

Response by The Scottish Government to Further Consultation on Localness in commercial radio – November 2018

We welcome Ofcom's revised proposal to retain two 'approved areas' for local commercial radio in Scotland. We do not believe it is appropriate for content made in, for example, Glasgow to be counted as "locally-made" in Edinburgh. Ofcom defines local material as, among other things, content which delivers "a feel for an area" and which is "likely to give listeners a feeling of ownership and/or kinship". We do not believe that audiences perceive the central belt of Scotland, together with the regions to its south, to be - judged by this standard - a "local" area.

We suggest the key principle is to maximise commercial flexibility while protecting content which is authentically rooted in the areas stations serve. We also consider that, due to the small sample on which the Scottish research was based, the views of audiences in Scotland have not been established beyond doubt.

As Ofcom relaxes obligations on the volume and scheduling of locally-made programming, it should ensure licences have robust 'character of service' provisions, and monitor these, so that a proper degree of localness is maintained. We agree with the Community Media Association that as localness requirements are relaxed, rules restricting the commercial activity of community stations should be reviewed.

We acknowledge the long-term pressures on analogue commercial radio including competition from less-heavily regulated DAB and other digital platforms, and recognise that the viability of commercial radio is very much in the interests of audiences. We note the suggestion by some commercial providers that retaining two approved areas in the South of Scotland could affect quality or even viability. We suggested that fairer competition between analogue and digital operators could be achieved by extending national and local news obligations to DAB stations and/or multiplex operators and that it might be useful for Ofcom to explore how this might be done.

Ofcom originally proposed creating a North of Scotland 'approved area' but now proposes maintaining the status quo under which there is no such area. While concurring with Ofcom's observation that "cultural affinities between the different licence areas [are] likely to be limited", we accept that the economics of commercial radio are more challenging outside the central belt. If not creating a North of Scotland approved area, Ofcom should carefully monitor conditions in individual licences to ensure that the right balance is struck between commercial viability and the maintenance of distinctive services for different areas.

Commercial flexibility

As noted above, we recognise the importance of protecting the viability of local radio in the interests of audiences. Regulation must of course react quickly to changing circumstances and we suggest that Ofcom closely monitor the effect of its revised proposals for Scotland in the short- and medium-term to ensure the viability of operators is protected, taking account of their need to plan financially for DAB switchover. We also note Ofcom's clarification that "a licensee who wishes to have a different approved area for its station may submit a request to us to approve the proposed area".