

# **XS Manchester**

Request to change Format

#### **CONSULTATION:**

Publication date: 16 December 2019

Closing date for responses: 17 January 2020

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#### 1. Overview

A commercial radio station's Format sets out the type of broadcast output it is required to deliver, and forms a part of its licence. Formats may include requirements relating to a station's music output, news provision, other types of speech content, its target audience, the volume and origin of locally-made programmes, and any programme sharing arrangements. Taken together, these elements encapsulate the nature and overall character of a licensed service.

When a request to change a Format constitutes a significant departure from the character of service, the request is subject to consultation. This document outlines the request received from Real Radio XS Limited ('Real Radio XS') with regard to its local radio broadcasting licence for Manchester, which broadcasts as 'XS Manchester', and Ofcom's preliminary view on the request to change the character of service.

#### What we are proposing – in brief

Real Radio XS wishes to change the 'Character of Service' of its Manchester licence from:

"A rock and speech service for 35-64 year olds, with a strong commitment to local news, current affairs and interactive debate. Peak time programming will include a substantial amount of relevant speech."

to:

"An urban contemporary music service featuring music of an Afro-Caribbean origin."

We have taken a preliminary view on the request and are minded to grant it. However, we are seeking views on the request before we make a decision. The consultation closes at **5pm** on **17 January 2020.** 

In addition to its request to change the 'Character of Service', Real Radio XS has requested to reduce the amount of locally-made programming it is required to broadcast from seven daytime hours per day on weekdays and four on Saturday and Sunday, to three daytime hours per day on weekdays, and none at weekends. This request is consistent with our published <u>localness guidelines</u> which state that, on weekdays, those FM local stations which are required to provide local news at least hourly during daytime should provide a minimum of three daytime hours of locally-made programming on weekdays. Ofcom considers changes within its localness guidelines satisfy section 106(1A)(a) of the Broadcasting Act 1990 since they would not substantially alter the character of the service. Ofcom is therefore not consulting on approval of this aspect of the request.

## 2. Details and background information

- 2.1 The licence for each local analogue commercial radio service contains a 'Format' which describes the type of programme service the licensee is required to provide. Part of that Format is a description of the 'Character of Service' of the station.
- 2.2 Licensees can make requests to Ofcom to change their Character of Service ('Format change requests') in accordance with their licence conditions and relevant statutory provisions. These are described below.
- 2.3 Real Radio XS has submitted the following Format change request to Ofcom to change the 'Character of Service' of the Manchester licence from:

"A rock and speech service for 35-64 year olds, with a strong commitment to local news, current affairs and interactive debate. Peak time programming will include a substantial amount of relevant speech."

to:

"An urban contemporary music service featuring music of an Afro-Caribbean origin."

- 2.4 If the change were to be permitted by Ofcom, we understand that the station would be rebranded as 'Capital XTRA'.
- 2.5 The licence-holder has also requested changes to the locally-made programming requirements from:

"At least 7 hours per day during daytime weekdays (must include breakfast). At least 4 hours daytime Saturdays and Sundays."

to:

"At least 3 hours per day during daytime weekdays."

#### Licence conditions and statutory framework

- 2.6 Conditions included in the licence pursuant to section 106(1A) of the Broadcasting Act 1990 (as amended) (the 'Act'), provide that Ofcom may consent to a change of a Format (a departure from the character of the licensed service) only where we are satisfied that at least one of the following five statutory criteria is met:
  - a) that the departure would not substantially alter the character of the service 1;
  - b) that the departure would not narrow the range of programmes available by way of relevant independent radio services to persons living in the area or locality for which the service is licensed to be provided;

<sup>&</sup>lt;sup>1</sup> The legislation requires Ofcom to have regard to the selection of spoken material and music in programmes when determining what the character of the service in question is.

