



MEDIA GROUP

Holding the BBC to account for the delivery of its mission and public purposes

A response to the Ofcom consultation by Bauer Media Group

July 2017

Introduction

Bauer Media UK welcomes this opportunity to comment on Ofcom's proposals for holding the BBC to account for the delivery of its mission and public purposes.

For the past 95 years the BBC has played a vital role in the life of the nation through its original mission to inform, educate and entertain, and latterly through its stated public purposes. It is generally loved by audiences and much of its output is world class.

However the BBC is a huge organisation which is publicly owned and funded by a hypothecated tax on any household that watches television. Its primary duty therefore is to serve the public, but its size and the enormous range of its output means that it dominates the broadcasting landscape in the UK. This is true nowhere more than in radio, where the BBC takes over half of the total audience, and where the funding of BBC radio stations dwarfs the revenues of commercial competitors. No matter what high ideals it has about distinctiveness, the history of the BBC shows that it has often been ruthless in its ambition to compete head-to-head with commercial services and to maximise its own audiences. So in order to ensure that the BBC does not unfairly compete with the commercial sector it is vital that it is constrained, particularly in those areas where the commercial sector can and does provide attractive and popular services, and that it is properly held to account.

As was recognised in the debates leading up to the new Charter period, a single body cannot be both cheerleader and regulator for the BBC and so the new Charter and Agreement sets out roles for Ofcom and the new BBC Board. Under this new structure, the BBC Board sets the strategic direction for the BBC, sets the budgets for its services and assesses performance, while Ofcom sets regulatory conditions for services in the operating licence(s). The regulation of the BBC is not, nor should it be, a shared responsibility; that duty falls solely to Ofcom.

We are not convinced that this new framework is as robust as it could or should be.

For example, the BBC is required to produce and publish an Annual Plan which must include the creative remit for that year; the work plan for that year; provision for the United Kingdom's nations and regions; provision for the World Service; and the BBC's proposals for how it will comply with its general duties including measurable criteria to assess compliance. This is similar to the requirement on the UK's other publicly-owned Public Service Broadcaster, Channel 4. However, we note that there is a significant difference in Ofcom's role as between the BBC and Channel 4. In the case of Channel 4 Ofcom is required to engage with Channel 4 and comment on the organisation's strategy for achieving its remit. There is no such provision in the case of the BBC and we believe this is a missed opportunity to ensure greater accountability.

In its newly published Annual Plan, the BBC asks for feedback from stakeholders, but it provides no assurance that it will act on any of that feedback or change its plan in any way, except that it will produce a final version after Ofcom publishes its finalised Operating Licence later this year.

It is good that the BBC has to produce an Annual Plan, but the BBC is not accountable to Ofcom for the promises in that Annual Plan and its contents are therefore not effectively regulated. Leaving such things as audience targets for the BBC to specify in its Annual Plan is therefore to leave such things outside the scope of regulation.

Nevertheless, now that the new Charter and Agreement is in place it is imperative that Ofcom takes an approach to regulation which is as robust as possible.

The consultation states (para 4.13) that *“there is no requirement for each individual service to have a standalone licence, nor is it mandatory for every single BBC service to be subject to regulatory obligations. There is also no requirement for each individual service to be reviewed during the Charter period, as was previously the case. This reflects the fact that the regulator is not responsible for setting the detail of how each service should be run...”*

Ofcom made it clear on a number of occasions leading up to the finalisation of the new Charter and Agreement that it did not want the responsibility for regulating the BBC and we are concerned that this reluctance continues to be apparent to some extent in Ofcom’s approach in this consultation; in particular in Ofcom’s definition of what is “strategy” that should be left to the BBC Board, and what is “regulation”.

How Ofcom interprets its obligations under the terms of the Agreement is vital. So, just because there is not a mandatory requirement for every BBC service to be subject to regulatory obligations, that does not mean Ofcom should not impose regulatory conditions on every service. We believe that the BBC’s massive funding and public ownership mean that every BBC service should have regulatory obligations. Every service should also be subject to regular external review. We agree that the regulator is not responsible for setting the detail of how each service should be run, but the regulator should be responsible for setting and monitoring the regulatory conditions to ensure that each and every service complies in detail with the agreed strategy for that service.

We also believe that Ofcom’s definition of what regulations should be imposed is too narrow and that Ofcom’s approach is at odds with that required by the terms of the Agreement.

The proposals set out in Ofcom’s consultation provide the BBC with a huge amount of leeway to change their services almost out of all recognition and to compete unfairly with commercial operators.

The BBC’s Annual Plan, as published, is an odd mix of big strategic initiatives (“reinvent and grow audio”), vague commitments (“Radio 2 will act as a showcase of new and heritage UK artists” – how many UK artists are not either new or heritage?) and specific programmes (“It will introduce more live music into daytime with *The Piano Room* as part of the Ken Bruce Show”). It is not clear how the BBC will hold itself to account for the delivery of this wide range of items, or what the consequences of not delivering them might be. By including such a conflation of the strategic, vague and day-to-day operational, the BBC gives itself a huge amount of leeway to say which of these apply just to this year and which are ongoing commitments.

Just as importantly, this leeway means that Public Interest Tests (which is supposed to safeguard against the BBC competing more directly with commercial services) will not be triggered, even by some major changes in output, due to the lack of regulatory detail in the operating licence.

