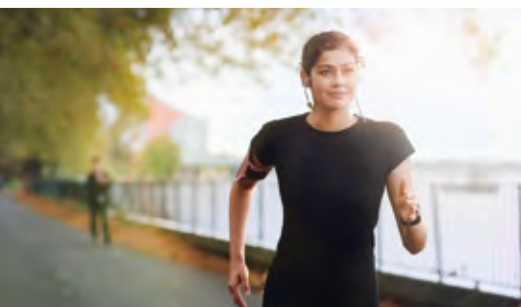


Valuing Radio

How commercial radio contributes to the UK



A report by the All-Party Parliamentary Group on Commercial Radio





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Introduction

The APPG on Commercial Radio helps provide this important industry with a voice in parliament. With record audiences and more ways to listen than ever before, the impact of the industry should not be underestimated.

While the challenges facing the sector have changed over the years, the steadfast commitment of stations to provide public value content every day remains. This new report, the first of its kind produced by the APPG, showcases the rich public value content that commercial radio provides to listeners for free.

Valuing Radio explores the impact made by stations up and down the country, over and above the music and entertainment output that audiences expect. It looks particularly at radio's role in providing news and information, the sector's significant support for both charitable fundraising and education, in addition to work to improve diversity within the industry.

Alongside this important public value content is a significant economic contribution to local economies across the UK. For the first time we have analysis on the impact of local advertising and the return on investment (ROI) that this generates for particular nations and regions of the UK. All of this contributes to radio's total ROI for advertisers – £5.2bn every year, including £1.6bn at a local level.

It is also encouraging to see the high levels of trust in radio and radio news – more so in fact than any other medium. The commercial radio industry works hard to ensure that the news updates they provide to the public are up-to-the-minute, as well as accurate and honest. A strong, independent news media is vital to our democracy and radio has an important role to play.

Ultimately this report sets out a series of recommendations that call for action from Government, Ofcom and industry in order to help secure the future of commercial radio. The audio landscape is evolving so we look forward to continuing to work to ensure that commercial radio can achieve its full potential.



Rt Hon Ed Vaizey MP



Baroness Oly Grender



Steve McCabe MP

Co-Chairs of the APPG on Commercial Radio



Overview

The APPG on Commercial Radio represents a thriving industry that operates in a highly competitive market, generating over £679m in advertising revenues in 2017. This is expected to rise to over £700m in 2018. In addition, a weekly audience of 36 million people listen to commercial radio's mix of music, entertainment, news, travel and local information.

The world of radio and audio is evolving rapidly, with more content and more ways of listening. In collaboration with Radiocentre, the industry body for commercial radio, this new report explores the ways in which radio is adapting to these changes, but still providing essential public value to audiences and businesses across the UK.

It includes new data on the regional impact of commercial radio and highlights the important return on investment (ROI) enjoyed by local advertisers, as well as a summary of the sector's role in providing news and information, charity and community work, and the investment in new technology and the workforce.

Headline findings

- New data provided for this report found that the return on investment for local advertisers is estimated to be **£1.6bn** annually
- Commercial radio supports more than **12,000** jobs (including over 4,000 people who are direct employees)
- In 2017 alone, commercial radio stations raised **£30m** for good causes
- This report finds that on average each station provides around **10 hours** of news, travel and weather output each week, made up of dozens of bulletins every day
- Radio is the most trusted medium for national news – **77%** trust radio, compared to 15% who trust social media.

While there is no doubt that commercial radio is at the epicentre of the audio revolution it is vital that Government, Ofcom and our fellow parliamentarians are not complacent in the face of strong competition, both domestically and internationally. Our recommendations aim to help support the important public value provided by commercial radio in a digital world.

Recommendations

This report provides significant evidence of the value of commercial radio across the UK. But it is also clear that the world of radio and media is changing fast.

Therefore we have developed a series of key recommendations for Government and Ofcom that we believe are crucial in order for commercial radio to continue to thrive.

Commitment to local news

We recognise commercial radio's important contribution to providing local news and information. Therefore we support the Government's commitment to make changes to commercial radio regulation which will protect local news for the future and support the viability of local stations. DCMS should commit to a clear timeframe for a package of legislation to be introduced, making the necessary changes before 2022.

Operational freedom

We welcome the changes to Ofcom's Localness Guidelines (October 2018) which will give operators more freedom to use technology and focus on providing the best service for listeners. We call on the regulator to carry out a further review in 12 months' time, to consider the impact of these changes and explore options for exercising further flexibility under the current rules.

Digital world

We note the planned DCMS review of the radio market, now that combined digital listening has reached 50%. Digital radio provides significant benefits for listeners and audiences and its growth should be welcomed. However, radio will continue to be multiplatform for the foreseeable future so there should be no premature switch off of FM. Should there be a switchover in future, we urge the Government to confirm that small commercial stations will be given freedom to choose when they stop broadcasting on FM.

