

**pact.**

**INCREASED COST OF LIVING AND  
COST OF PRODUCTION REPORT**

November 2022

To understand the impact that the cost of living and increased cost of production is having on indies, Pact surveyed its members in October 2022.

Pact will use the outcome of this survey in discussions with Government and broadcasters.

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## Summary

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- Across all the categories in the survey, **indies' costs have increased between 10 – 20% for the majority of respondents**. Very few producers said they have seen no increase in costs over the past year.
- Overall, **86% said that increased costs have impacted their margins**. Only 10% said that increased costs have not impacted margins at all. The majority of respondents (46%) said that these increased costs have impacted margins by 10%. Thirty-three per cent of respondents said their margins have been impacted by 20%.
- **Forty-two per cent of respondents said that the broadcasters and streamers have not been understanding or tried to help with costs**. The BBC was the worst for this with 39% saying they have not been understanding or tried to help with costs, followed by Channel 4 (34%) and then Channel 5 (27%).

## Labour Costs

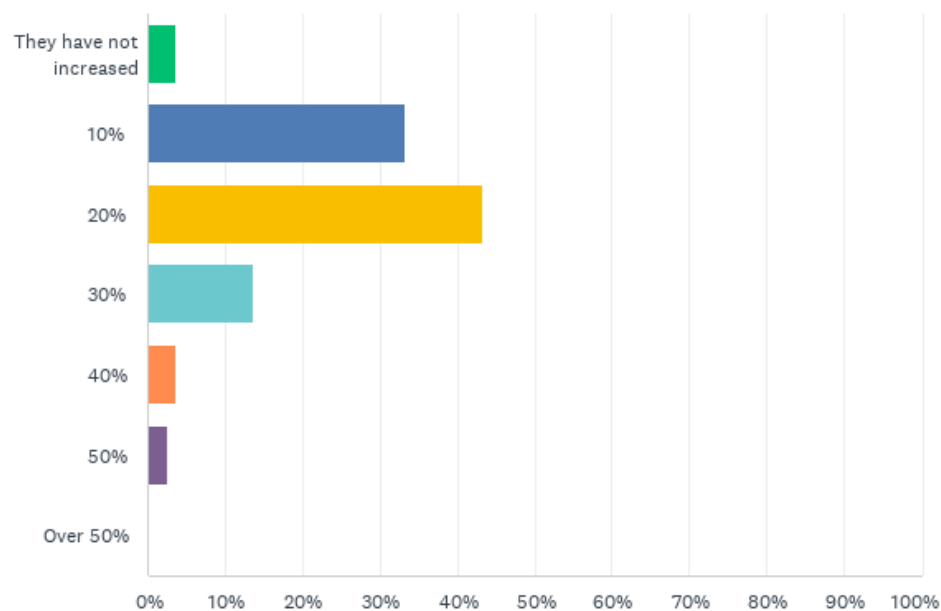
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For both scripted and unscripted, the majority (43%) of respondents said that labour costs have increased by 20% over the last year. Only 3% said that these costs have not increased at all.

Of the respondents who said that labour costs have increased by 40%, 50% were scripted.

No unscripted producers stated that their labour costs have increased by over 30%. There was also little difference in the data between London and the Nations and Regions.

**Q. Over the last year, by what percentage have your costs for labour (e.g. crew, freelancers) increased?**



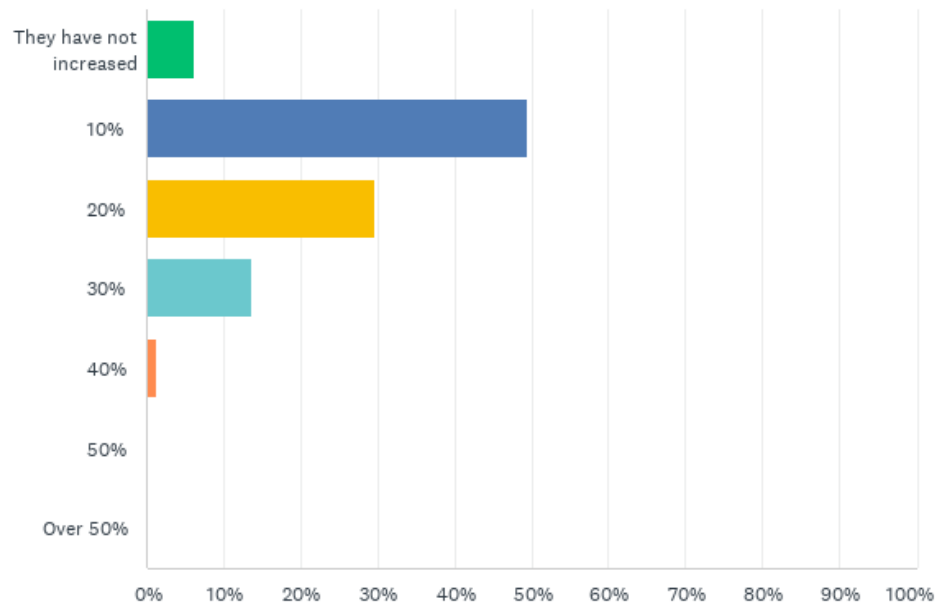
## Services

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The majority of respondents (49%) said that their costs for services have increased by 10%.