For example, the new Annual Plan states that one of the BBC’s major strategic focuses for 2017-18 is personalisation to “encourage people to choose the BBC more often and spend longer with us, thereby increasing the value audiences get from us and the public value we create”, with much of the focus appearing to be on reinventing and growing audio”. This echoes the BBC’s long-stated view that it should provide something for everyone. But in doing so, the BBC continues to interpret this as meaning maximising audiences, which must of necessity mean taking audiences from commercial players. There is no suggestion in the document that the BBC would even be mindful of the effects of its strategy on competitors, let alone feel the need to regard such changes as significant, so requiring a Public Interest Test.

We have serious concerns that the new regulatory framework will not be up to the job of holding the BBC to account and safeguarding commercial competitors from unfair competition, unless Ofcom dramatically changes its approach.

We will respond separately to the BBC's Annual Plan, but note in this response some of the key issues.

We set out our concerns about Ofcom's approach to the Operating Licence and performance measurement in detail in our responses to the consultation questions below.

About Bauer Media UK

Bauer Media UK is an entertainment network of high-quality, high-profile, multi-platform brands. The business became part of the Bauer Media Group, Europe's largest privately-owned media group, in 2008. Founded in Hamburg in 1875 and now in its fifth generation of family ownership, the Bauer Media Group operates in 19 countries including the UK, Germany, Poland, Australia, New Zealand and the USA and has 11,000 employees worldwide.

In the UK we reach over 25 million consumers. Our radio portfolio includes national stations such as Kiss, Magic and Absolute Radio alongside 22 strong heritage local radio stations around the UK such as Radio Clyde, Radio City, Metro FM and Key 103, while our magazine brands include heat, Grazia, Empire, Motor Cycle News, TV Choice and Take a Break. Our scale, coupled with the breadth of our portfolio, gives us an advantage over pure play magazine or radio competitors.

In an era where audiences are ever harder to categorise, we build strong cultural connections, drawing people together with the things that they really care about. Our brands become the lens through which our audiences see the world.

Our radio services reach almost 18 million listeners every week and account for 32% of total commercial radio listening. Within that total, our local services, operating from 22 bases around the UK, reach almost 7 million listeners a week.

They are attracted to our services not just by the range of music we play but by the strong line-up of presenter talent, both locally and nationally, and our commitment to local news and information. In an era of fake news and unverified stories on social media, listeners value and trust the news we provide, which is required to be accurate, balanced and truthful.

Our stations employ 80 journalists who live and breathe the areas they cover. We break stories, and we undertake investigative local journalism e.g. "Scratching the Surface" which looked into plastic surgeons and cut price procedures which left some victims in the North East of England mutilated, and the "Hidden Homes" where we found people living in wheelie bins in Sheffield. We provide lots of local news and will continue to do so, regardless of any regulatory requirement. Indeed we are happy to accept new regulation to protect provision by the industry in this important area.

We have invested heavily in digital radio, operating 12 local multiplexes with a share in three more, and becoming a major shareholder in the second national multiplex, operating nine national DAB radio services and expanding the output of our local services to provide spin-off services, each of which provides local news and information.

We also make an important contribution to the local and national economy, not only by providing employment but also by supporting local businesses with for example a "million pounds of work"

working with local business and jobseekers to our work with independent producers and the broader creative industry. And we support the UK economy by paying our company and all relevant taxes here in the UK.

Our stations employ well over 1100 people across the UK and we are committed to developing our talent through training and to reflecting the diversity of the UK, bringing new people into radio.

In 2014 we launched the Bauer Academy, a government registered training provider with the Skills Funding Agency and is recognised as a Centre to deliver AIM Award qualifications, providing multimedia training at 22 sites across the UK. Our team of leading academics work alongside media professionals to design and deliver training programmes that make a remarkable difference to individuals, communities, and businesses. Our training is immersed inside one of the biggest media companies in the world, providing exciting and meaningful work based learning. Our approach is refreshing, and it works.

As well as training we also seek to provide support to the communities we serve. Cash for Kids is Bauer Radio's network of local charities, which operate across 21 areas around the UK. Our mission is to respond to the needs of children in our communities, and we aspire to enable all children to live life to the full and achieve their individual potential. In 2016 we raised over £21m. We support national appeals, such as the recent DEC appeal for East Africa.

We do all of this as a company which is a morally robust commercial enterprise, seeking to grow its business.

Response to consultation questions

1. Do you agree with our overall approach in setting the operating licence

Bauer's concerns are with the conditions that compete most directly with our own services: BBC Radio 1, BBC 1Xtra, BBC Radio 2, BBC 6 Music, BBC Local Radio and the BBC Radio services for the nations and so it is those services we focus on in this response, although our concerns also apply more generically.

There is much in the approach to the new Operating Licence that we agree with, in particular where some conditions have been tightened and new conditions imposed, but we are concerned that much has also been lost.

Ofcom argues that much of what is currently in the Service Licences is about strategy and day to day operations. We disagree. Much of what is in the existing Service Licences is about ensuring that the BBC corrects market failure, as many of the requirements are for things which the commercial sector does not and cannot afford to supply. Such conditions are therefore about economic regulation, which is at the heart of Ofcom's remit.

Our concerns fall into a number of categories:

A single operating licence – Ofcom has chosen to replace the individual service licences operated by the Trust with a single operating licence. We understand the argument that this provides consistency but it also introduces room for the BBC to argue that an individual service which formerly would have had to meet specific requirements, no longer has to meet such requirements as they are met by another service. Overall, the effect is therefore to reduce regulation significantly and it could allow a particular service to compete unfairly, while the BBC as a whole still meets its Operating Licence requirement.