Embracing diversity

We welcome Ofcom's *Diversity and equal opportunities in radio* report and call on the entire radio industry to work together – building on a number of successful initiatives currently underway – in order to address Ofcom's recommendations and better reflect the diversity of the UK.

The public value of commercial radio

News and information

Commercial radio is renowned for providing music and entertainment to millions of people each week. However, the news, information and speech provided in-between the music is also extremely important to listeners.

New data collected for this report reveals how every day a typical commercial radio station provides dozens of bulletins keeping listeners up-to-date with the latest news, weather and travel.

Typical number of daily bulletins



News



Weather



Travel

This vital public service output is provided free, in bite-sized bulletins and headlines throughout the day and is really valued by listeners. Radiocentre research¹ found that 9 out of 10 listeners (88%) declared themselves to be interested or very interested in keeping up-to-date with the latest news. 8 out of 10 listeners (79%) also agreed that listening to commercial radio gives them helpful, concise updates on the news throughout the day.

The consistent stream of up-to-the-minute news output on commercial radio is evident across stations of all shapes and sizes.

¹ <https://www.radiocentre.org/policy/breaking-news/>



Scrutiny of elected representatives is vital in a healthy democracy. Major political events and interest in them over recent years has led to more listeners than ever turning to LBC. It's not just listeners that are new to the station – popular hosts such as Nick Ferrari, James O'Brien, Shelagh Fogarty and Iain Dale were joined in 2018 by BBC Radio 4 veteran Eddie Mair (pictured).

Cutting-edge technology also means that traditional voice clips can now be shared as an HD video across social media within minutes of an interview being conducted.

Emergencies

The public value of commercial radio is perhaps best encapsulated during times of emergency. At these crucial times commercial stations are extremely well placed to provide listeners with up-to-the-minute coverage of both local and national emergencies. Major incidents trigger well-rehearsed plans that enable stations to alter programming and get journalists on the ground to provide audiences with trusted, accurate information.

Covering breaking news always requires a tailored response. There are numerous examples of incredible responses that radio stations have provided to recent significant events – from terrorism to national weather emergencies – with implications across the nation.

For those on the move, the latest travel bulletins are essential for keeping journey times down and during major weather events local updates provide vital information to listeners.

During an emergency local commercial radio stations regularly provide:

- breaks from national/network programming for local updates
- on air flash alerts in addition to scheduled news bulletins
- reporters on the ground
- extended overnight coverage
- breaking news online and across social media.



Beast from the East

During major weather events, commercial radio listening and social media engagement spikes.

In early 2018, when the 'Beast from the East' hit, school closures, blocked roads and travel disruption led the headlines, and the radio industry went into overdrive to keep listeners informed. Presenters, journalists and other station staff all went the extra mile. This extraordinary commitment to locally-relevant news and information reinforces why commercial radio remains the go-to medium in times of crisis.



News production

The range and quality of news output provided on commercial radio is only possible because of continued investment in journalism.

This is evident at a national level with stations like LBC and talkRADIO, as well as the central resources supplied by Independent Radio News (IRN). In addition, there are hundreds of journalists working for commercial radio stations at a local level, compiling news stories for a local audience.

This comes through strongly in terms of the news content on commercial stations, with the vast majority of news output in daytime being devoted to local news stories – 63% on average.

A continued commitment to professional journalism and relevant local news is vital – and it is encouraging that broadcasters, Ofcom and Government all seem to agree on the need to secure this now and in the future.

However, research has also consistently found that relevant output is more important to listeners than the location of where programmes are produced. Ofcom Chief Executive Sharon White highlighted findings to this effect to Government in 2016², when asked to provide an assessment of the evidence.

Against this background, it is right to look at ways that news and information output can be supported, while providing flexibility on some of the other regulatory requirements concerning the way content is produced. The Department for Digital, Culture, Media & Sport (DCMS) has outlined a sensible approach to this question in a report into commercial radio deregulation³.

In parallel Ofcom has also confirmed (October 2018) that it will go ahead with proposals to relax the number of locally produced hours, but retain the existing requirements on news output. This is welcome and has been supported by the industry. In practice this will mean that local commercial radio stations that wish to take advantage of the opportunity to use technology to share more of their content can do so, while still providing regularly refreshed local news output during daytimes.

On average local news output during daytime is made up of



“
Our research suggests where programmes are made is of less concern to listeners than quality and local relevance.”