Only 6% said these costs have not increased at all. There was little difference between the increase in costs in London and outside of London.

**Q. Over the last year, by what percentage have your costs for services (e.g. catering, locations, post production, etc.) increased?**



## Materials

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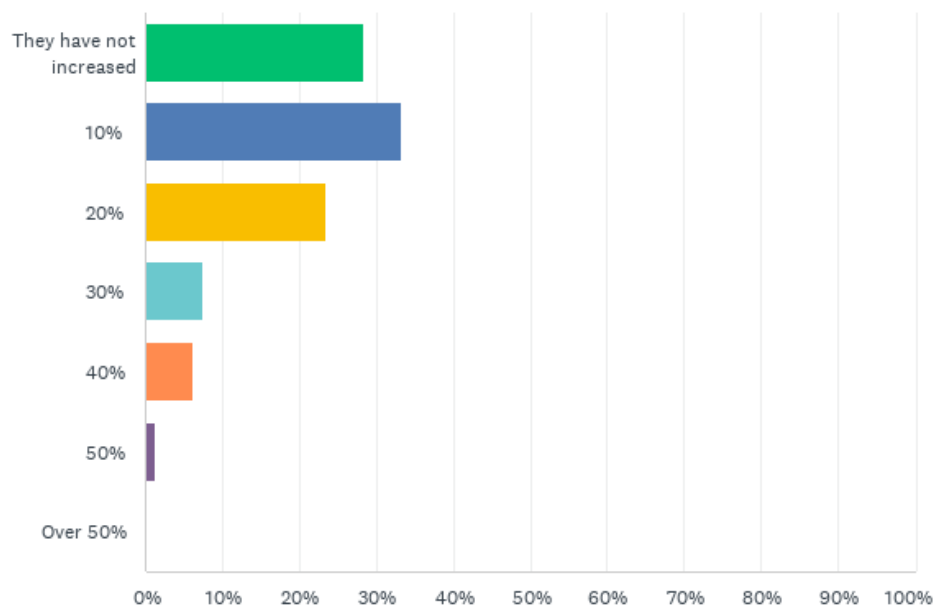
The majority of respondents (33%) said that costs for materials have increased by 10%.

However, 28% said these costs have not increased at all over the past year.

For producers based in the Nations and Regions, the majority of respondents (38%) said these costs have not increased at all.

However, for producers based in London, 40% said these costs have increased by 10%. Only 21% said these costs have not increased.

**Q. Over the last year, by what percentage have your costs for materials (e.g. art department, costumes, etc.) increased?**

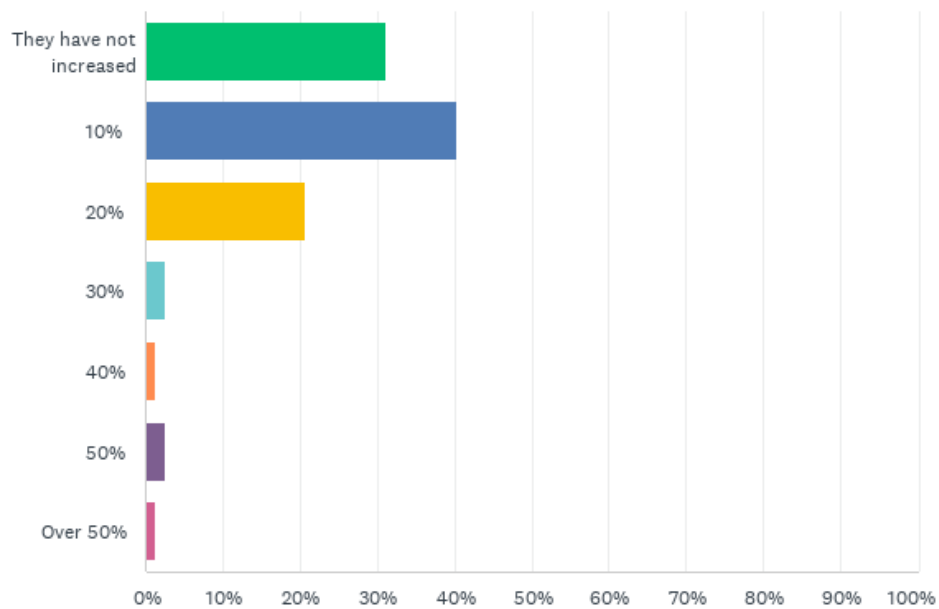


## Talent

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40% said costs for on screen talent have increased by 10% over the last year. 31% said there has been no increase. However, 26% said these costs have increased by over 10%.

