

Ofcom Consultation

Radio: the implications of Digital Britain for localness regulation

Response from Ofcom’s Advisory Committee for Wales (ACW)

Introduction

The ACW Members recognise that the radio industry in the UK, including Wales, is facing a particularly challenging time. The economic analysis set out in this consultation, which documents the commercial pressures on radio services, makes grim reading and Members accept fundamentally that a trade off has to be made between the provision of localness and service viability. However, Members still feel very strongly that localness, delivered in the correct way, can enhance a station’s viability rather than undermine it. But they also recognise the economic realities and in this context they welcome the conclusions set out in the consultation document which broadly sets the correct balance between securing the survival of the commercial radio sector and ensuring that listeners receive the local news and information which Ofcom research shows is expected by them. Members also welcome the recognition, evident throughout the consultation, that the needs of the nations also have to be addressed, particularly in relation to securing plurality and addressing citizenship and democratic inclusion, in the context of devolution and the creation of the National Assembly for Wales.

Proposal 1 – regional stations allowed to share programming to become national (UK) stations

The ACW welcomes the provision, included in the consultation, to facilitate the provision of a national service for Wales. It has long been of concern to ACW that the awarding of commercial radio franchises in Wales has not taken account of the need to provide an alternative choice for listeners to the all-Wales radio coverage provided by the BBC. As the Public Service Broadcasting Review carried out by Ofcom confirmed, there is a serious issue about the plurality of media coverage in Wales across all formats and platforms, and it is most serious at the all-Wales level. The creation of a national commercial radio service for Wales would give the Welsh consumer a choice, which is vital in the Wales of today, with its own National Assembly and democratic system. Coupled with the proposal to enable the creation of, in effect, a DAB multiplex for Wales, Members believe this is an important regulatory development.

Proposal 2 – creation of a new national (UK) multiplex from existing regional multiplexes

This is an exciting proposal because it would enable, for the first time, the creation of a Wales-wide DAB multiplex as part of a new UK multiplex. This would provide carriage of Wales specific services along with a core of services available across the UK. This would be a significant improvement on the present situation where the existing regional DAB multiplex serving Wales can only be received in south Wales. (This multiplex also serves the west of England.) This arrangement has not been very satisfactory and Proposal 2 therefore represents a distinct improvement. The proposal also offers a way to solve the existing problem regarding the lack of carriage of BBC

Radio Wales and Radio Cymru on the BBC UK multiplex. These services are currently only available on DAB in south east Wales, though statutory 'must carry' provisions on the Swansea and Cardiff/Newport multiplexes. As services that serve the whole of Wales, Members believe that Radio Wales and Radio Cymru should have universal coverage on DAB in Wales. Although not proposed in this consultation, Members would also favour provision of the BBC's nations services for Wales, Scotland and Northern Ireland on a DAB multiplex serving the whole of the UK. Currently these services are already available across the UK on other platforms such as digital satellite and BBC Radio Wales in particular has a significant number of listeners who live outside Wales.

Proposal 3 – co-location within a new set of defined areas

The areas proposed by Ofcom appear to be sensible in relation to Wales. The creation of the three proposed areas align with the current ownership boundaries of the stations in Wales: Town and Country and UTV in south west Wales; Global in south east Wales and Global in north Wales. The creation of a single area for Wales would be a mistake as it would allow co-location which the ACW Members believe would be inappropriate, for example Global could to co-locate all its north Wales coastal stations along with Red Dragon in Cardiff, which would not serve the interests of listeners in north Wales. This proposal avoids that risk. However, Members are concerned that the north and mid Wales area is very large geographically. In particular, if Radio Ceredigion (in Aberystwyth) and/or Radio Maldwyn (in Newtown) were acquired by, for example Global, co-location with other services situated, for example, around 200 miles away in Mold in north east Wales would be unacceptable in terms of providing local services for listeners in Aberystwyth and Newtown.