Sharon White
Chief Executive
Ofcom

² https://www.ofcom.org.uk/__data/assets/pdf_file/0030/76908/letter_to_ed_vaizey_mp_230216.pdf

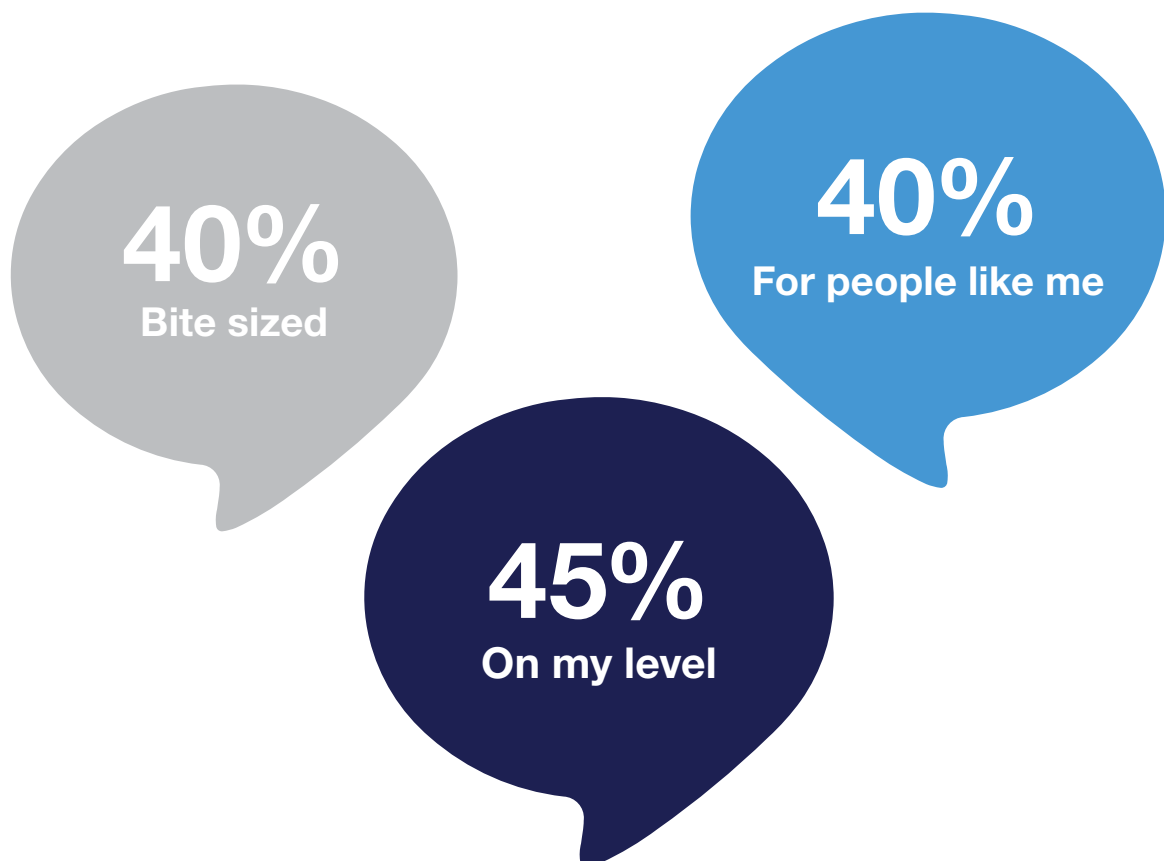
³ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/668926/Commercial_radio_deregulation__Government_response_final.pdf

Value for audiences

Commercial radio's role in providing regular, concise news updates throughout the day is broadly accepted and understood.

However, it is also vital to consider the impact that this has on audiences as they go about their daily lives. Recent research⁴ conducted by Radiocentre in a report called *Breaking News* considered this value for listeners, providing a perspective on how much they really value news content and how this compares to other media in different contexts.

When asked which words best describe the news updates available on commercial radio some of the most common responses were:



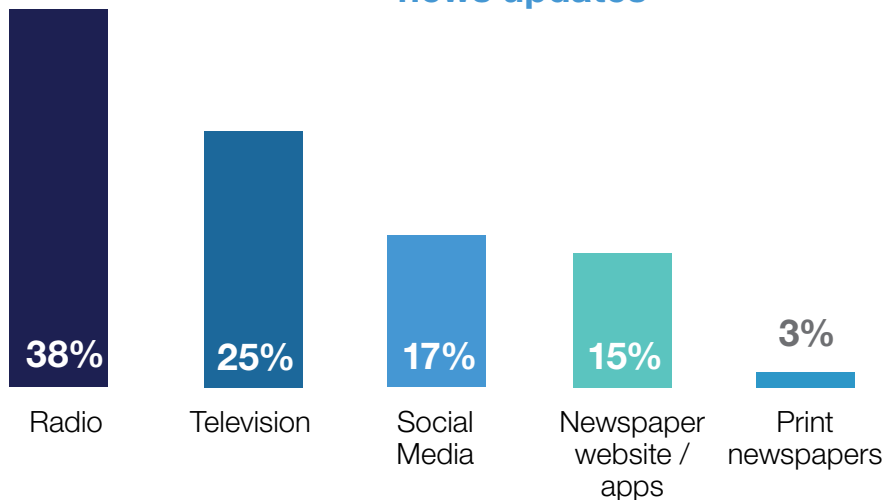
Questions were also asked to establish the scale of radio news, the role of radio news and the level of trust in radio news.