The removal of existing regulations – The Agreement says that Ofcom should “*have a presumption against removing any of the current requirements which would result in the provision of less distinctive output and services*”. However, the proposed Operating Licence does exactly that in two ways:

First, the overall description of a service which was previously included in the individual service licence has been replaced by something much more generic. For example, the remit in the old service licence for 1Xtra was as follows:

“The remit of 1Xtra is to play the best in contemporary black music with a strong emphasis on live music and supporting new UK artists. The schedule should also offer a relevant news service, regular discussion programmes and specially commissioned documentaries relevant to the young target audience (15-24 year olds), particularly - although not exclusively - those from ethnic minorities.”

The Service Licence went on to say:

“1Xtra programmes should exhibit some or all of the following characteristics: high quality, original, challenging, innovative and engaging, and they should nurture UK talent. 1Xtra should deliver its remit by bringing together the full range of contemporary black music and culture, as driven by the needs of its target audience. It should play contemporary black music aimed at a young audience, concentrating on new black music and new artists, particularly British ones, within that area. Daytime programming should offer a wide range of music from all relevant black music genres, with specialist programmes during the evenings presented by leading DJs in their field. 1Xtra should support the UK black music industry and concentrate on a wide range of new music, rather than following the mainstream Top 40 charts. Live music should be a key part of the schedule. Innovative and relevant speech should be the mainstay of the station’s approach. It should provide regular bulletins of accurate, impartial and independent news. There should be in-depth features and discussions relating to issues facing this young audience, including weekly documentaries and regular opportunities for the audience to air their views. 1Xtra should carry social action campaigns providing information and advice via engaging speech content placed across the schedule – with particular emphasis on delivering this during breakfast.....

1Xtra should make a very important contribution to this purpose (stimulating creativity and cultural excellence) amongst its audience. It should be the home of new black music in the UK and provide a platform for a range of music rarely heard elsewhere. It should play all of the popular urban music genres and it should support the UK black music industry by helping to raise the profile of UK artists. Through its emphasis on live performances and DJ mixes, it should support and increase the appreciation of live music. It may simulcast some late-night content with Radio 1. 1Xtra should also identify and support new musical talent – particularly from the UK. There should be regular talent initiatives to identify new presenters. Along with BBC Introducing, its online content should offer advice to young music makers.

1Xtra should contribute to this purpose (reflecting the UK’s nations, regions and communities) amongst its audience by bringing together the diversity of black music and culture across the UK. It should stimulate, support and reflect the diversity of cultural activity in the UK within the defined scope of the service. It should broadcast live music from a wide range of venues around the UK. Through its broadcasts and its online presence it should facilitate and support the growth of communities of interest in UK black music in general and in its specialist genres.”

There is no specific remit for 1Xtra (or any other BBC service) in the Operating Licence, but the remit for 1Xtra included in the Agreement defines 1Xtra as simply:

“A service of contemporary black music, with a focus on new and live music, alongside significant speech output for young audiences”

A number of elements have been lost in this cut-down remit, in particular: support for UK artists (particularly new musical talent), a relevant news service, regular discussion programmes, specially commissioned documentaries, social action, diversity of music (particularly that not heard elsewhere) and specialist music genres, regular talent

initiatives, advice to young music makers and a requirement to broadcast live music from venues around the UK. Moreover, there is nothing in the new remit to suggest that the service should be targeted particularly, although not exclusively, at young audiences from ethnic minorities.

It is not even clear that Ofcom would regulate to ensure this cut-down remit was met. In fact the implication is that it would not. There is nothing to prevent Ofcom from including the remit in the Operating Licence and indeed going further than the description in the Agreement to include all of the description in the old Service Licence. We would argue that Ofcom should do just that.

Ofcom's regulation of commercial radio has been reduced significantly in recent years, but the sort of description that is in the existing 1Xtra Service Licence is exactly the sort of description that Ofcom used to include in commercial radio licences as a way of regulating them. They are not about governance or setting strategy, but are a legitimate tool for regulation. While commercial radio has been deregulated, such deregulation should not apply to the BBC given its stated public purposes and public funding.

Indeed Ofcom recognises that these sorts of descriptions can form a legitimate and useful part of regulation by including such descriptions in the overarching requirements for each public purpose. But in so doing Ofcom's approach renders them more vague and much harder to enforce for a particular service.

Relying upon quotas alone at the service level, without some sort of qualitative description may provide too much leeway for the BBC. For example, Ofcom requires both Channel 4 and Five to provide a certain quantity of news, but the news output of the two channels is qualitatively very different in tone and content.

Our second concern in this area is about specific commitments.

Again, to take 1Xtra as an example, the old Service licence included the following conditions:

1Xtra should:

- Ensure that at least 60% of the music played in the station in daytime is new each year
- Ensure that at least 35% of all music played in daytime is from the UK each year
- Contribute to BBC Radio's commitment to commission at least 10% of eligible hours of output from independent producers
- Broadcast at least 1 hour of news during daytime each weekday, including two extended bulletins
- Provide regular bulletins in daytime at weekends
- Broadcast at least 40 documentaries each year

In the Ofcom proposed Operating Licence, the first two of these requirements have been dropped completely, so that there is no regulatory requirement at all on 1Xtra regarding music.

The issues that arise in the example of 1Xtra apply equally to all of the other BBC Radio services. These are detailed in the Appendix.

We believe that Ofcom's proposal for the Operating Licence completely fails to meet the first objective in the Agreement to *"have a presumption against removing any of the current requirements which would result in the provision of less distinctive output and services"*.