- c) that, in the case of a local licence, the departure would be conducive to the maintenance or promotion of fair and effective competition in the area or locality; or
- d) that, in the case of a local licence, there is evidence that, amongst persons living in that area or locality, there is a significant demand for, or significant support for, the change that would result from the departure; or
- e) that, in the case of a local licence (i) the departure would result from programmes included in the licensed service ceasing to be made at premises in the area or locality for which the service is provided, but (ii) those programmes would continue to be made wholly or partly at premises within the approved area as defined in section 314 of the Communications Act 2003 (local content and character of services).
- 2.7 Under section 106ZA of the Act, Ofcom is required to hold a public consultation on a proposed Format change unless criterion (a) or (e) is satisfied.
- 2.8 In relation to criterion (b), national and regional analogue commercial services, local DAB services and BBC services do not fall within the definition of 'relevant independent radio services' (by virtue of section 106(7) of the Act). Accordingly, only local analogue commercial and community radio services are taken into account in considering whether the Format change requested would narrow the range of programmes available.
- 2.9 The legislation leaves the decision as to whether to permit a change, even if one of the above statutory criteria is satisfied, to Ofcom's discretion. There may be reasons (depending on the particular circumstances of the case) why Ofcom may not consent to the proposed change, notwithstanding that one of the statutory criteria is met. We have set out on our website, <u>factors we use to help us judge whether a request of this kind should be approved</u>. We also take account of our general statutory duties, including:
  - a) our principal duty to further the interests of citizens and consumers;
  - b) our duty to secure the availability throughout the UK of a wide range of television and radio services which (taken as a whole) are both of high quality and calculated to appeal to a variety of tastes and interests (including specifically a range and diversity of local radio services), as well as the maintenance of a sufficient plurality of providers of different services; and
  - c) our duty to have regard to the different interests of persons in the different parts of the UK, of the different ethnic communities within it and of persons living in rural and in urban areas.

# 3. Consideration of the request and Ofcom's preliminary view

- 3.1 We intend to approve the aspect of the request relating to locally-made hours because we are satisfied in relation to section 106(1A)(a) that the change would not substantially alter the character of service. As noted above, the statute does not require consultation where section 106(1A)(a) is met. We are therefore not seeking views on this particular aspect of the request. Our published localness guidelines set out how much locally-made programming is sufficient to maintain the character of a local service. In the case of an FM service which is required by its Format to provide local news at least hourly in the daytime (which Real Radio XS is) those guidelines state a minimum of three daytime hours on weekdays is sufficient to maintain the local character of the service. The change to locally-made hours meets that minimum requirement.
- 3.2 The proposed change to the 'Character of Service' part of the Format of the licence owned by Real Radio XS is the subject of this consultation. It has been made on the basis that criterion (b) of section 106(1A) of the Act is met: that the proposed change would not narrow the range of programmes available by way of relevant independent radio services to persons living in the relevant licence area. As noted above, Ofcom has a discretion to consent to a change request where section 106(1A)(b) is met but, unlike the request to change locally-made hours, is required to consult on such proposals.
- 3.3 For the reasons that follow, we are minded to consent to Real Radio XS's request. We are seeking respondents' comments on our preliminary view.

#### **Preliminary view**

- In Ofcom's preliminary view, the change to the 'Character of Service' requested by Real Radio XS would significantly affect the nature of the station's programming and target audience, which would necessitate a substantial alteration of the service's existing published Character of Service. On that basis, we do not consider that criterion (a) in section 106(1A) is met.
- 3.5 Ofcom is therefore consulting on the 'Character of Service' change request in accordance with section 106ZA, specifically whether it satisfies statutory criterion (b). This criterion is satisfied where the change would "not narrow the range of programmes" available locally, so requires us to compare how the current and proposed revised character of service contribute to the range of programmes available on services locally.
- 3.6 For the purpose of considering whether we think that criterion (b) could be satisfied, we have taken into account the Formats and Key Commitments of all the other analogue (i.e. AM or FM) local and community radio services broadcasting within all of, or to a significant part of, the Manchester licence area served by XS Manchester.

3.7 There are 12 other local commercial analogue radio stations whose transmission areas cover all of, or a significant part of, XS Manchester's licence area. These stations and the 'Character of Service' of each are listed below:

Station name	Character of service
(licence area)	
Asian Sound Radio (East Lancashire)	A locally-oriented music and information service for Asian listeners in East Lancashire, with a mix of music. At least a third of the output will be in Urdu and Hindi, and the Gujerati and Bengali speaking communities will be catered for. On the 1377 Khz transmitter only, a music-based service targeting the Asian and Arabic Muslim community may be broadcast.
Capital FM (Greater Manchester) Gold (Manchester)	A rhythmic-based (e.g. dance, club etc) music-led service for 15-29 year-olds supplemented with news, information and entertainment. the service should have particular appeal for listeners in their 20s.  A classic pop hits station targeted primarily at 35-54 year-olds in the
(	Manchester area.
Greatest Hits Radio (Greater Manchester)	A classic soft pop music-led service aimed primarily at the over-30s in the Greater Manchester area.
Heart (North West England)	A full service mainstream popular music station for the North-West region, targeting primarily 25-54 year olds, treating news, speech, regional information and listener interactivity as important ingredients, and running 24-hour news.
Hits Radio (Greater Manchester)	A locally oriented mainstream popular music and information station for 15-44 year-olds in greater Manchester.
Imagine Radio (Stockport)	A locally focused broad music and information station for Stockport
Radio X (Manchester)	A rock and alternative music station targeted at 15-34 year-old Manchester listeners.
The Revolution (Oldham)	A truly local full service station aimed at 25-54 year olds and playing primarily a broad mix of adult contemporary and soft rock hits
Silk FM (Macclesfield)	A community-oriented broad music station for Macclesfield aimed primarily at 25 to 54 year-olds, with a strong commitment to local news
Smooth Radio (North-West England)	An easy listening station featuring lifestyle oriented speech, targeting a North West audience aged 50-plus.
Tower FM (Bolton & Bury)	An easy listening station featuring lifestyle oriented speech, targeting a North West audience aged 50-plus.

