 billion in 2022.<sup>5</sup> However, the

<sup>1</sup> Pact Census Independent Production Sector Financial Census and Survey 2025, by Oliver & Ohlbaum Associates Limited, September 2025

<sup>2</sup> Celebrating 20 years of Terms of Trade, A report for Pact by Oliver & Ohlbaum Associates Limited, January 2024

<sup>3</sup> [GDP monthly estimate, UK - Office for National Statistics](#), January 2025

<sup>4</sup> Screen Sector Clusters: securing sustainability and growth, O&O, February 2025

<sup>5</sup> Pact Census 2025, O&O, September 2025

sector is currently navigating challenging market conditions and saw sluggish growth in 2024, with total TV production sector revenues increasing by 1.4% to £3.66 billion.

- After a period of sustained growth, the nations and regions' share of UK production activity declined in 2024, with N&Rs' share of primary commissioning spend, production budget and direct employment all declining. However, Scotland's share of commissioning spend grew to 12% (5% in 2023) of total primary commissioning spend in 2024. Scotland's share of production budgets also grew significantly, accounting for 17% of total spend.<sup>6</sup>
- Pact is concerned that the ongoing structural changes in the market and the change in commissioning strategy by the PSBs to 'fewer, bigger, better' will have a substantial impact on the creative diversity of the sector, particularly impacting smaller independent TV producers and those based in the nations and regions.

## Current Regulatory Framework and Regional Production Definition.

- The UK's regulatory regime for PSBs and content producers creates economic incentives for SMEs in the independent production sector to expand and develop, in turn creating more jobs and growth for the UK economy.
- Our well-balanced broadcasting ecology also benefits the UK public, because it ensures a high level of competition for commissions, which in turn creates top quality programmes and films for audiences to enjoy. The mixture of public and private broadcasters and other entities such as global streaming services like Netflix and Amazon in recent years has maintained a vibrant sector.
- Key regulatory interventions such as Terms of Trade and quotas continue to be necessary, especially when it comes to widening the diversity of supply. A wide diversity of supply is key towards supporting audiences having ready access to UK content that reflects the diversity of the UK. And in a time of market strain the framework is needed more than ever in terms of providing an anchor for a range of UK producers to succeed.
- The regional production quotas are an important part of the public service media system and have helped to move PSB commissioning spend to the UK's nations and regions and contributed to the growth of local production hubs. Historically, London and the Southeast have dominated TV commissioning. However, London's share of commissioning spend has been steadily decreasing over the years. In 2017, the majority (66%) of primary commissioning spend was going to London. This decreased to 52% in 2024.<sup>7</sup>
- Some of the PSBs (BBC and Channel 4) have also put in place specific strategies for the nations and regions, the BBC's Across the UK Strategy and Channel 4's All 4 the UK strategy. Most recently, the BBC announced plans that will see the broadcaster double spend on commissioning new shows for TV and BBC iPlayer that reflect stories in Northern Ireland, Scotland and Wales.<sup>8</sup> We are encouraged that many of the PSBs are voluntarily putting in place strategies to grow the sector outside of London and the Southeast. However, we would not want to see the weakening of the current regional production quotas. The current level

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<sup>6</sup> IBID

<sup>7</sup> Pact Census 2025: Nations and Regions Annex, Oliver & Ohlbaum Associates, September 2025

<sup>8</sup> <https://www.bbc.co.uk/mediacentre/2025/bbc-increase-spend-content-representing-nations>

of quotas and spend should be the bare minimum that are PSBs, including the BBC, are achieving.

## The BBC and Scotland.

- The BBC is the largest PSB commissioner of programmes from the nations and regions, representing a 36% share of nations and regions revenue. With Channel 4 representing 20%, ITV 7% and Channel 5 5%.<sup>9</sup>
- 61% of the BBC's network TV budget was spent in the UK's nations and regions in 24/25, of this 9.7% was from Scotland (above the 8% quota).<sup>10</sup>
- In 2024/25, the BBC spent £131m on Scottish content, with £86m going to BBC One, BBC Alba, BBC Scotland.<sup>11</sup>
- Pact was encouraged by the BBC's commitments in the BBC Across the UK Strategy in 2021. Broadly speaking it seems to have delivered on the commitments in the strategy and Pact regularly engages with the BBC on various issues relating to the nations and regions.
- In December 2025, the BBC announced plans which will see it double spend on commissioning new shows for TV and BBC iPlayer that reflect stories in Scotland, Northern Ireland and Wales. Spend will increase to over £100m from 2027/28 across drama, comedy and unscripted. The increased investment will come from within existing budgets.
- We're pleased that the BBC have announced plans to double spend on commissioning new shows for TV and BBC iPlayer and will be monitoring how the BBC implements these plans.

## BBC Charter.

- DCMS published the BBC Charter Renewal Green Paper before Christmas last year.
- The Government is seeking views on a range of proposals and options. We are particularly pleased that the Government is considering introducing a new obligation on the BBC to drive economic growth and support the creative economy across the UK. As the only publicly funded broadcaster, the BBC has a central role in driving economic growth and enshrining this obligation as a new public purpose in the next Charter will help to ensure this remains central to the BBC's mission and public purposes.
- The Green Paper also refers to supporting production across the nations and regions, including governance changes to devolve budgets and decision-making to regional commissioners or other regional governance structures.
- Pact is broadly supportive of moving decision making to the nations and regions. However, it's important that the commissioning process and how the BBC works with producers is as simple as possible. We would not want to see commissioning and decision making for drama, for example, split across multiple hubs and commissioners across the nations and regions. This could lead to longer decision-making timelines, more sets of notes from multiple commissioners and potentially fragmented relationships.
- The Government are also seeking views on potential new regulations and/or bilateral frameworks that could help support minority language broadcasting across the UK. Pact has several members who produce minority language content for broadcasters such as MG Alba

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<sup>9</sup> Pact Census 2024: Nations and Regions Annex, Oliver & Ohlbaum Associates, September 2025

<sup>10</sup> BBC Annual Report 24/25, BBC, July 2025

<sup>11</sup> IBID

and S4C. Indigenous and minority language programming plays a crucial role in preserving and promoting the UK's minority languages and gives viewers the opportunity to develop language skills. The BBC has a duty to regional and minority languages within the BBC's general duties under the current BBC Charter. It's important that this continues in the next Charter given the difficulties around funding this type of content.

## Skills and

### **Diversity.**

- The Pact Indie Scheme in Scotland has been running since 2017 and is supported by Screen Scotland. It has been aimed at entry-level diverse talent as well as those with some experience of the industry, both graduates and non-graduates.
- Participants undertake a paid eight-month placement with an independent production company, providing them with the opportunity to develop their talents in a thriving business environment.
- In addition, each participant is partnered with a senior-level mentor from within their company, and receives bespoke training from ScreenSkills, the NFTS and BECTU Vision in areas such as copyright, storytelling, and camera operating.
- For the second year running, we've pivoted our scheme in Scotland by running a programme for underrepresented production talent with industry experience. Ideally aimed at alumni from our initiatives but also those with experience of working in production.
- Indies involved in last years scheme include Raise the Roof Productions, STV Studios, Firecrest Films, Lion TV/All3Media, BEEZR and Storyboard Studios. The indies will be providing seven participants with six-month production placements, which they will undertake alongside training from NFTS Scotland covering both technical and soft skills, to help them build and sustain their production careers