We note that the Agreement requires Ofcom to consider the case for setting clearer audience age-targets for services (not for dropping them completely) and we would argue that it should be for Ofcom to do so for each service in the Operating Licence. It should not be for the BBC to determine its own audience targets, for which it is not accountable and which it can change at any time.

Increasing current requirements where the BBC currently exceeds them - The Agreement requires Ofcom to *"consider the case for increasing the current requirements in areas where the BBC has exceeded those requirements or where this would support the provision of distinctive output and services."*

We welcome the fact that Ofcom has proposed increasing the current regulatory requirements in a few areas to match existing delivery, notably the increase from 40% to 45% of UK music in daytime and from 45% to 50% of new music on Radio 1 (although we note that the requirement for "continuous" support for new and emerging artists has been downgraded to "significant") and for news on Radio 1 and Radio 2.

We do not have access to the data to know whether any other existing requirements in the Service Licences are being over-delivered and so it is not possible to say whether other regulatory requirements should be increased on this basis.

Setting new requirements to secure distinctive output and services – The Agreement requires Ofcom to *"consider the case for setting requirements in areas where an improvement in performance would secure the provision of distinctive output and services."*

We are pleased that Ofcom has included proposed new conditions in the licences for Radio 1 and Radio 2 to "play a broader range of music (number of plays and size of playlist) than comparable providers during Peak and Daytime" and for a requirement for a "significant proportion (of music) from new and emerging artists" on Radio 2. This should help to ensure the distinctiveness of these networks.

However, we are disappointed that Ofcom has not taken up some of the suggestions made by RadioCentre in its submission to the Charter debate which would have increased the distinctiveness of the BBC's services.

Serving the needs of distinct communities in the UK's nations and regions – We address this in our answer to Question 5.

The impact on the Public Interest Test

The Agreement states that “The BBC must prepare and publish a policy setting out how it will consider material changes to the UK Public Services, including whether or not a change is potentially material, and how it will consult with interested persons where appropriate.” However, it is for the BBC to define the services in the first place and to decide what is a material change. There is so little left in the proposed Operating Licence that the BBC has a huge amount of leeway to define and change its own services without any regulatory oversight at all.

To take 1Xtra as an example again, in setting its Annual Policy the BBC could choose to define its own target audience, change its budget significantly and significantly change the sort of music the station plays. All that the regulation says is that the station should play “contemporary black music” with a certain amount of news and some documentaries which could be in theory be material repeated from Radio 1 and broadcast in the middle of the night.

In summary, we believe that Ofcom should add back into the Operating Licence many of the conditions that were in the Service Licences and that, if this is not done, Ofcom is not complying with the terms of the Agreement.

2. Do you agree with our approach for public purpose 1 (to provide impartial news and information), including the high level objectives and regulatory conditions we are proposing?

We agree with the Public Purpose as described in the proposed Operating Licence and we welcome the maintenance of existing conditions for the provision of news and current affairs and the introduction of new quotas for news at peak-time on Radio 1 and news and current affairs at peak-time on Radio 2.

3. Do you agree with our approach for public purpose 2 (to support learning for people of all ages), including the high level objectives and regulatory conditions we are proposing?

We agree with the Public Purpose 2, but we are disappointed that many of the requirements in the old Service Licences have been dropped; in particular the requirements for social action and advice campaigns across most of the networks.

We note the removal of requirements on services to discover and encourage the growth of new performing and writing talent and coverage of other significant aspects of cultural life, for example film, comedy and entertainment (e.g. Radio 2) or providing practical vocational advice (Radio 1) and suggest that such elements be included in the new Operating Licence.

In the Appendix we list all of the elements which have been lost from the old Service Licences and which we believe should be retained in the new Operating Licence.

4. Do you agree with our approach for public purpose 3 (to show the most creative, highest quality and distinctive output and services)-, including the high level objectives and regulatory conditions we are proposing?

We agree with the aim of the Public Purpose and we welcome the introduction of new conditions for Radio 1 and Radio 2 to play a broader range of music than comparable providers, although we would emphasise that in measuring comparable providers Ofcom should not look at individual competitors but should consider the combined output of all commercial stations broadcasting in that genre.

However while we are pleased with this new condition we are disappointed at how much has been lost from the old Service Licences.

For example, there are no regulatory requirements for live music (indeed no mention of music at all on BBC 1Xtra or BBC 6 Music), coverage of festivals and events, comedy and entertainment (Radio 1 and Radio 2), interactivity and debate (all stations).

Such omissions and a reduction of regulatory requirements to the bare bones of news and current affairs (and for Radio 1 and Radio 2 of music quotas), provide the BBC with a huge amount of leeway to change their radio stations almost out of all recognition with no regulatory recourse.

This cannot be right and we urge Ofcom to reintroduce the elements which have been lost from the Service Licences. A full list of everything that has been lost is given in the Appendix.

5. Do you agree with our approach for public purpose 4 (to reflect, represent and serve the diverse communities of the UK's nations and regions), including the high level objectives and regulatory conditions we are proposing?

We agree with the Public Purpose but we are disappointed that all of the former requirements regarding this purpose have been dropped from the BBC's UK-wide radio services. In particular the requirement for coverage of live music, festivals and concerts on BBC Radio 1, 1Xtra, Radio 2 and 6 Music, and the lack of any references to minority ethnic audiences for BBC 1Xtra. Almost all references to reflecting UK culture have disappeared (with the exception of arts coverage on Radio 2).

The Appendix lists all of the items that were in the old Service Licences but which have been dropped in the proposed Operating Licence. We believe these regulatory requirements should be included in the Operating Licence.