3.8 Additionally, there are eight community radio stations that broadcast to smaller areas within Manchester. These stations, and the 'Character of Service' of each, are listed below:

Station name	Character of service
ALL FM	All FM provides an 'ultra-local' service for the local communities of South Manchester and encourages members of the communities to be involved with its programming. It provides content that reflects the diverse inner city communities of the area, both in terms of the music and the speech content provided.
Gaydio	Gaydio is a service for people in Manchester who identify as Lesbian, Gay, Bisexual or Transgender (LGBT). The station provides a service reflecting the needs and lifestyles of LGBT people, young and old. It works to help reduce the impact and isolation that homophobia and transphobia has on the LGBT community. Its programming consists of information and entertainment as well as topical issues affecting LGBT people.
Heritage CR	Heritage Radio serves, not exclusively, but predominantly, the Muslim Community in Manchester, particularly living in the Central areas of Manchester. Our station produces programmes based on social, religious and cultural challenges facing our communities, particularly Muslim, and encourages discussion and debate between in the Muslim and the wider non-Muslim communities. Key programming is delivered in English with additional programming in ethnic languages relevant to the communities we serve.
Legacy 90.1	Legacy 90.1 is primarily for the African and Caribbean community but also for those who enjoy contemporary black music. It offers a cohesive and inclusive voice for the African and Caribbean community of Manchester, including the vulnerable (such as the elderly) and hard-to-reach young people. It promotes peace within the boundaries of Manchester, tackling issues of discrimination and encouraging equality of opportunity. It provides opportunities for local people to be involved as well as offering training
North Manchester FM	North Manchester FM provides a service for the people of North Manchester aimed at improving their quality of life. It fosters community pride and promotes social inclusion by giving residents the opportunity to take part in discussions on decisions affecting them, and by providing airtime to non-English speaking communities in the area. It also acts as a forum for interaction between North Manchester residents and the public agencies who serve them.
Salford City Radio	Salford City Radio (SCR) targets those living in Salford and delivers local news, local information and local music using local talent. It broadcasts programmes that reflect the Salford area and facilitates the involvement of minority groups. It delivers radio skills training for local people.
Unity Radio	Unity Radio is for young people, aged 15-25, in Central Manchester. It facilitates the creation of radio programmes made by young people for young people in the target community. Programming consists of music and topics of interest to young people in the city.
Wythenshawe FM	Wythenshawe FM serves the people of Wythenshawe and Northenden. It tackles disadvantage, increases participants' skills,

boosts community pride and helps local and national agencies improve their delivery within the area. Output includes a variety of entertaining, interesting and educational programmes produced by the community.

- 3.9 The complete Formats and Key Commitments for each of the stations listed above is at Annex 6.
- 3.10 Based on our analysis of the Format and Key Commitment requirements of the radio stations listed above, it appears to us that the changes sought by Real Radio XS would <u>not</u> narrow the range of programmes available to listeners in the Manchester licence area, and therefore we are satisfied on a preliminary basis in relation to statutory criterion (b).
- 3.11 While the existing character of service, which is proposed to be changed, offers a service which is somewhat distinctive within the market (i.e. a service for 35-64 year olds, with local speech and specialist music commitments), our preliminary view is that it will be replaced by a character of service that will also be distinctive from the other local analogue and community stations available in the licence area (i.e. by providing an urban contemporary music service).
- 3.12 In so doing, we particularly note that, whilst no services are required to provide a service exactly like the existing Real XS format, several services overlap substantially with the 35 to 64 age demographic, and there are significant similarities with Radio X (Manchester) in terms of rock music requirements (albeit with a differing target age-group). We also recognise that there is some potential crossover between the proposed new Format and some other local services, particularly Capital's 'rhythmic-based' Format. However, there is no other commercial radio station covering the whole the Manchester licence area with a specific requirement to play exclusively urban music genres. We note that the strongest overlap would be with the Character of Service of community station Legacy 90.1, a station, "...for those who enjoy contemporary black music." However, in terms of adult population coverage, Legacy covers less than 3% of XS Manchester's licensed area (specifically, the Hulme area of Manchester).
- 3.13 Our preliminary view is therefore that, on balance, the revised service would be at least as, if not more distinctive from other services in the locality than the current service, and that section 106(1A)(b) is satisfied.
- 3.14 The Format change legislation leaves to Ofcom's judgement the decision as to whether to permit a change, even if one of the statutory criteria is satisfied (as is the case here, in our preliminary view). In our published Format change policy guidance we have stated that the time which has elapsed since a licence was first awarded is a relevant factor, as a licensee's need to adapt to audiences changing over time is understandable, whereas a change soon after award may be inconsistent with the licensing process whereby stations define their own Formats in their licence application.
- 3.15 While it seems to us that the proposed change to the 'Character of Service' of this licence would have a significant impact on the programming output provided under it, the Manchester licence was issued in 2008, more than a decade ago. Ofcom recognises that

