

Screen Scotland

Scottish Broadcasting

Purpose

Screen Scotland welcomes the Committee's inquiry into Scottish broadcasting. We offer this submission as a constructive contribution from a 'critical ally' perspective: recognising the BBC's foundational importance to Scotland's screen economy and culture, while identifying areas where policy and practice could better support long-term sustainability, creative origination and economic impact in Scotland.

Context

Who we are

Screen Scotland drives development of Scotland's film and TV industry, through funding, strategic support and advocacy. We were established in 2018 as part of Creative Scotland, funded by the Scottish Government and The National Lottery.

Screen Scotland's vision is to cultivate creatively ambitious and economically sustainable film and TV sectors in Scotland, which provide fulfilling jobs and opportunities for people across the country, at all stages of their careers. We work to develop Scotland's creative potential as a filmmaking nation and as an originator of distinctive films, television programmes and content enjoyed by audiences the world over.

Screen Scotland's focus is on the creative and economic elements of film and television production in scripted and unscripted genres. We do not have a remit for audio production for radio or podcasts, news on any platform, or online audio-visual content production.

The Current Health of Scottish Broadcasting and Production

Broadcasting and production are two sides of the same coin. Broadcasters need a secure supply of programmes of the range and quality their audience expects. Production companies need an accessible market for their products - the programmes they devise, develop and produce. In turn those production companies need skilled and talented creative workers in their offices, and in front of the camera, as well studios and/or location filming facilities and post-production suppliers. It is an ecosystem and one that has existed in Scotland to some extent for much of the last seventy years.

Scotland's TV broadcast/production economy is most sustainable when it contains a healthy balance of production that is creatively originated within Scotland alongside international/inward investment production.

With Netflix, Amazon Prime, Apple, Sony and many other non-PSB now regularly active in Scotland, the publicly owned PSBs – the BBC and Channel 4 – are not the

only source of production, but they remain the bedrock of our sector. Therefore, the Scottish sector's health is directly dependent on both PSBs being adequately funded and focused – through their charters/licence, Ofcom's quotas - on commissioning new programmes and series from Scotland.

Current Economic Data on the Health of Scotland's Broadcast/Production Sector

Every two years Screen Scotland publishes economic impactⁱ data compiled by Saffery LLP and Nordicity Limited for the screen sector within Scotland's economy (the most recent which was published in [October 2025](#)).

The "Screen Sector" has been defined in our research as inclusive of all film and TV production and development (including inward investment production); animation, visual effects (VFX) and post-production; film and TV sales and distribution; TV broadcast; film exhibition, and film and TV festivals; screen tourism; film and TV education, skills and talent development; and film and TV production facilities.

These reports evidence a consistent increase in the economic impact of the screen sector within Scotland across the period 2019 to end 2023:

2019	2021	2023
Screen Sector-Wide Employment: 10,280 FTEs	10,940 FTEs	12,260 FTEs
Production & Development Employment: 5,120 FTEs	7,150 FTEs	5,420 FTEs
TV Broadcast Employment: 710 FTEs	710 FTEs	600 FTEs
2019	2021	2023
Screen Sector-Wide Economic Impact: £567.6m GVA	£627.1m GVA	£718.0m GVA
Production & Development Economic Impact: £315.1m GVA	£442.1m GVA	£371.0m GVA
TV Broadcast Economic Impact ⁱⁱ : £51.8m GVA	£53.4m GVA	£46.6m GVA

Source: Saffery/Nordicity

While inward investment production on projects such as Sony's *Outlander*, Amazon Prime's *Good Omens 2* and *The Rig* has delivered sector growth since 2019, the PSBs – primarily the BBC and C4 – remain the core source of demand, financing and commissioning of TV programmes and documentary films made by Scotland-

based producers (those creative production businesses, formed and managed in Scotland that originate, develop and then produce new shows and own the intellectual property in those original productions).

In 2023, PSBs continued to provide the overwhelming majority of commissioning opportunities for Scotland-based production companies. That said, PSB spend on production in Scotland fell slightly between 2021 and 2023 before accounting for price inflation.

The further impact of cost inflation on the value PSB spending in Scotland, combined with commissioning uncertainty across 2023 for the BBC and C4, reduced production subsector growth, particularly within Scotland's long-established unscripted television production sector.

