

Consultation: Localness on commercial radio Jon Heasman Ofcom Riverside House 2A Southwark Bridge Road London SE1 9HA

1<sup>st</sup> August 2018

Dear Mr Heasman,

## COMMERCIAL RADIO APPG RESPONSE TO OFCOM CONSULTATION 'LOCALNESS ON COMMERCIAL RADIO'

This submission is made on behalf of the All-Party Parliamentary Group (APPG) on Commercial Radio. The group works closely with Radiocentre, the industry body for commercial radio, which also provides us with secretariat support. We have seen Radiocentre's detailed response on behalf of the sector which we endorse.

The APPG welcomes this consultation on Ofcom's localness guidelines for local commercial radio stations. The last time these guidelines were revised substantially was in 2010, following a review that ran in parallel with the implementation of changes introduced by the Digital Economy Act. Since that time there have been significant changes in the radio, audio and media sectors. A Government review of commercial radio regulation has also taken place, followed by a policy statement supporting a more level playing field between analogue and digital services.

As Ofcom notes in its latest research, there have been considerable shifts in consumer behaviour and listener expectations of local commercial radio in recent years. Over 50% of total radio listening is now on digital platforms which are not subject to the same level of prescriptive content regulation as analogue services (on FM or AM). A relatively small but growing proportion of all audio listening time is also now taking place through on-demand services such as Spotify and Apple Music.

This background suggests that it is now appropriate to consider ways in which these rules are applied and the degree of flexibility that is possible, while protecting and prioritising local news and information output. In the longer term this is likely to require changes to the current legislation in order to support this local output in future and remove detailed format requirements. We note that Government has said that it is committed to a new legislative structure for radio prior to 2022, with the precise scheduling of this depending on the availability of parliamentary time.

For the time being Ofcom is right to re-examine its flexibility under the current legislation and make specific proposals to modernise the framework for local commercial radio. Our responses to the four main consultation questions are summarised below.



- We agree that Ofcom's duty to secure 'localness' on local commercial radio stations could still be satisfied if stations were able to reduce the amount of locally-made programming they provide. The wording of the legislation means that Ofcom has a significant degree of discretion to make changes to the specific number of hours of locally-made programming at different points throughout the day. Changes in the market, the proliferation of new services and increased competition mean that it is the right time to do so.
- We support the specific proposal to amend the requirements on locally-made programming. The proposed amendments to Ofcom's guidelines will reduce the quota of hours required from a local studio and prioritise the provision of local news and information. These changes seem appropriate and in line with the minimum levels required by most operators.
- We agree that the current approved areas should be revised. This will enable more stations co-locate and share all of their locally-made programming hours, effectively allowing them to come together and become more viable. Some commercial operators would like to see small amendments to the new approved areas that are being suggested. In addition, where there are proposals to combine stations across adjoining approved areas Ofcom should will treat these favourably. We would encourage further discussion with the industry on these points.
- We agree the proposed amendments to the requirements for local material. As we understand it these changes will enable a continuing emphasis on local material while reflecting changes elsewhere to locally-made programming. Local material (especially local news) remains an essential part of the commercial radio's output and it is important that operators remain committed to supporting the provision of this content now and in the future.

We hope that these comments are helpful. In due course, the APPG would welcome the opportunity to discuss the implementation of these proposals, which we believe will be to the benefit of commercial radio and its listeners.

Yours sincerely,

The Rt Hon Ed Vaizey MP Co-Chair APPG on Commercial Radio

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Steve McCabe MP Co-Chair APPG on Commercial Radio

Baroness Olly Grender Co-Chair APPG on Commercial Radio