



OFCOM CONSULTATION: RADIO – PREPARING FOR THE FUTURE

1. BECTU is the trade union for technical, creative and administrative workers throughout the audiovisual and live entertainment sectors – specifically including BBC and commercial radio. We welcome the review of the radio sector both in respect of the immediate priorities (localness of analogue commercial radio and the development of digital radio) and of the development of a broader strategic framework. We recognise that further work on the latter will take place subsequently in Phase 2. We welcome the background research undertaken in preparing the review.
2. In terms of the questions for consultation, we will address only those which are more relevant to our own area of interest and our answers will be in summary rather than comprehensive form.

REGULATION OF LOCAL MATERIAL ON LOCAL ANALOGUE COMMERCIAL RADIO

Q1: FORMATS

3. We recognise that formats are a significant and potentially very effective means of regulating the output of analogue commercial radio, together with Ofcom's programme codes. We strongly agree that the format description contained in each licence should be tightly enforced. However, given the significant loosening of ownership controls in the Communications Act, we believe that input regulations (ie regulation of how stations achieve their programme output) should not be reduced to the extent proposed in the consultation document.

Q2: LOCAL NEWS

4. We believe that the provision of high quality local news services, to the extent required by the format, is absolutely essential. The provision of local news – which is one of the strong and distinguishing characteristics of local radio – should be encouraged and protected by the regulator by whatever means possible, especially in the context of the increasing concentration of ownership in national chains. We do not, therefore, believe it is appropriate for stations to be allowed 'to operate news hubs in any way which makes operational sense for them'.
5. The American experience of centralised news hubs and shared programming is not a desirable model for the UK. We do believe that

there should be a requirement for locally based full-time professional cover in order to provide adequate local news coverage. The notorious example of supposedly local stations unable to provide live information even for the motorists stuck in a blizzard should be regarded as totally unacceptable.

Q3/4/5: OTHER ASPECTS OF INPUT REGULATION

6. On studio location, we believe Ofcom should pay attention to its own audience research (p75) – which clearly places a great value on a local base – and be very cautious in relaxing the current rules. On networking (ie the sharing of common programming outside of format commitments) we believe that rather than explicitly allowing stations to 'be free to network as they wish' outside of format commitments, Ofcom should closely monitor the development of networking and reserve the right to intervene when this adversely affects the character of local radio. Without a regulatory counterweight, 'local' radio could largely cease to be local, if left to purely commercial forces. On automation, for the same underlying reasons, we see no justification for relaxing restrictions at a time when commercial concentration of ownership is potentially undermining the distinctive character of local radio.

Q6: FORMAT AND LOCALNESS FILE

7. We agree with the proposed requirement that each station should maintain a format and localness file, available for inspection by the public at its premises and online, demonstrating how it is meeting its obligations. We believe, however, this should be supplemented by an active programme of spot checks by the regulator.

Q7: REVISED LOCALNESS GUIDANCE

8. We welcome the requirement for localness guidance provided in the Communications Act. This ought to be seen as one potential protection against commercial concentration of ownership which undermines the character of local radio and against the possibility of American takeover leading to the same concerns. We therefore believe the localness guidance should be robust and should reflect the comments made in the paragraphs above.

THE DEVELOPMENT OF DIGITAL RADIO

9. We recognise that Ofcom has been obliged to review the development of digital radio by the Broadcasting Act 1996. In this part of the review we only wish to contribute on one specific aspect – which is to indicate our agreement with Ofcom's view that there is 'no case for digital switchover at the moment' and that 'in the medium term at least, we see analogue broadcasting continuing alongside digital radio broadcasting'. We believe there is no direct parallel with television in respect of switchover and that on grounds of the costs to consumers,

the difficulties faced by smaller stations and the lack of alternative uses of the spectrum – digital switchover in radio is not, for the foreseeable future, a desirable option.

A BROADER STRATEGIC FRAMEWORK FOR RADIO

10. We agree in principle with the need for the regulator to develop an overall strategic framework for radio and we acknowledge that the current consultation represents only Phase 1 of this process. It remains our view, however, that Ofcom should not become the primary regulator of BBC radio.

Q17: THE PROPOSED STRATEGIC FRAMEWORK FOR FUTURE REGULATION

11. We strongly agree that there are continuing grounds for regulatory intervention in radio. We acknowledge and agree with the possible grounds outlined, including both a consumer rationale – ie market failure (especially in view of the US experience of a diminishing range of programme provision) and continuing spectrum scarcity, (with no short or medium term prospect of digital switchover in radio); and a citizenship rationale – ie the broader merit goods arguments for educational and news programmes and the externalities arguments (concerning the overall cultural and democratic benefits arising from listeners' access to a wide range of quality programmes).
12. In the light of this, we can certainly agree with the first two proposed strategic aims:
 - 'to enhance choice, diversity and innovation for consumers in the UK, national, regional, local and community levels'
 - 'to secure citizens' interests through the provision of radio designed to meet public proposals'
13. We do not, however, agree with the pro-market emphasis implied by the inclusion of the third proposed aim:
 - 'to do this with as little intervention in the market as possible, consistent with meeting our objectives'
14. This does not, in our view, follow from Ofcom's own compelling analysis of the underlying rationale for regulatory intervention – specifically including the problem of market failure. This is not an academic point. The experience of US commercial radio, the growing concentration of ownership in the UK and the possibility (as provided by the Communications Act) of US takeovers of UK radio franchises are all strong reasons to emphasise regulation as a positive role rather than a default position.

15. We therefore suggest an alternative:
 - to do this with as strong an intervention in the market as is necessary to meet our public objectives.

Q18/19: PUBLIC PURPOSES

16. We believe it is important to develop a set of public purposes for radio. As already indicated in our Phase 2 response to the Ofcom Review of PSB on Television, we agree with the statement of public purposes outlined in that document and we believe it constitutes a good model for an equivalent statement in respect of radio.
17. We believe plurality of provision is an absolutely key public purpose for radio, just as it is for television. We emphatically believe it is not part of Ofcom's role or remit to consider, much less recommend, the withdrawal of the BBC from any area of radio.
18. We believe the growth of bland pop-oriented commercial radio does not meet the public purpose of choice and diversity for listeners either as consumers or as citizens. Nor does it correspond to listeners own preference – eg for local programming – as revealed in audience research.
19. We believe the current market structure – of the accelerated concentration of ownership into a few national chains – runs contrary to the initial strategic aims outlined by Ofcom. In our view, as already indicated above, we believe this gives potential grounds for strong regulatory intervention rather than a residual, minimalist role for Ofcom.

CONCLUSION

20. We hope you will take note of our views. We look forward to the outcome of the consultation and to Phase 2 of the review.