PSB estimated TV content spending in Scotland (£ millions)

	2019	2021	2023
BBC UK Network	84.8	92.8	88.8
BBC Scotland	60.1	67.1	66.2
Channel 4	20.7	23.5	27.3
BBC/MG Alba	16.9	16.9	18.8
STV	9.2	9.4	9.6
ITV	2.7	8.1	7.1
Channel 5	2.2	5.5	4.7
Total	196.6	223.3	222.4

Source: Saffery/Nordicity estimates based on data from public financial reports, Ofcom and interviews with broadcasters. Note: Figures may not sum to totals due to rounding.

Ofcom quotas and 'Scottish qualifying' production

Screen Scotland draws the Committee's attention to the Oliver & Ohlbaum Associates (O&O) report [20 years after the Communications Act 2003](#), which examined how Ofcom's current Nations and Regions guidance operates in practice. Annex 1 looks at this O&O Report in more detail. In summary, the report found that a significant proportion of BBC network commissions qualifying as 'Scottish' were awarded to companies headquartered outside Scotland, often relying on the presence of a 'substantive base' rather than sustained economic or creative activity in Scotland. As a result, much of the long-term value of these programmes – particularly intellectual property ownership – accrues outside Scotland.

Since the O&O report was published there are indications through the BBC's drama commissioning that a more positive approach to commissioning from Scotland based companies is forming. A number of returning and new scripted commissions were announced in 2025, of which Screen Scotland is supporting a number through its Broadcast Content Fund (set out later in this paper).

Channel 4 was found to rely more heavily on companies formed and headquartered in Scotland, illustrating that different commissioning models are possible within the existing regulatory framework.

Screen Scotland believes that the current Ofcom guidance, last revised in 2019, does not adequately reflect where economic value is created, nor does it support the long-term development of indigenous, Scotland-formed and operated, production businesses.

Working with the BBC

Screen Scotland has a long-standing, though evolving, relationship with the BBC. A formal Memorandum of Understanding between the BBC and Creative Scotland/Screen Scotland was in place from 2018 to the end of 2024. The BBC took the decision not to renew the MoU following the publication of the O&O report. Despite this, we continue to collaborate on production investment, skills development and education. Our shared aim is to support creative ambition, company sustainability and workforce development in Scotland.

Broadcast Content Fund investments in BBC-commissioned productions

Through Screen Scotland's Broadcast Content Fund, we have co-invested in a range of BBC-commissioned programmes from Scotland-based independent production companies. Recent and some current examples include:

- *An t-Eilean (The Island)*, series 1 – £500,000 investment via Glasgow-based Black Camel, supporting the growth of a Scotland-headquartered company with returning series potential and long-term IP value. Discussions on a second series are ongoing.
- *Counsels*, series 1 – £500,000 investment in a new returning drama from Balloon Entertainment, strengthening Scotland-based creative origination and company scale.
- *Mint* – £500,000 investment in a new drama from Glasgow-based Crabapple, due to premiere in 2026, supporting IP ownership and the development of a company with international growth ambition.
- *Only Child*, series 1 – £335,000 investment in this Moray-set comedy from Forres-based Happy Tramp North, demonstrating the role of PSB commissions in sustaining production companies outside the central belt.
- *Rebus*, series 1 – £400,000 investment prior to the BBC's acquisition of the series, illustrating how early public investment can leverage later BBC engagement and maximise economic return to Scotland.
- *Gifted*, series 1 – £500,000 investment via Black Camel in this Edinburgh-set children's drama for CBBC, broadcast in 2025, supporting talent progression and repeat commissioning relationships.
- *The Ridge*, series 1 – £375,000 investment in this Scotland–New Zealand co-production.
- *Hebridean Baker: Nordic Islands*, series 1 – £98,000 investment in this four-part factual series from Glasgow-based Caledonian.

These investments are designed to generate lasting benefit by building company capacity, supporting the retention of intellectual property in Scotland and creating sustained employment for Scotland-based writers, directors, cast, crew and facilities. They align directly with the BBC's Public Purpose to invest in the creative economies of the nations and, looking ahead, with proposals for a strengthened Charter focus on economic growth.