6. Do you agree with Ofcom's approach to how we will set and amend the operating licence, as set out in Annex 5?

Subject to our comments in response to questions 1-5, we agree with the approach Ofcom is taking to setting and amending the Operating Licence.

7. Do you agree with our proposed overall approach to performance management?

As we have set out in our answer to the earlier questions in this consultation, the problem we see is that the regulatory requirements have been so reduced in many areas (with a couple of honourable exceptions such as the increased requirement for distinctiveness in music on Radio 1 and Radio 2) that what is being reported on in compliance terms is very limited. The proposed research report is interesting, but will be at such a high level as to be of little use in terms of regulation. We would prefer to see much more robust conditions being maintained at the service level.

8. Do you agree with the proposed framework of availability, consumption, impact, contextual factors?

The approach that Ofcom is proposing read more like the approach that the BBC itself might be taking in trying to justify how well it is doing.

While we recognise that there is room for input from stakeholders and the opinions of the public, most of the proposed measures focus on “bigger and better” being a good thing – wider availability, higher consumption, greater impact would all be seen as positive outcomes under this approach. These may or may not be good outcomes, but they take no account of such things as distinctiveness, the delivery of output which addresses market failure or the impact on the wider market, which are the things we believe the regulator should be focused on.

As such, these measures go part of the way, but need to be supplemented by a much more rigorous approach to holding the BBC to account.

9. Do you agree with Ofcom’s approach to how we will set and amend the performance measures?

See our answer to question 8.

Appendix – Comparison of Service Licences with Operating Licence

BBC Radio 1

New description in the Framework Agreement:

Principally a popular music service aimed at young audience, with a commitment to the best new music, but also containing significant speech output

Summary of items specifically that BBC Radio 1 is required to do in the old Service Licence which are not included in the Operating Licence (items underlined are not in the BBC's Annual Plan either)

- Target audience is 15-29 year olds and it should also provide some programming for younger teenagers.
- News, documentaries and advice campaigns should cover areas of relevance to young adults.
- Service budget of £34.7 million in 2016/17. Any planned or actual change in annual expenditure on the service of more than 10% in real value requires approval from the BBC Trust and may entail variation of this Service Licence.
- The service should deliver its remit by producing a wide range of programmes that expose listeners to new and sometimes challenging material they may not otherwise experience. It should reflect a diverse range of new and UK music.
- Daytime programmes should offer a mix of music, information and entertainment and use an extensive playlist to introduce unfamiliar and innovative songs alongside more established tracks.
- In the evening specialist presenters, covering a broad range of musical genres, should support artists at the forefront of new music, assisting their growth and development.
- A wide range of live events should be covered from around the UK and beyond and live music should be featured throughout the schedule, with sessions and concerts from both established acts and experimental new bands.
- Encourage its listeners to take part in music events and activities.
- Specially made speech output including documentaries and social action campaigns should form an integral part of the schedule.
- Encourage the take-up of DAB and other digital technologies, in particular by promoting 1Xtra and making high quality content available on digital platforms.
- Broadcast output should be complemented by an online presence with interactive features, including some use of visual enhancements, which enable and encourage the audience to engage with the output and share their views with both the station and other listeners.
- Experiment with new technologies as they become available to ensure its young audiences have the maximum opportunity to access programmes as and when they want.
- Contribute to BBC Radio's commitment to commission some output from independent producers.

- Make a very important contribution to this purpose (stimulating creativity and cultural excellence) amongst its audience, primarily through its contribution to musical creativity in the UK.
- Provide a significant platform for new music and emerging UK artists across a wide range of musical genres.
- Seek to support and increase the appreciation of live music through its emphasis on live performance.
- In addition to music, there should be coverage of other significant aspects of cultural life, for example film, comedy and entertainment.
- Make an important contribution to this purpose (sustaining citizenship) amongst its audience, primarily through its news and current affairs, and through its social action output.
- Listeners should be encouraged to explore a broad range of subjects and to provide feedback, ideas and stories and offered regular opportunities to engage in debate.
- BBC News should support Radio 1's broadcast news output with online content aimed at young people.
- Make a significant contribution to this purpose (education and learning) amongst its audience, primarily through its social action output, a regular advice programme, its documentaries and its vocational initiatives.
- Documentaries should provide in-depth examinations of a range of issues significant to its audiences.
- Offer regular social action campaigns covering topics relevant to teenagers and young adults. These should usually feature in daytime output and aim to create real impact with their target audience. The broadcast output should be complemented by interactive coverage.
- Music should be scheduled in a way that builds listeners' repertoires and knowledge, with new, sometimes challenging tracks alongside more familiar ones.
- Provide practical vocational advice to those wishing to pursue a career in the music industry via its broadcast and interactive output.
- Play a part in this purpose (reflecting UK's nations, regions and communities) amongst its audience. An extensive live events schedule should aim to connect the station directly with its listeners and reflect the diverse range of music enjoyed around the UK.
- Interactive forums should allow listeners to share experiences and discuss areas of common interest, including music.
- Contribute to BBC Radio's commitment to ensure that at least one third of relevant expenditure is incurred outside the M25 area.
- Bring the world to the UK, by offering UK audiences the best global musical talent and coverage of significant international music events.
- Provide an important platform for British talent, helping it build the foundations for international exposure.