**Q. Over the last year, by what percentage have your costs for on screen talent increased?**

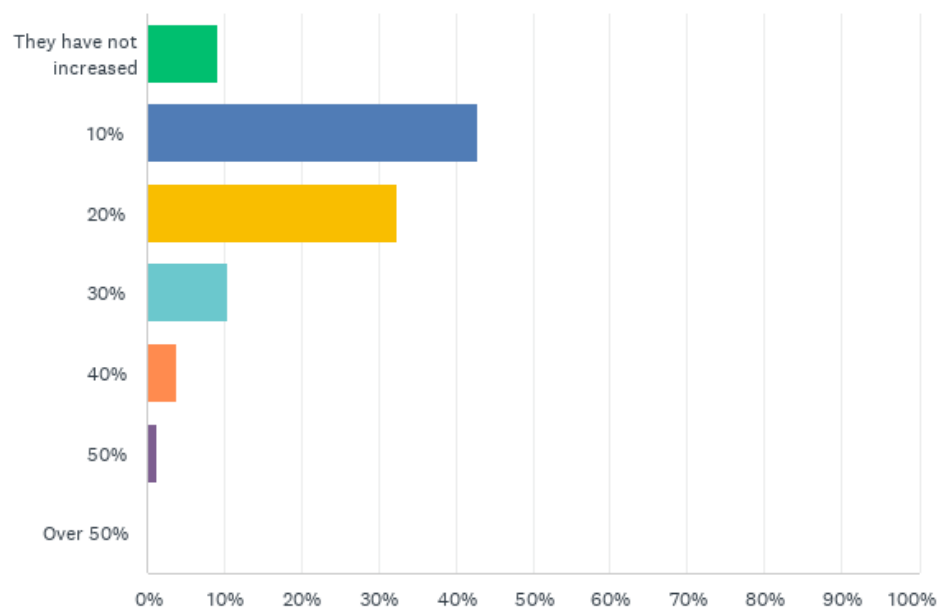


## Talent Cont.

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Far fewer producers said that costs for offscreen talent have not increased at all over the last year. 42% of respondents said these costs have increased by 10%, and 32% of respondents said they have increased by 20%.

**Q. Over the last year, by what percentage have your costs for off screen talent increased?**



For producers based in the Nations and Regions, the majority (35%) said costs for on screen talent have not increased in the past year. Whereas 38% said the costs for on-screen talent have increased by 10%.

For producers based in London, the majority (47%) said costs for on screen talent have increased by 10% in the past year. This was the same for off screen talent with the majority (45%) saying these costs have increased by 10%.

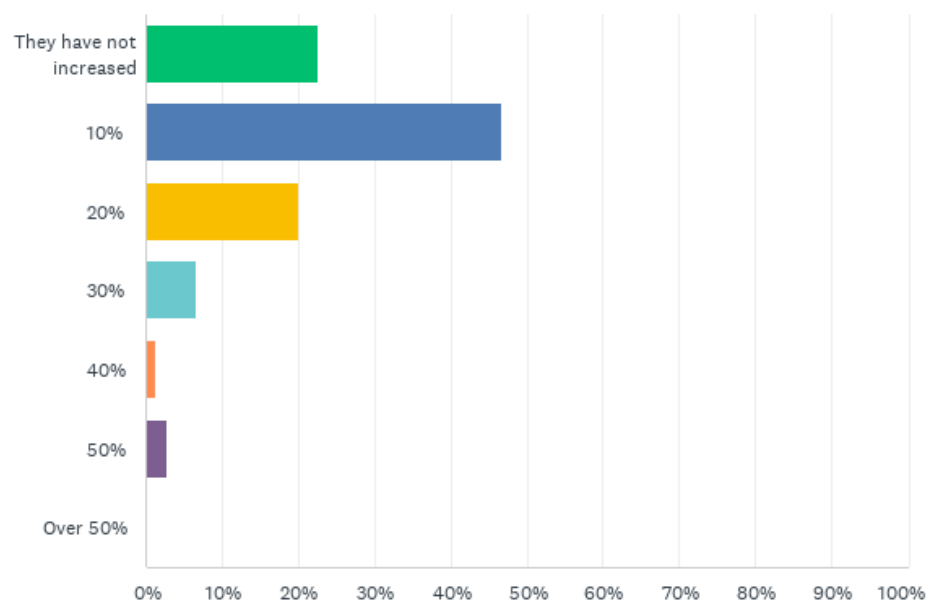


## Business Costs

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On average, the majority of respondents (46%) said their direct business costs, which includes things such as rent, utilities and office supplies, have increased by 10% over the past year. 22% said these costs have not increased at all. However, 29% said these costs have increased by over 10% in the last year.