Skills and talent development

Screen Scotland and the BBC continue to collaborate on targeted skills and talent initiatives, including:

- **Supersizing entertainment formats** – launched in 2025 with TRC Media, this programme supports the development of ambitious entertainment formats from Scotland-based independent producers. Participation was limited to companies headquartered in Scotland.
- **River City training academy** – delivered jointly with BBC Studios, this initiative provided structured, work-based training across a range of production disciplines. Following the cancellation of *River City*, Screen Scotland is working with the BBC to continue this model across newly commissioned Scottish-qualifying dramas, with a focus on progression for both below-the-line and above-the-line talent.
- **Traitors training opportunities** – jointly funded by Screen Scotland and the BBC and delivered by Studio Lambert, providing openly recruited training roles on each UK series, with a particular focus on Scotland-based crew, including those in the Highlands and Islands.

Alongside the work we undertake with the BBC in skills and talent development we also work with a range of other partners to upskill Scotland's screen sector, investing £2m+ p.a. in this work, leveraging a similar sum from industry partners. Some examples include:

- VFX and Animation – Following industry consultation, we worked with TRC Media to develop and deliver RESET, a dedicated VFX and animation training programme for Scotland. Launched in 2021 with support from the National Training Transition Fund as part of Covid-19 recovery, the programme continues into 2026 with funding from the BFI, Screen Scotland, and local industry.
- Screen Scotland supports inward investment productions to ensure lasting benefits from transient projects by embedding training at all levels. Productions such as *Good Omens 2* (Amazon Prime Video), *The Buccaneers* series 1–3 (Apple TV), *Ghostwriter* (Warner Bros), and both *Outlander* and *Outlander: Blood of My Blood* (Sony Starz) have worked with us to create meaningful work-based skills/career development opportunities for Scotland-based crew.

The success of these programmes depends on sustained funding and proactive industry engagement from Screen Scotland. These training examples highlight our engagement across the mixed economy of Scotland's screen sector. While Screen

Scotland has deliberately pursued this approach to differentiate Scotland within the UK, it is resource-intensive and requires expertise, continuous engagement and funding to support sector growth.

Education

The BBC is working with Screen Scotland to develop short-form educational content to support Scotland's Film and Screen expressive arts curriculum.

These collaborations demonstrate the positive impact that sustained partnership between the BBC and Screen Scotland can have in developing talent, strengthening companies and supporting a resilient screen workforce in Scotland.

Screen Scotland's position on Charter Renewal, Ofcom Quota Criteria and the Future Vitality of Scottish Broadcasting

Charter Renewal is an opportunity to reach for better outcomes than those achieved under previous charters. The Culture Committee's engagement with broadcasting policy across parliaments at Holyrood has delivered positive outcomes for Scotland's production sector and we hope that will continue in the next parliament, across the Charter Renewal period and beyond.

Funding model

- Screen Scotland expresses no view on how the BBC is funded beyond recognising the value of the principle of universality.
- The level of funding allocated to programmes by the BBC is directly connected to the BBC's income and in real terms this has fallen significantly over the last two charter periods. This inhibits delivery of the BBC's public service purposes, and it undermines the UK's competitiveness in the global creative economy.

We will always argue for a well-funded BBC that spends its public and commercial income fairly across the UK to deliver its public services purposes in all four home nations and supports the creative economies of all parts of the UK.

- How the BBC's commercial income is applied towards delivery of its public service obligations in Scotland is not clear and we would welcome further clarity on this in the BBC's annual accounts.

Supporting Scotland's creative economy

- The BBC and C4 are the only national PSBs who regularly commission programmes from independent producers from Scotland. We rely on both to sustain a healthy broadcast and production sector in Scotland. We argue that both have an obligation as a consequence of their public ownership to be "for all the UK", and to deliver their public service remits evenly and equitably

across all four home nations, at least proportionate to each nation's share of UK population.