Specific quotas in the old Service Licence compared to the proposed Operating Licence

Old Service Licence	Proposed Operating Licence
Broadcast at least 60 hours of specialist music each week	Weekly quota for specialist music (60 hours)
Ensure that at least 40% of the music in daytime is from UK acts each year	Annual quota for music in daytime from UK acts (<i>45%</i>)
Ensure that at least 45% of the music in daytime is new each year, with <i>continuous</i> particular support for new and emerging UK artists alongside established acts	Annual quota for new music in daytime (<i>50%</i>) with a <i>significant</i> proportion from new and emerging UK artists
Feature coverage of at least 10 festivals and significant live events in the UK and abroad each year	
Broadcast at least 160 new sessions each year	Annual quota for new sessions (<i>175</i>)
Contribute to BBC Radio's commitment to commission at least 10% of eligible hours of output from independent producers	
Broadcast at least 1 hour of news during daytime each weekday, including two extended bulletins	Daily quota for news programmes (1 hour), including two extended bulletins <i>with one on Peak</i>
Provide regular bulletins during daytime at weekends	News programmes at regular intervals throughout the daytime at weekends
Broadcast at least 40 new documentaries each year	Annual quota of first-run documentaries (40 hours)
<u>Offer at least 2 major Social Action campaigns, supported across daytime output and online each year, together with a number of other initiatives</u>	
	<i>Broader range of music (number of plays and size of playlist) than comparable providers during Peak and Daytime</i>

Items in italics in the proposed Operating Licence indicate new requirements imposed by Ofcom.

Items in bold in the Service Licence are completely omitted from the Operating Licence.
Items underlined have been lost from both the Operating Licence and the BBC Annual Plan

BBC 1Xtra

New description in the Framework Agreement:

A service of contemporary black music, with a focus on new and live music, alongside significant speech output for young audiences

Summary of items specifically that BBC 1Xtra is required to do in the old Service Licence which are not included in the Operating Licence (items underlined are not in the BBC's Annual Plan either)

- Target audience (15-24 year olds), particularly - although not exclusively - those from ethnic minorities.
- Regular discussion programmes and specially commissioned documentaries relevant to the young
- Bring together the full range of contemporary black music and culture, as driven by the needs of its target audience.... concentrating on new black music and new artists, particularly British ones, within that area.
- Daytime programming should offer a wide range of music from all relevant black music genres, with specialist programmes during the evenings presented by leading DJs in their field.
- Support the UK black music industry and concentrate on a wide range of new music, rather than following the mainstream Top 40 charts.
- Innovative and relevant speech should be the mainstay of the station's approach.
- There should be in-depth features and discussions relating to issues facing this young audience, including weekly documentaries and regular opportunities for the audience to air their views.
- Social action campaigns providing information and advice via engaging speech content placed across the schedule – with particular emphasis on delivering this during breakfast.
- Provide a platform for a range of music rarely heard elsewhere. It should play all of the popular urban music genres and it should support the UK black music industry by helping to raise the profile of UK artists.
- Through its emphasis on live performances and DJ mixes, it should support and increase the appreciation of live music.
- Identify and support new musical talent – particularly from the UK.
- Regular talent initiatives to identify new presenters. Along with BBC Introducing, its online content should offer advice to young music makers.
- Broadcast live music from a wide range of venues around the UK.
- Through its broadcasts and its online presence it should facilitate and support the growth of communities of interest in UK black music in general and in its specialist genres."

Specific quotas in the old Service Licence compared to the proposed Operating Licence

Old Service Licence	Proposed Operating Licence
<u>Ensure that at least 60% of the music played in the</u>	

<u>station in daytime is new each year</u>	
<u>Ensure that at least 35% of all music played in daytime is from the UK each year</u>	
<u>Contribute to BBC Radio's commitment to commission at least 10% of eligible hours of output from independent producers</u>	
Broadcast at least 1 hour of news during daytime each weekday, including two extended bulletins	Quota for news during weekday Daytime (1 hour, including 2 extended bulletins)
Provide regular bulletins in daytime at weekends	Bulletins at regular intervals during Daytime at weekends
Broadcast at least 40 documentaries each year	Annual quota for number of documentaries (40)

Items in italics in the proposed Operating Licence indicate new requirements imposed by Ofcom.

Items in bold in the Service Licence are completely omitted from the Operating Licence.

Items underlined have been lost from both the Operating Licence and the BBC Annual Plan

BBC Radio 2

New description in the Framework Agreement:

A service providing a broad range of popular and specialist music and speech output including news, current affairs and factual programming.

Summary of items specifically that BBC Radio 2 is required to do in the old Service Licence which are not included in the Operating Licence (items underlined are not in the BBC's Annual Plan either)

- Targeted at a broad audience, appealing to all age groups over 35.
- It should offer entertaining popular music programmes and speech-based content including ... comedy and social action output.
- Service budget of £49.6 million in 2016/17. Any planned or actual change in annual expenditure on the service of more than 10% in real value requires approval from the BBC Trust and may entail variation of this Service Licence.
- Music output should include musical genres that do not normally receive wide exposure, including music from around the world.
- Educate audiences in musical terms and extend their tastes
- Encourage participation and appreciation through specialist programmes and documentaries and by maintaining a playlist of new releases that emphasises new artists and less familiar tracks.
- Committed to the development of new song writing and live performance, encouraging new artists, especially those from the UK.
- Regular opportunities for audiences to participate in debate.
- Encourage the take-up of DAB and other digital technologies, in particular by promoting BBC 6 Music and making high quality content available on digital platforms.
- The broadcast output should be complemented by an online presence with interactive features, including some use of visual enhancements that enable and encourage the audience to engage with the output and share their views with both the station and other listeners.
- Experiment with new technologies as they become available to provide opportunities for the audience to access programmes as and when they want.
- Its music programmes should cover a wide range of genres. The social and cultural context of the music should be explored and the station should offer music documentaries.
- Support new song writing, live performance, and new, as well as a wide range of established, artists - especially those from the UK.
- Its commitment to live music should include orchestral activity, musical theatre, festivals, small scale concerts, sessions and workshops.
- Commission new work, encourage participation, provide practical assistance for new talent and foster high standards through its support of awards for young performers.