**Q. Over the last year, by what percentage have your direct business costs increased (e.g. rent, utilities, office supplies, staff costs, etc.)?**



## Margins

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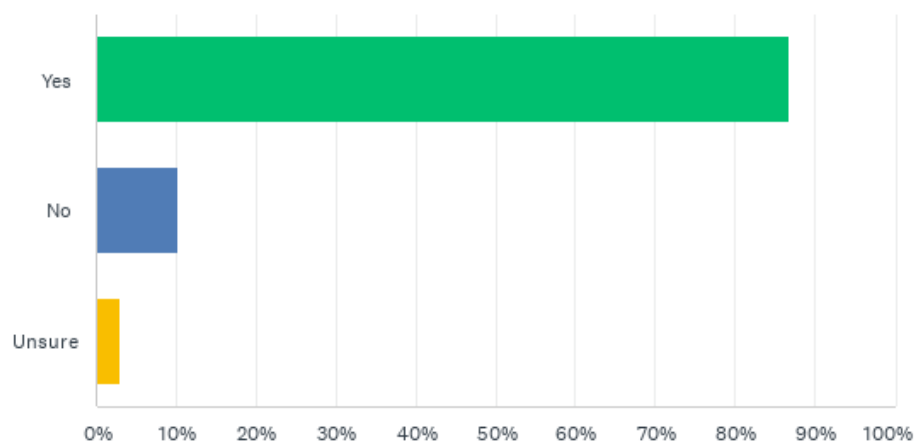
Eighty-six per cent of respondents whose costs have increased said that this has impacted their margins. Only 10% said that increased costs have not impacted their margins.

Of the respondents whose margins have been impacted, the majority (46%) said that these increased costs have impacted margins by 10%. Thirty-three per cent said their margins have been impacted by 20%.

There was very little difference between unscripted and scripted. However 5% of scripted respondents said these increased costs had impacted their margins by over 50%.

Ninety-two per cent of respondents based in London said their margins have been impacted by increased costs. For producers outside of London, 78% said their margins have been impacted. For both London and the Nations and Regions, the majority of respondents (51% for London and 45% for outside London) whose margins have been impacted said increased costs have impacted margins by 10%.

**Q. If in the previous sections of this survey you answered that your costs had increased, has this impacted your margins?**



## Broadcasters

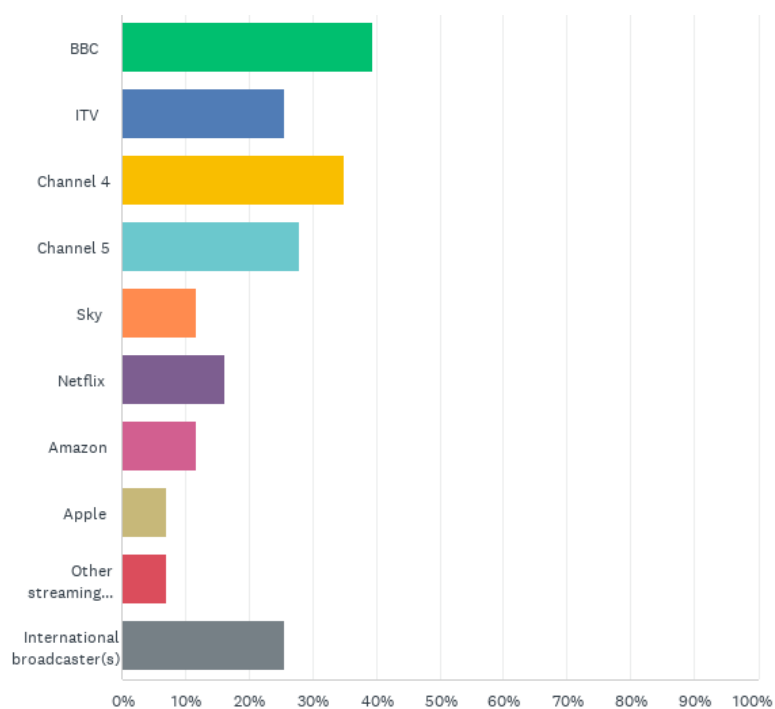
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The majority of respondents (42%) to the survey said that the broadcasters and streamers they have been working with over the last year have not been 'understanding and tried to help with costs,' 35% said some broadcasters and/or streamers have been 'understanding and tried to help with costs.'

The majority of respondents (39%) said the BBC have not been helpful. This was followed by Channel 4 (34%), then Channel 5 (27%).

Of the 31% who said that 'other streaming service' or 'international broadcaster(s)' have not been helpful, the majority of these responses were for Discovery, followed by UKTV.

### Q. Please specify which broadcasters have not been helpful.



## Contact

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