- We would welcome Scottish production commitments/quotas/licence obligations at a reasonable level on the channel 3 licence holders. The channel 3 (ITV/STV) audience is distinct from the BBC and Channel 4 audiences and the limited presence of Scottish voices, concerns and perspectives across network ITV output undermines UK cohesion.
- The majority of the programmes the PSBs commission under their Scottish production quotas should be commissioned from production businesses formed and operated in Scotland. Any production commissioned from elsewhere should only qualify as Scottish when they meet the Ofcom 70% production spend criteria in Scotland, employing Scotland-based talent, crew and facilities. We recognise that a mixed approach that allows for both types of sourcing for "Scottish qualifying" programmes has value.
- Under the current Charter the BBC is obliged to deliver a number of public purposes. Public Purpose 4 states, "*... in commissioning and delivering output the BBC should invest in the creative economies of each of the nations and contribute to their development.*"

The *BBC Royal Charter Review Green Paper* notes that the UK Government is considering creating a new BBC Public Purpose focused on driving economic growth, that would emphasise the importance of the BBC using its scale, reach and influence to address the challenges facing the creative economy across the UK. This would reflect the importance that the UK Government places on the BBC's role driving growth across the UK's wider creative economy, boosting local economies and providing jobs. This is welcome, and Screen Scotland will argue that this is best achieved within Scotland's broadcast/production sector by fostering a mixed economy that combines inward investment production alongside creative origination from within Scotland's long-established independent production sector.

The balance of that mixed economy approach from the BBC should favour of creative origination from within Scotland for the BBC's Scottish qualifying output.

- Creative origination from within Scotland is best achieved by BBC commissioners for the BBC network who live and work in Scotland. The Green Paper recognises the potential benefits of the BBC moving more decision-making powers outside London, how this could underpin the DCMS vision of world-class creative clusters in the nations and regions. Screen Scotland agrees that locating BBC network commissioning power outside of London would drive benefits across the UK.

Screen Scotland will argue for the relocation of complete genres commissioning teams from London to Scotland under the new Charter.

- Within the Green Paper, DCMS undertakes to explore new or extended interventions to support the BBC and the production sector outside of London, including further quotas or similar obligations, and/or adjustments to the current “Out of London” quota regime.

Screen Scotland will continue to argue for Scottish production quotas based at least on our share of UK population, and for the majority of the programmes the BBC commissions under any Scottish production quota to be commissioned from production businesses formed and operated in Scotland.

Governance

- We would hope the next charter would provide for effective governance of the BBC from across the UK, with representatives from each home nation on the main board and strong/diverse/informed nations-based subcommittees/boards in each home nation.
- Parliamentary oversight of the BBC from within Westminster has been effective at times but the current membership of the Culture, Media and Sport Committee highlights a weakness that could be addressed in the next Charter.

The current CMS Committee has 11 members, all of whom represent English constituencies, most of which are located in the south-east of England. A defined parliamentary oversight role for the parliaments in Holyrood, Cardiff and Stormont would help ensure the BBC delivered its public service role across the whole of the UK.

David Smith, Director, Screen Scotland

ⁱ https://www.screen.scot/binaries/content/assets/screen-scot/funding--support/research/final_economic_value_of_screen_sector_in_scotland_report_23.6.22.pdf ;

https://www.screen.scot/binaries/content/assets/screen-scot/funding--support/research/economic-value-of-the-screen-sector-in-scotland-in-2021/full-report-economic_value_of_screen_sector_in_scotland_2021_2023-08-21-1.pdf;

<https://www.screen.scot/binaries/content/assets/screen-scot/funding--support/research/economic-value-of-the-screen-sector-in-scotland-in-2023/economic-value-of-the-screen-sector-in-scotland-report-2023---oct-2025-v2.pdf>.

ⁱⁱ “TV Broadcast” data reflects an estimate of the economic impact generated by the public service broadcasters’ (PSBs’) operating expenditures in Scotland excluding expenditure on content creation, both in-house and through external commissioning.

Annex 1: 20 years after the Communications Act 2003: the impact on production from and in Scotland

While our economic impact research continues to report the impact of UK PSB's spending within Scotland's economy on a consistent basis with previous reports, we would draw the Culture Committee's attention to the findings of a separate report commissioned by Screen Scotland and authored by Oliver & Ohlbaum Associates (O&O) entitled *20 years after the Communications Act 2003: the impact on production from and in Scotland* (submitted as an attachment).

This O&O Report highlights how the economic impact of certain 'Scottish qualifying' UK PSB commissioned programmes within Scotland's economy is unclear as a consequence of the latitude afforded in qualification as 'Scotland productions' by the current Ofcom Guidance on regional production.

O&O analysed trends in commissioning from production companies originating in Scotland and from those founded or headquartered outside of Scotland but with an office here. They analysed commissions by the UK PSB network main channels that have been allocated to Scotland in Ofcom's Made out of London register and count towards the PSBs' Scottish-qualifying production quotas.