Proposal 4 – programme sharing within the newly defined areas

Members broadly welcome the proposals for programme sharing within the newly defined areas as away of offering greater flexibility, sustainability and economies of scale for the station operators. But in assisting viability in this way, there is a risk that the local content of stations within these macro areas could be diluted. For example, in the case of the Town and Country Radio group of radio stations in west Wales, Radio Pembrokeshire, which is currently broadcast from the company's centre in Narberth could, under this proposal, be re-located to Neath, along with the other stations in the group. But Neath, is around 60 miles from Pembrokeshire and has a very different cultural and economic environment to that of west Wales. Members therefore believe that out of area re-locations of this kind would only be acceptable as a last resort if it was apparent that without such a move a station would go off the air. Similar considerations apply to Heart Angelsey and Gwynedd, based in Caernarfon, which could be re-located to Global's centre near Mold, which is around 80 miles away. However, Members note that under this proposal, where stations are co-located, Ofcom would continue to ensure that they have to provide '*material that remains locally relevant to each part of their licensed areas*'.

Proposal 5 – mergers of local multiplexes

As with Proposal 2, Members support this proposal as a way to improve the provision of DAB services in Wales. Members note that although most areas of Wales are currently

covered by local commercial DAB Multiplexes, the south Wales valleys remain unserved. Members would therefore support an application to extend the south east Wales DAB local multiplex (serving Cardiff and Newport) to include this area. Members also believe that merging the local multiplexes would assist the operators by providing greater flexibility and possibly some economies although the impact on many fixed costs might be limited. However, this provision could help improve the coverage of BBC Radio Cymru and Radio Wales through the existing 'must carry' provisions, although if a Wales wide DAB multiplex came into existence, as envisaged by Proposal 2, it might be preferable to secure carriage of the BBC's nation services on that multiplex.

Proposal 6 – an enhanced news option for local FM stations

Members welcome this proposal as a way of strengthening the news output of local stations based in Wales. Overall, the music led commercial radio roll-out has historically not necessarily always served the needs of listeners in Wales very well, particularly in terms of citizenship and democratic inclusion. Following the creation of the National Assembly for Wales and the devolution of responsibility for domestic affairs such as education, health, economic development and transport to the Welsh Assembly Government, there is a greater need than previously to ensure that the activities of Government, at an all Wales level, are fully reported. Although not within the scope of this consultation, Members also note that Wales lacks an indigenous radio news service and that local commercial stations often have to rely on news feeds from IRN or Sky News which hardly ever report on devolved matters relating to Wales.

Proposal 7 – AM stations

Members suggest that the consultation has not taken account of stations such as Radio Maldwyn, which broadcast a full service for listeners across the county of Montgomeryshire (including Newtown) on AM because it is a more cost-effective solution than FM when covering a large geographic area. Members believe it is important that this station's local output is protected, particularly if it was acquired by another radio group and co-located somewhere else in Wales rather than in Newtown.

In addition, Members believe that, in the future spectrum planning, the medium wave frequencies currently used for AM, should remain reserved for radio use in future, if AM transmission ceased. Although currently, DRM appear to have stalled in terms of its development for domestic radio services, such technologies continue to offer significant potential benefits to Wales in the future due to the difficult terrain and the need to provide coverage over large geographical areas. In practice, good FM reception can be difficult in many mountainous areas in Wales and Members believe that medium wave and long wave AM reception will continue to be important in rural Wales, particularly for mobile reception. It is also worth noting that substantial audiences listen to Radio Wales on AM which is available across the whole of Wales while on FM the service only reaches 62% of the population. Members are also concerned that if DAB radios are to be fitted in new cars, such receivers do not exclude FM and AM reception.

Proposal 8 – Limited redefinition of contemporary music Formats

Members note that a number of Wales' commercial stations have very similar music formats, broadly catering for listeners in the 30-50 age group roughly corresponding to the 'contemporary and chart music' definition. Given that there is already a limited choice of music formats and music programming on commercial radio in Wales which is often not particularly distinctive, ACW Members would oppose a further relaxation if this led to an even blander provision, such as described in the consultation document where stations developed music formats that "*cluster around a commercial middle ground*" resulting in an overall narrowing of the choice of music available to listeners in Wales.

**Ofcom Advisory Committee for Wales
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