⁴ <https://www.radiocentre.org/policy/breaking-news/>

Scale of radio news

Commercial radio continues to play an important role providing news and information. With 36 million listeners tuning in every week and over 26 million followers on social media the number of people getting news and information from commercial radio is at an all-time high. Despite the availability of news from multiple-sources (smartphones, digital platforms) listeners still really value the updates and regular bulletins provided by radio, more so than any other media.

Which single news source is most useful for regular news updates



Question: Please can you tell us which news source you find most useful for the following?

Role of radio news

Commercial radio is a key source of regular news updates throughout the day. *Breaking News* underscores commercial radio's strengths as a news provider, especially in certain contexts and at particular points throughout the day.

Listeners said they also value regular news updates:

- during local emergencies (when 60% turn to radio)
- in the morning (when 83% turn to radio)
- in the car (when 85% turn to radio)

Trust in radio news

Radio is considered the most trusted medium in an era of fake news. Radio is consistently found to be the most trusted source of news and information available to audiences in the UK and Europe. This was confirmed by the *Breaking News* survey.

Radio is the most trusted medium

Radio

77%

Television

74%

Print newspapers

48%

Newspaper website / apps

45%

Social Media

15%

Question: To what extent do you trust national news stories from each of the following news sources?



Economic value

Compared to other media or business sectors commercial radio is relatively small in revenue terms. In 2017 the whole sector generated £679m in advertising income. In contrast television generated £5.1bn and national newspapers over £1bn.

However radio does have a significant economic impact overall, due to the strong return on investment for advertisers, its geographical spread across all parts of the UK, and its range of economic activities, such as sponsorships and other promotional opportunities.

The most comprehensive study into the economic impact of commercial radio was conducted by Oxford Economics in 2016⁵. This reported the following conclusions:

- Commercial radio supports **£683m** in gross value added (GVA) to the UK economy
- **12,340** jobs are supported by commercial radio (including **4,410** direct employees)
- Productivity is high, with each employee generating around **£70,200** in gross value added
- Value to music sales is estimated at **£103m** (plus over £50m in music rights payments).

Local return on investment (ROI) – £1.6bn

Radio advertising revenue is the principal income stream for commercial radio, enabling its content to be provided to listeners for free. This advertising spend also provides a substantial boost to the UK economy and businesses. Part of this boost is through the return on investment (ROI) that advertisers enjoy as a direct result of investing in the medium.

Previous research conducted by the analysts Holmes & Cook⁶ has found that radio provides an average return on investment for advertisers of £7.70 for every £1 they spend. Applying this to advertising revenues for the entire industry means that the total ROI is £5.2bn.

New analysis conducted for this report has also sought to break this down to the local and regional level for advertisers, providing a summary of the ROI provided across all parts of the UK. It found that the total annual value for local advertisers alone was over £1.6bn, underscoring the benefits of local radio advertising around the country. These results are particularly important for SMEs looking to invest in advertising.