- It should challenge listeners to experience the unfamiliar by providing a wide range of popular musical forms. These should include forms indigenous to the UK, such as folk and brass.
- The station should offer comedy programming, supporting the BBC’s commitment to new comedy by developing new talent in writing and performance as well as bringing listeners established comedy performers.
- Regular arts coverage should explore contemporary music, theatre, writing and film, and it should offer readings.
- In addition to its regular news bulletins, Radio 2 should broadcast each weekday an accessible current affairs programme in daytime covering topics such as consumer affairs, finance, the family, education, health and disability, and offering listeners the opportunity to respond by phone or online.
- In other daytime programming topical and consumer items should be presented in ways that bring individuals from different walks of life together for a free exchange of ideas.
- Actively support pan-BBC learning and social action initiatives and work with partners on its own social action campaigns to increase impact.
- Promote informal learning throughout its music programming and through commissioning documentaries that provide an understanding of the context in which music is created and its cultural impact.
- Stimulate learning and participation in music through workshops and online interactivity and through awards and support for new performers and songwriters.
- Coverage of music – including live coverage - should reflect the diversity of the UK, as should its documentaries, arts programmes, current affairs and religious output. Its broadcasting should support a range of local music festivals.
- Facilitate the growth of communities of interest and enable people to connect with the station and each other. Music lovers in particular should be enabled to build on the station’s music output with learning, participation and debate. Radio 2 should bring people together for UK-wide events such as BBC Children in Need.
- Contribute to BBC Radio’s commitment to ensure that at least one third of relevant expenditure¹³ is incurred outside the M25 area each year. It should continue to offer regular output from regional centres outside London.
- Offer UK audiences the best international musical talent and a wide range of innovative music from around the world. It should also provide a platform for British talent, bringing UK music to a world audience through its representation at and coverage of international events.
- Documentaries should explore a broad range of international music, history and culture.

Specific quotas in the old Service Licence compared to the proposed Operating Licence

Old Service Licence	Proposed Operating Licence
Ensure that at least 40% of the music in daytime is from UK acts each year	Annual quota for music from UK acts during Daytime (40%)
Ensure that at least 20% of the music in daytime is new each year	Annual quota for New Music in Daytime (20%) <i>with a significant proportion from new and emerging UK artists</i>

Broadcast at least 260 hours of live music each year	Annual quota for live music (260 hours)
Broadcast a broader range of music than any other major UK radio station, with over 1,100 hours of specialist music programmes each year	Annual quota for special music programmes (1,100 hours) Broader range of music (<i>number of plays and size of playlist</i>) than comparable providers during <i>Peak and Daytime</i>
Broadcast over 100 hours of arts programming each year	Annual quota for arts programming (100 hours)
<u>Contribute to BBC Radio's commitment to commission at least 10% of eligible hours of output from independent producers</u>	
Broadcast at least 16 hours of news and current affairs programming each week, including regular news bulletins	Weekly quota for news and current affairs programming (<i>17 hours, with 3 hours in Peak</i>) Regular news bulletins
Broadcast at least 130 hours of documentaries each year	Annual quota for documentaries (130 hours)
Broadcast at least 170 hours of religious output each year covering a broad range of faiths	Annual quota for religious output from a broad range of faiths (170 hours)

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Items underlined have been lost from both the Operating Licence and the BBC Annual Plan

BBC 6 Music

New description in the Framework Agreement:

A service of popular music outside the current mainstream, together with speech output which provides context for that music.

Summary of items specifically that BBC 6 Music is required to do in the old Service Licence which are not included in the Operating Licence (items underlined are not in the BBC's Annual Plan either)

- Entertain lovers of popular music with a service that celebrates the alternative spirit in popular music from the 1960s to the present day. Its programmes juxtapose current releases outside the mainstream with earlier recordings, including music from the BBC Sound Archive. It should provide context for the music it plays, and support live music and new artists.
- BBC 6 Music has a service budget of £10.8 million in 2016/17. Any planned or actual change in annual expenditure on the service of more than 10% in real value requires approval from the BBC Trust and may entail variation of this Service Licence.
- Music should focus on major artists and material which do not receive much support from other radio stations.
- Offer a wide selection of music with new music, live music, less familiar tracks and the work of UK artists substantially represented in its output.
- A strong element of newly recorded and archive live music in daytime and in the evenings. Tracks, sessions and concerts from the BBC Sound Archive should provide an important element of the output and the station should add recordings of festivals, concerts and its own sessions to the archive.
- Add context to the music through authoritative presentation, features and documentaries which aim to develop an understanding of the music and its context, or reflect the inter-dependence of musical and social trends.
- Regular music news bulletins during daytime programmes, and the station should also provide in-depth coverage and analysis of developments in popular music through features and documentaries.
- Other aspects of popular culture should also be explored.
- Broadcast output should be supported by a complementary online service, including some use of visual enhancements, and listeners should be encouraged to interact and communicate with the station. BBC 6 Music should use new technology to ensure its audiences have the maximum opportunity to access programmes as and when they want.
- Contribute to BBC Radio's commitment to commission some output from independent producers.
- Reflect the evolution of popular music through extensive use of the BBC archive.
- Reflect the breadth of work produced by iconic artists, including a high proportion of less familiar tracks.
- Aim to provide different music to that played on other radio stations. It should minimise the number of tracks played in daytime, including new tracks, which are

also played on Radio 1, Radio 2 or comparable commercial radio stations in a typical week.

