

## MEDIA BILL SECOND READING – HOUSE OF LORDS BRIEFING NOTE FEBRUARY 2024

### INTRODUCTION

**The UK radio industry (BBC, commercial and community radio) is united in its support for the Media Bill**, which was introduced to the House of Lords on 31<sup>st</sup> January. This is a timely vehicle for enshrining in legislation the support that is necessary to secure the future of radio for listeners, ensuring a more level playing field between the tech platforms and UK broadcasters who continue to deliver significant public value.

The Media Bill is the first major piece of media legislation since the 2003 Communications Act and is urgently needed to support UK broadcasters in the streaming age. These proposals have been subject to extensive consultation and scrutiny over several years.

Last summer, the Culture, Media and Sport Select Committee completed its pre-legislative scrutiny of the draft Media Bill, and its report on radio strongly backed these important measures. There has subsequently been **strong cross-party consensus on the radio clauses** (Parts 5 and 6) as the Media Bill progressed and was successfully passed by the House of Commons.

### IMPORTANCE OF RADIO

UK radio listeners are well served by a diverse mix of national, regional and local broadcasters, from commercial radio and the BBC, with 9 out of 10 of the adult population tuning in every week. Broadcasters also make a substantial contribution to the economy and creative industries, with BBC radio and commercial radio combined generating over **£1.5bn in gross value added to the UK economy**.

Commercial radio stations, which reach **over 39 million listeners**, are an important source of trusted, reliable news and make a significant investment in journalism across all parts of the UK, broadcasting over **10,000 bulletins every week** and employing hundreds of journalists.

### INDUSTRY POSITION ON PART 5 OF THE MEDIA BILL

Part 5 of the Bill impacts commercial radio services, with the main focus on removing outdated regulatory burdens on analogue licences. The commercial radio sector welcomes these changes which are long overdue given rapid changes in listening habits.

The proposed changes **safeguard news and information on local commercial radio**, while simplifying the remaining rules on formats and production quotas for local analogue stations (FM and AM). The government originally recommended reform – with the support of Ofcom – back in 2017 and the Media Bill is the first relevant legislative vehicle.

It should be noted that the vast majority of commercial radio services and listening are not directly affected by these changes – as 79% of listening to commercial radio is now on digital platforms (DAB and online) and services provided on DAB and online are not subject to this analogue regulation. These changes will therefore not affect the unprecedented range of choice of music and speech now available across commercial radio.

In a world of almost infinite choice and competition, it is right to revisit regulation on local analogue stations which was devised in the pre-internet era of the 1980s. These changes will support investment by broadcasters and the long-term sustainability of these stations.

## PART 6: REGULATION OF RADIO SELECTION SERVICES

The UK radio sector (BBC, commercial and community radio) is united in its support for Part 6 of the Bill, which safeguards the future of the industry on voice-activated devices.

The government recognises the significant public value provided by broadcasters (support that is echoed across the political spectrum) and the proposed measures are a proportionate safeguard against the risk posed by the significant market power held by tech platforms, which play an increasingly important role in the distribution of UK radio services.

As listening habits shift, radio's growing reliance on tech platforms increases the risk of an abuse of market power – with platforms currently at liberty to impose charges for access to UK radio, push listeners to their own radio-like services, or insert their own advertising spots into UK radio streams.

Part 6 will help guarantee access to UK radio services on voice-activated smart speaker platforms (such as Amazon Alexa, Google Assistant and Apple Siri), including voice-activated systems in connected cars, by introducing new powers.

- **A listeners' choice of station should be provided reliably** in response to a voice command, not re-routed to competing radio-like services from e.g. Apple or Google (self-preferencing)
- **Smart speaker platforms should provide unfettered access** (without charging) to radio stations licensed by Ofcom.
- **Broadcasters can request a default route for their stations** to be delivered to listeners on smart speakers, for example via Global Player, Rayo, BBC Sounds, Radioplayer or TuneIn.
- **Platforms should not overlay additional content**, such as unauthorised advertising, over the top of radio services (with some limited exceptions).

During the House of Commons committee stage Radiocentre proposed several amendments that would help to future proof the legislation. The government confirmed in the debate that it would keep the issues raised under review and provided helpful clarification on a number of technical areas. However, we believe that the Bill could be further improved with amendments that would future proof the regulation in Part 6 (see below).

### SPEAKING POINTS FOR SECOND READING

**Favourite station example:** Highlight the value provided by your own choice or national or local radio stations in providing entertainment, companionship and trusted news and information, particularly during times of emergency.

**Importance of safeguarding radio:** While listening habits are shifting online there are more ways to listen than ever and audiences are now spoilt for choice. Smart speakers are a great new technology with lots of opportunities for broadcasters but as they grow in importance it's vital to provide some safeguard measures (which have cross-party support in parliament).

**Ways to improve the Bill:** It is important that the (Part 6) framework is future-proofed and keeps pace with changes in listening – this could be achieved by extending the legislation to cover:

- Non-broadcast online content such as catch-up radio, online-only radio stations and podcasts.
- Access to radio in cars, which accounts for a quarter of all radio listening, by bringing (non-voice activated) infotainment systems within the scope of the regulation.