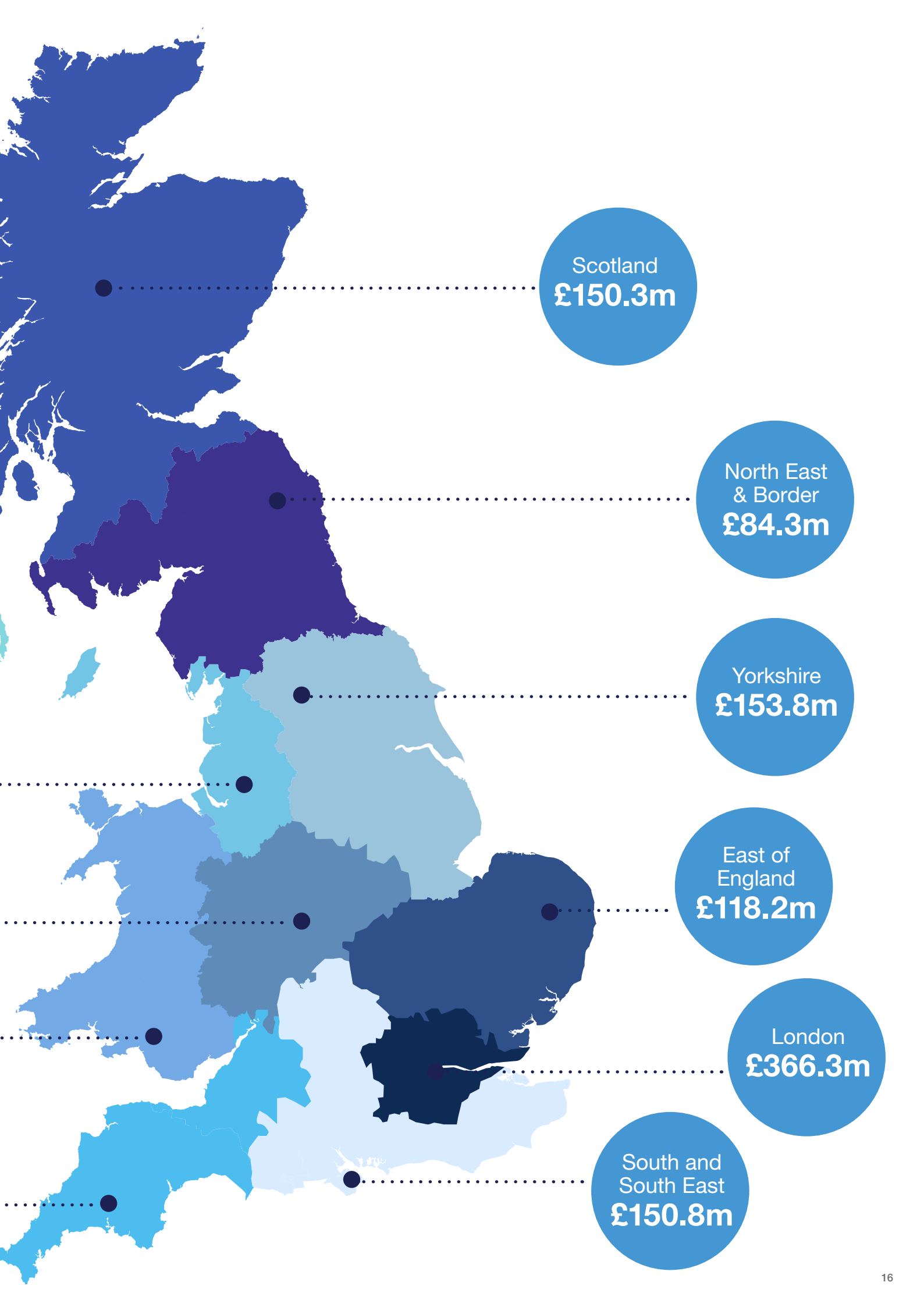
⁵ <https://www.radiocentre.org/wp-content/uploads/2016/06/The-economic-impact-of-commercial-radio.pdf>

⁶ <https://www.radiocentre.org/roi-multiplier/>

£1.6bn return on investment for local advertisers



Radiocentre's regional ROI analysis is based on local advertising revenue and underpinned by Radiocentre's ROI multiplier research, which shows that brands using commercial radio in the UK get their money back 7.7 times on average and, in many sectors, radio offers the best ROI of any media.



Scotland
£150.3m

North East
& Border
£84.3m

Yorkshire
£153.8m

East of
England
£118.2m

London
£366.3m

South and
South East
£150.8m

Charity and community

Support for charity

Alongside the news, travel and weather bulletins, commercial radio raises significant sums for good causes every year. In 2018 alone over **£30m** has been raised for charity.

Charities advertising through radio also benefited from a £302m return on investment – based on an indicative annual spend of £18.1m in 2018. This figure is based on paid for advertising campaigns and does not include the value of additional editorial airtime dedicated to championing good causes.

Global's Make Some Noise

Global's *Make Some Noise* is a national charity that funds and empowers projects, helping disadvantaged children, young people and their families across the UK.

These small charities are often the only place for families to turn to when their lives suddenly change. *Make Some Noise* funds vital equipment and life-changing services to help children and young people through challenging times, including therapy, counselling, nursing and support groups.

As a result of the donations many charities can bring to life a new project that's desperately needed in their communities. For others, it means they're able to continue running the only service of its type in the UK. *Make Some Noise Day* 2018 raised £4,198,678 in just one day. This was followed by *Make Some Noise Night* which raised over £1m over the course of a single evening.



Bauer's Cash for Kids

Bauer's *Cash for Kids* is a network of local charities which operate across 22 areas around the UK. *Cash for Kids* utilises the power of Bauer's radio brands to deliver initiatives for disabled, disadvantaged and vulnerable children in order to give them a better future. Major campaigns include Superhero Day and Mission Christmas.



Superhero Day

A day dedicated to helping local children, all manner of Superhero themed local events contribute to the fundraising for the campaign, many often organised by generous listeners, and localised programming content puts the well-being of local children at the heart of a fun, engaging day of radio.