audiences change over time, and that stations need to adapt in parallel. In this case, we are aware that the popularity of guitar-based rock music compared to other genres may have declined in the past few years among younger age groups, as evidenced in the Manchester market by an upward increase in recent years in the age demographics that listen to Radio X (Manchester). Whilst the current Real Radio XS format differs in terms of target agegroup from Radio X (Manchester) the extent to which the stations offer distinctive programming is inevitably affected over time by the changing age profile of many guitar-based rock music listeners.

- 3.16 We also do not consider, on a preliminary basis and subject to any responses we receive to the consultation, that there are any other policy reasons for us not to approve this request. We also note that full consideration will be given to the views of listeners and stakeholders in response to this consultation.
- 3.17 Accordingly, having reached the preliminary view that the requested change to the 'Character of Service' would not narrow the range of programmes by way of relevant independent radio services to persons living in the Manchester licence area, and that there are no policy reasons for refusing the request, we are minded to consent to Real Radio XS's request subject to the outcome of this consultation.

### A1. Responding to this consultation

#### How to respond

- A1.1 Ofcom would like to receive views and comments on the issues raised in this document, by 5pm on 17 January 2020.
- A1.2 You can download a response form from <a href="https://www.ofcom.org.uk/consultations-and-statements/category-3/xs-manchester-request-to-change-format">https://www.ofcom.org.uk/consultations-and-statements/category-3/xs-manchester-request-to-change-format</a>. You can return this by email or post to the address provided in the response form.
- A1.3 If your response is a large file, or has supporting charts, tables or other data, please email it to <a href="mailto:xsmanchester@ofcom.org.uk">xsmanchester@ofcom.org.uk</a>, as an attachment in Microsoft Word format, together with the cover sheet.
- A1.4 Responses may alternatively be posted to the address below, marked with the title of the consultation:

Peter FitzSimons

Ofcom

Riverside House

2A Southwark Bridge Road

London SE1 9HA

- A1.5 We welcome responses in formats other than print, for example an audio recording or a British Sign Language video. To respond in BSL:
  - Send us a recording of you signing your response. This should be no longer than 5 minutes. Suitable file formats are DVDs, wmv or QuickTime files. Or,
  - Upload a video of you signing your response directly to YouTube (or another hosting site) and send us the link.
- A1.6 We will publish a transcript of any audio or video responses we receive (unless your response is confidential).
- A1.7 We do not need a paper copy of your response as well as an electronic version. We will acknowledge receipt if your response is submitted via the online web form, but not otherwise.
- A1.8 You do not have to answer all the questions in the consultation if you do not have a view; a short response on just one point is fine. We also welcome joint responses.
- A1.9 It would be helpful if your response could include direct answers to the questions asked in the consultation document. The questions are listed at Annex 4. It would also help if you could explain why you hold your views, and what you think the effect of Ofcom's proposals would be.
- A1.10 If you want to discuss the issues and questions raised in this consultation, please contact Peter FitzSimons on 020 7981 3525 or by email to <a href="mailto:peter.fitzsimons@ofcom.org.uk">peter.fitzsimons@ofcom.org.uk</a>.