O&O found that:

- only five of the Top 15 "Scottish" producers (by hours commissioned) were headquartered in Scotland over the period.
- the remaining ten were head-quartered in London, and their output qualified as Scottish under Ofcom's current Guidance on regional production and regional programme definitions. In many cases they relied on the Ofcom criterion of having a 'substantive base' (office) in Scotland.
- the BBC and Channel 4 have adopted very different approaches to meeting their production obligations.
- only two of the 11 suppliers mainly used by the BBC in the Top 15 "Scottish" producers, were companies formed and headquartered in Scotland, compared with three out of four that mainly supplied Channel 4.
- 80% of the total episodes made by the Top 15 for the BBC were commissioned from producers headquartered in London, compared to only 43% of the total episodes commissioned by Channel 4.

On publication of the O&O report Screen Scotland expressed concern that the BBC's commissioning process across the last decade has subverted the purpose of those production quotas, limiting the economic impact of the BBC's "Scottish qualifying" commissioning in the Scottish economy, and reducing creative opportunities for Scottish TV sector production companies and workers in comparison to projects that originate in Scotland. The Department of Culture Media and Sport noted the findings of the O&O Report in the recently published *BBC Royal Charter Review Green Paper*.

Screen Scotland has also called for current Ofcom quota regime for Nations & Regions production to be reviewed. As the Committee will be aware those quota criteria were last amended in 2019 and remain focused on three tests that in combination determine how Ofcom allocates a programme to what the regulator describes as the UK's macro-regions, of which Scotland is one.

For now, Ofcom continues to allow for the full allocation of any programme's "volume" (running time) and "value" (production cost) against a single macro-region if that macro-region is the host of a "substantive base" for the relevant production company, irrespective of where the production activity – the core economic impact of any programme – takes place. The current Ofcom guidance is focused on production in a macro-region and does not recognise or measure the longer-term value derived by any production company from the intellectual property it owns in the programmes it produces. This long-term value is the bedrock of any health, sustainable production sector and if it is owned and managed in Scotland it supports the health of Scotland's production/broadcast sector.

In response to the O&O Report, and ahead of any review by Ofcom of its quota criteria, the BBC decided to alter how it applies the Ofcom quota criteria going forward. In a blog post from Rhodri Talfan Davies, Director of Nations at the BBC (<https://www.bbc.co.uk/mediacentre/articles/2025/strengthening-impact-bbc-network-television-investment-across-the-uk>), the BBC confirmed that it considered the Ofcom regime to be complex and recognised that, “*... a show does not need to qualify on all three counts in any one nation or region to be deemed to originate from that area. In fact, in a small number of cases, a show could be categorised as being Scottish, Welsh or Northern Irish under the Ofcom criteria solely on account of the location of its production office (even though most of its budget may be spent in other UK regions).*”

To address this the BBC said, “*we will not typically commission a new network production regionally unless we are confident it will invest at least 70% of its production budget locally and/or draw significantly on local programme-makers and crew to produce the show. We will work closely with our partners in the independent sector to make sure we step through this approach carefully, recognising that some shows have very specific editorial, talent or production requirements. We will publish our progress in delivering this commitment each year.*

In Wales, Scotland and Northern Ireland, our goal is to ensure we always meet our commitment to spend at least 17% of our network TV budgets across the three nations without any reliance on productions that may have local offices, thereby meeting Ofcom’s criteria, but do not spend a significant amount of their production or talent budgets in that nation. Again, we’ll be transparent about the progress we’re making each year.”.

This is a potentially positive change, dependent on how rigorous the BBC is in applying this new commitment, but it is not address the concern highlighted in the O&O Report - that across the last decade the BBC has more often looked to London-based production companies for new series that can qualify as Scottish than it has Scotland headquartered producers, Scotland-based creative people.

Refocusing the BBC’s buying model, the system the BBC uses to allocate programme budgets and make commissioning decisions, to prioritise commissioning “Scottish qualifying” programmes from production companies formed and managed at the most senior level in Scotland would greatly improve the long-term sustainability of our Scottish screen sector.

It would help ensure those programmes employ Scotland-based writers, directors, editors, crew, facilities and front-of-camera talent, and it would drive IP-derived income from the sales of those programmes in international and secondary markets back into the Scottish economy.