Mission Christmas

The Christmas campaign is the jewel in the *Cash for Kids* crown and concentrates on listeners donating a gift or cash for a local child who would otherwise go without at Christmas. Local social services and other agencies identify the children most at need, many of whom are in care homes and refuges.

Where's Your Head At?

Bauer is a key supporter of the *Where's Your Head At?* campaign, which aims to improve the mental health of the nation by ensuring employers look after the wellbeing of their workforce.

A core focus of the campaign is the call to make it compulsory to have a mental health first aider at work. A petition with over 200,000 signatures was delivered to the Prime Minister at Downing Street in October 2018.

Mental health minute

Mental health has rightly received a significant increase in media attention in recent years. On Tuesday 15th May 2018 during Mental Health Week the radio industry – commercial radio, BBC stations and community radio – joined together in an historic first to broadcast a special one minute message on the importance of talking about mental health issues.

The minute was broadcast on over 400 radio stations, reaching 19 million people. National and international press coverage of the event was extensive and tweets using *#MentalHealthMinute* reached over 100 million accounts.

The message (below) included Their Royal Highnesses The Duke of Cambridge and The Duke of Sussex, along with Lady Gaga, Dame Judi Dench, David Harewood and Dame Jessica Ennis-Hill.

Right now for the very first time, radio stations all over the UK are coming together to broadcast the same thing, at the same time. Hundreds of stations, millions of listeners.



Because no matter who you are, or what station you listen to. News or New Wave. Politics or Punk. Gershwin or...Lady Gaga.



All of us have moments when life is tough. And sometimes you just need someone to talk to. Because taking care of your mental health is important for everyone. Whether you listen to songs by Prince on the radio to get out of your head – or you're an actual Prince on the radio...

Just starting a conversation on mental health could make all the difference. When you talk about something you have less reason to fear it.



If you do have the courage to speak about it, you really can make things better.

This simple message can make a big difference. That's why radio is coming together today to talk about mental health.



How are you feeling today? It's okay to say.

Commercial radio people

At the heart of commercial radio are the passionate and talented individuals (over 4,000 of them working across the UK) that make up this unique and important industry.

Commercial radio is more than just a collection of stations. For example, the two biggest radio groups — Global and Bauer — run two very different academies that are helping to train the next generation of media professionals. Several radio companies have also embraced apprenticeship schemes that focus on equipping talented young individuals with the skills they need to thrive in the radio and audio industry. In addition there is recognition that the sector has the potential to make a real difference in terms of diversity and inclusion.

Diversity

Diversity is an extremely broad subject that is, rightly, receiving increased attention. With around 36 million listeners commercial radio has a diverse audience. Local commercial radio listeners are also typically younger, more ethnically diverse and of a lower socio-economic classification (C2DE) than other radio services. In addition, a quarter of local commercial radio listeners (6.5 million) do not tune in to any other type of radio service.

In terms of radio stations themselves, specialist music stations now play a bigger role than ever in making available an unprecedented volume and breadth music tracks, with choice from dedicated Asian stations like Sunrise and Panjab Radio to London Greek Radio and Capital XTRA. However it is important to gauge the make-up of the people within the industry.

In 2018 Ofcom published for the first time a comprehensive survey of the radio industry. The report, *Diversity and equal opportunities in radio*⁷, highlights key findings from radio broadcasters that Ofcom regulates and explores how they compare in promoting equality of opportunity, diversity and inclusion.

There is recognition amongst the industry that more can be done to improve diversity. For example, Radiocentre has been working with the entire sector in order to address the issue, seeking support from the Employers Network for Equality & Inclusion to draw up a diversity statement for commercial radio and outline next steps.

⁷ <https://www.ofcom.org.uk/tv-radio-and-on-demand/information-for-industry/guidance/diversity/diversity-equal-opportunities-radio>

There's no doubt that commercial radio offers listeners a large amount of choice, and in recent years there has been significant growth of stations which cater to minority audiences. Work has also been undertaken with various partners, including Creative Access, the BBC, the Advertising Diversity Task Force, the Creative Diversity Network, Creative Skillset and the Employers Network for Equality & Inclusion.

We welcome Ofcom's work in this area and recognise the steps that have been taken by commercial radio to address this important issue. However, we call on the industry — commercial radio, the BBC and community radio — to work together further in order to explore practical ways in which greater diversity can be achieved.

With younger audiences on average than other radio services it is vital for commercial radio to embrace new talent in order to address increasing competition from streaming providers. The following section highlights some of the schemes and initiatives undertaken by broadcasters specifically targeted at young people.

Education and Training

Global Academy

Global, the media & entertainment company behind Heart, Capital, LBC and Classic FM are the driving force behind the Global Academy. In September 2016, the Global Academy (a University Technical College) welcomed its first students.