- Support major artists still producing new material but who no longer receive significant airplay on other UK radio stations.
- Focus on new music, particularly that made by UK artists, prioritising less familiar acts who may become enduring icons in the future but who do not enjoy commercial support, thus demonstrating its independence from commercial interests.
- New artists should also be substantially represented in BBC 6 Music’s support for live music.
- Provide a comprehensive view of popular music activity through music news bulletins and reports on the industry, festivals, new developments and artists’ recordings.
- Significantly extend the range of music available to its audiences and aim to increase understanding through the context it provides for the music it plays with regular documentary slots during the week.
- With its own social action campaigns and its support for pan-BBC social action initiatives, the station should give audiences practical opportunities for personal development.
- The context BBC 6 Music supplies for the music it plays should explore the relationship between music and society.
- Make a contribution to this purpose amongst its audience by stimulating, supporting and reflecting the diversity of cultural activity in the UK, within the defined remit of the service. Its live music coverage and its coverage of music festivals should reflect activity throughout the UK.
- Through its broadcasts and its online presence, BBC 6 Music should facilitate and support the growth of communities of interest in the music it plays.
- Bringing the world to the UK in its coverage of international music events and the international scope of its music news and documentaries.

Specific quotas in the old Service Licence compared to the proposed Operating Licence

Old Service Licence	Proposed Operating Licence
Broadcast at least 6 hours of news each week	Weekly quota for news (6 hours)
Feature at least 10 hours a week of speech-based features, documentaries and essays on average across the year	Weekly quota for speech-based features, documentaries and essays (10 hours on average across each year)
Broadcast at least 400 hours of archive concert performances each year	
<u>Broadcast at least 6,500 concert tracks or sessions from the BBC’s music archive each year, with at least 1,150 in daytime</u>	
<u>Broadcast at least 300 new sessions each year</u>	
<u>Contribute to BBC Radio’s commitment to commission at least 10% of eligible hours of output from independent producers</u>	
<u>Ensure that no more than 30% of all music played each year is new</u>	

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Items underlined have been lost from both the Operating Licence and the BBC Annual Plan

BBC Local Radio

New description in the Framework Agreement:

A number of local radio services for audiences in different parts of England and the Channel Islands, providing a mixture of music and speech output.

Summary of items specifically that BBC Local Radio is required to do in the old Service Licence which are not included in the Operating Licence (items underlined are not in the BBC's Annual Plan either)

- Target audience should be listeners aged 50 and over, who are not well-served elsewhere, although the service may appeal to all those interested in local issues.
- Strong emphasis on interactivity and audience involvement.
- Each station should broadcast at least between 06.00hrs and midnight. Each station should be available on analogue radio and should be simulcast on the internet. Stations may also be made available on DAB digital radio and digital television platforms.
- BBC Local Radio has an annual service budget of £115.1 million in 2016/17. Any planned or actual change in annual expenditure on the service of more than 10% in real value requires approval from the BBC Trust and may entail variation of this Service Licence.
- Accurate, impartial and independent news and programmes that set local issues in context. The output should be relevant and act as a trusted guide to local and other issues for its audiences.
- Champion the local area and call to account decision makers.
- Reflect the diversity of communities served.
- The presentation style and tone should encourage participation. Programmes should offer listeners the opportunity to contribute, and there should be opportunities for listeners to tell their own stories.
- Music output should be mainstream in peak-time and include specialist in off-peak hours. Specialist music should be appropriate to the area.
- Current and recent chart hits should represent no more than 15% of weekly music output.
- BBC Local Radio stations may use some non-broadcast methods to extend their reach, and that of the BBC, into local communities. They should promote digital technologies to listeners. Each local radio station should also be linked to a website providing local news and information
- Host wide-ranging discussions on matters of local concern and hold elected and unelected decision makers to account, and frequently offer listeners opportunities to contribute to the output and take an active part in their local communities.
- Be the primary conduit of information during weather crises or other local civil emergencies
- Place local and community concerns at the centre of the output.
- All stations should carry religious output reflecting the faiths followed in their area and all should provide religious output on Sundays.

- All stations should mount regular outside broadcasts at events across the local area and report on their local sports teams, including minority sports when appropriate to the local area.
- All stations should aim to serve local minority audiences.
- BBC Local Radio should work with network radio and television to deliver local material into national programmes.
- Provide opportunities for new and emerging musicians from the local area and support local arts and music events by providing event information.
- Contribute to pan-BBC learning and social action campaigns.

Specific quotas in the old Service Licence compared to the proposed Operating Licence

Old Service Licence	Proposed Operating Licence
	News and information of particular relevance to the area and communities at intervals throughout the day, other content of particular relevance
Broadcast at least 85 hours of original, locally-made programming each week	Weekly quota for original, locally-made programming (<i>95 hours</i>), with exceptions for BBC Radios Guernsey, Jersey and Somerset
Broadcast an average of at least 60% speech content in core hours and 100% at the breakfast peak each year	Annual quota for speech content (60% in core hours, 100% at breakfast peak)

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Items underlined have been lost from both the Operating Licence and the BBC Annual Plan