Global recognises that it is crucial to equip students with the proper technical, business and creative skills they need to work in the broadcast and digital media industry, and to help them connect their core studies with vocational skills in a practical and entrepreneurial way.

The Academy has a partnership with the University of the Arts, London (UAL) which enables them to offer a rigorous and challenging curriculum. The students study for GCSEs and A-Levels plus a qualification in Broadcast & Digital Media.

Bauer Academy

The Bauer Academy is the educational division of Bauer Media, which operates popular radio brands such as Absolute, Kiss, Magic and Jazz FM. The Bauer Academy is a government registered training provider with the Skills Funding Agency and delivers AIM Award qualifications, providing multimedia training at 22 sites across the UK.



The Academy has a team of leading academics working alongside media professionals to design and deliver media, digital and creative skills training to a wide range of individuals that make a difference to individuals, communities, and businesses.

Unlike many other academies and colleges, Bauer Academy tutors work inside the industry to provide cutting-edge training that brings learners into the workplace and takes them behind the scenes of some of the UK's biggest brands.

The Bauer Academy provides training programmes across the UK, and is currently delivering *Making Creativity Work* in London. Funded by the European Social Fund, *Making Creativity Work* provides training to over 1,200 unemployed people. Over 400 people have already progressed to employment.



Young ARIAS

The Young ARIAS are a new awards scheme for 8-18 year olds who love audio. Thousands of under 18s across the UK are actively involved in making great audio in nearly a thousand schools, along with community stations and podcasts.

The radio industry wants to showcase their passion and shine a spotlight on their talent, highlighting the appetite young people have for audio and giving under 18s from all backgrounds a chance to work in the media industry.

The awards were announced in early 2018 and the first awards ceremony will be in spring 2019.

Apprenticeships

Global launched its first Apprenticeship Scheme in September 2018 with the aim of providing entry level career opportunities for individuals with minimal or no previous media experience. Global worked with its own school, the Global Academy, to offer 14 students apprentice positions in programming, marketing, digital and commercial. Alongside the Apprenticeship Scheme over 85% of the first graduating cohort from the Global Academy are now employed or training in the creative industries.



As a government approved Apprenticeship Training Provider, the Bauer Academy specialises in creating bespoke apprenticeship programmes. Aligned to company culture and strategy, these programmes develop both entry-level talent and upskill existing employees.

Within Bauer, the Academy provides apprenticeship training to almost 200 people. This not only upskills the existing workforce but links new entry level places to Bauer's diversity agenda by ensuring underrepresented groups are targeted and supported into roles.

Externally, the Bauer Academy helps employers make the most of their apprenticeship levy by designing customised programmes that specialise in journalism, creative content, digital marketing, leadership and sales. What started out as initiative to create 'home-grown talent' for Bauer has gone from strength to strength, with the Bauer Academy now benefiting thousands of individuals and businesses each year.







Future of radio

There is currently a boom in the range of radio and audio content available to audiences, fuelled by digital technology and the growth of new platforms.

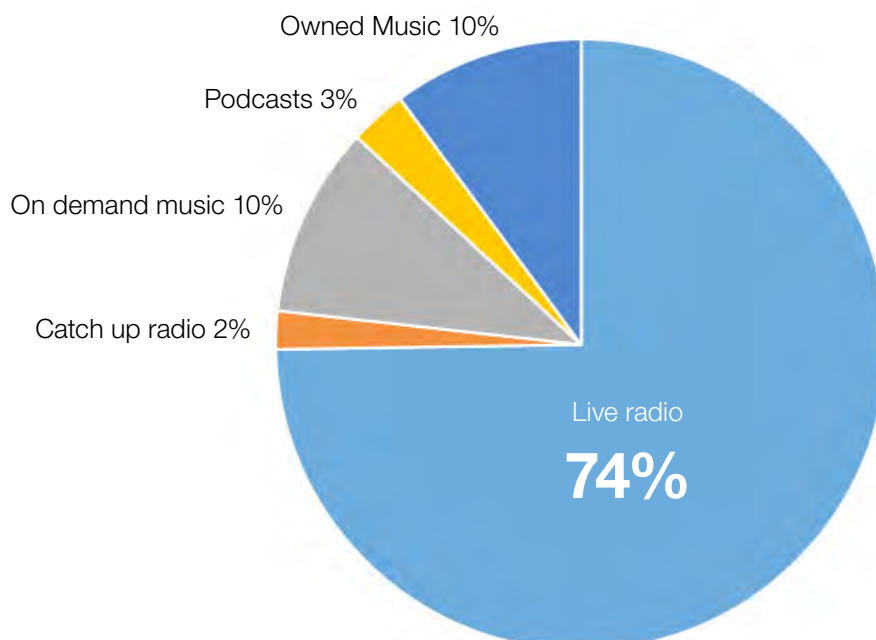
There are now more radio stations than ever in the UK, broadcasting on a combination of FM, AM, DAB and online, serving audiences of all types with different combinations of music, entertainment, news and speech. This is complemented by the growth of music streaming services and podcasts.

This choice of different kinds of audio, meeting different needs in different contexts, has helped retain an interest in audio from listeners and advertisers.

In the long-term this may pose a threat to radio's role as the primary form of audio entertainment, yet so far it appears to have actually helped re-invigorate the medium. According to RAJAR, the industry audience measurement body, the total amount of time spent listening to audio has increased by 9% in the past two years, despite the range of other entertainment opportunities and distractions available.

Live linear radio is still key and the biggest proportion of listening to audio in the UK (74%). Listening to podcasts (3%) and on-demand radio (2%) are still at relatively low levels, but do provide an opportunity to reach specific types of audience.

Share of audio listening (All adults 15+)



Source: RAJAR MIDAS Autumn 2018

Digital listening

In total 9 out of 10 adults in the UK tune into radio every week, listening to a mix of services on analogue platforms (FM and AM) and digital (DAB and online).

Analogue listening remains crucially important, with FM still the biggest single platform. However, it is declining and digital listening is gradually increasing. Ultimately this is a reflection of the benefits of digital radio and the greater range of choice it provides for listeners.

In May 2018 the figure for combined digital listening reached 50% for the first time. This was the threshold that Government had set to trigger a review of the radio market and to reconsider the question of digital switchover.

There is a general consensus across the radio industry (both commercial and the BBC) that the multiplatform delivery of radio should continue for the time being, so any move to switch off FM would be premature. While significant progress has been made in growing digital radio there is more work to do, particularly in cars and improving coverage on major roads and in the nations.

DCMS is now set to conduct a review in 2019. The APPG calls on Government to use this exercise to consider measures that will help maximise the benefits of digital radio. This could include further work on some of the following areas:

- examining research into consumer attitudes to digital radio and commissioning new work
- assessing any gaps in DAB coverage (particularly on roads) and proposing solutions
- mandating digital capability in radio receivers alongside FM (in line with a recent EU Directive) and guaranteeing broadcast radio in cars in future
- commissioning a new and updated cost benefit analysis of any switchover
- ensuring a route to digital broadcasting for all stations, whatever their size.

Small-scale radio

It is important to ensure that smaller commercial stations are afforded the opportunity to thrive in future. Small-scale DAB is therefore a welcome new technology.

We support improved collaboration between small-scale commercial radio and community radio and aim to meet with both groups in parliament shortly to discuss opportunities in more detail.

It is vital that the implementation of small-scale is not undermined by DCMS, which is in the process of introducing a new small-scale DAB multiplex licensing structure in a manner that could exclude some local commercial operators.

Deregulation

As noted earlier in this report, news and information output should remain the key focus for any future regulation of radio.

In order to secure local news for the future on DAB stations (where it is not currently required – although generally provided for local services), the Government needs to follow through on its commitment on commercial radio deregulation which it outlined in December 2017. Specifically, DCMS should commit to a clear timeframe for a package of legislation to be introduced, making the necessary changes before 2022.

The interim changes introduced by Ofcom in October 2018 (revising its Localness Guidelines) go some way to helping commercial radio stations organise their operations for the future and are a welcome first step towards deregulation. However, we are concerned that some stations (for example in Scotland and Wales) could be disadvantaged so would urge the regulator to review this matter again in 12 months' time, with a view to exercising further flexibility under the current rules where possible.

Audio Content Fund

In October 2018 the Government announced a new £3m fund for radio content to support a broad range of public service output on a wider spectrum of UK radio stations. The Audio Content Fund will create new opportunities for commercial broadcasters and producers to make content that adds to listener choice, and will be a chance to hear from new voices and increase diversity representation, both on and off air.

The fund will open formally in early 2019 and run as a pilot scheme for three years. All applications will be judged against a set of agreed criteria by an independent panel and will require a guarantee of broadcast from an Ofcom-licensed radio station. We welcome this approach to investment in high quality audio content and hope this scheme will be extended beyond the initial pilot phase.

About

The All-Party Parliamentary Group (APPG) on Commercial Radio is a group of cross-party parliamentarians with an interest in the radio industry. It was founded to provide a better understanding between broadcasters and parliamentarians about the vital role that radio plays in our communities and our economy.

Acknowledgements

The APPG would like to thank Radiocentre for organising its work in 2018 and its help in drafting this report.

Radiocentre is the industry body for commercial radio and works on behalf of over 50 stakeholders who operate around 300 licensed radio stations across the UK and represent 90% of commercial radio in terms of listening and revenue.

www.radiocentre.org

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The views expressed in this report are those of the group.