#### **Confidentiality**

- A1.11 Consultations are more effective if we publish the responses before the consultation period closes. In particular, this can help people and organisations with limited resources or familiarity with the issues to respond in a more informed way. So, in the interests of transparency and good regulatory practice, and because we believe it is important that everyone who is interested in an issue can see other respondents' views, we usually publish all responses on <a href="tel:the consultation">the Ofcom website</a> as soon as we receive them.
- A1.12 If you think your response should be kept confidential, please specify which part(s) this applies to, and explain why. Please send any confidential sections as a separate annex. If you want your name, address, other contact details or job title to remain confidential, please provide them only in the cover sheet, so that we don't have to edit your response.
- A1.13 If someone asks us to keep part or all of a response confidential, we will treat this request seriously and try to respect it. But sometimes we will need to publish all responses, including those that are marked as confidential, in order to meet legal obligations.
- A1.14 Please also note that copyright and all other intellectual property in responses will be assumed to be licensed to Ofcom to use. Ofcom's intellectual property rights are explained further in our Terms of Use.

#### **Next steps**

- A1.15 Following this consultation period, Ofcom plans to publish a statement in September.
- A1.16 If you wish, you can <u>register to receive mail updates</u> alerting you to new Ofcom publications.

#### Ofcom's consultation processes

- A1.17 Of com aims to make responding to a consultation as easy as possible. For more information, please see our consultation principles in Annex 2.
- A1.18 If you have any comments or suggestions on how we manage our consultations, please email us at <a href="mailto:consult@ofcom.org.uk">consult@ofcom.org.uk</a>. We particularly welcome ideas on how Ofcom could more effectively seek the views of groups or individuals, such as small businesses and residential consumers, who are less likely to give their opinions through a formal consultation.
- A1.19 If you would like to discuss these issues, or Ofcom's consultation processes more generally, please contact the corporation secretary:

Corporation Secretary
Ofcom
Riverside House
2a Southwark Bridge Road
London SE1 9HA

Email: <a href="mailto:corporationsecretary@ofcom.org.uk">corporationsecretary@ofcom.org.uk</a>

## A2. Ofcom's consultation principles

# Ofcom has seven principles that it follows for every public written consultation:

#### Before the consultation

A2.1 Wherever possible, we will hold informal talks with people and organisations before announcing a big consultation, to find out whether we are thinking along the right lines. If we do not have enough time to do this, we will hold an open meeting to explain our proposals, shortly after announcing the consultation.

#### **During the consultation**

- A2.2 We will be clear about whom we are consulting, why, on what questions and for how long.
- A2.3 We will make the consultation document as short and simple as possible, with a summary of no more than two pages. We will try to make it as easy as possible for people to give us a written response. If the consultation is complicated, we may provide a short Plain English / Cymraeg Clir guide, to help smaller organisations or individuals who would not otherwise be able to spare the time to share their views.
- A2.4 We will consult for up to ten weeks, depending on the potential impact of our proposals.
- A2.5 A person within Ofcom will be in charge of making sure we follow our own guidelines and aim to reach the largest possible number of people and organisations who may be interested in the outcome of our decisions. Ofcom's Consultation Champion is the main person to contact if you have views on the way we run our consultations.
- A2.6 If we are not able to follow any of these seven principles, we will explain why.

#### After the consultation

A2.7 We think it is important that everyone who is interested in an issue can see other people's views, so we usually publish all the responses on our website as soon as we receive them. After the consultation we will make our decisions and publish a statement explaining what we are going to do, and why, showing how respondents' views helped to shape these decisions.

# A3. Consultation coversheet

### **BASIC DETAILS**

Consultation title: XS Manchester consulta	ation
To (Ofcom contact): Peter FitzSimons	
Name of respondent:	
Representing (self or organisation/s):	
Address (if not received by email):	
CONFIDENTIALITY	
Please tick below what part of your respo	nse you consider is confidential, giving your reasons why
Nothing	
Name/contact details/job title	
Whole response	
Organisation	
Part of the response	
If there is no separate annex, which parts	?
still publish a reference to the contents of	ame or your organisation not to be published, can Ofcom your response (including, for any confidential parts, a he specific information or enable you to be identified)?
DECLARATION	
that Ofcom can publish. However, in supp publish all responses, including those which	ed with this cover sheet is a formal consultation response olying this response, I understand that Ofcom may need to ch are marked as confidential, in order to meet legal email, Ofcom can disregard any standard e-mail text about nents.
	eipt. If your response is non-confidential (in whole or in your response only once the consultation has ended,
Name Si	igned (if hard copy)

# A4. Consultation questions

- A4.1 Ofcom is seeking views on these six Format change requests. Ofcom may consent to a departure from the character of the licensed services if Ofcom is satisfied that at least one of the criteria in Section 106 (1A) of the Broadcast Act 1990 (as amended) is satisfied in relation to each request. These criteria are set out on page one of this consultation document.
- A4.2 In light of the considerations set out in Section 3 of this document, we are minded to consent to a departure from the character of the licences on the basis that criterion (b) in Section 106(1A) of the Broadcast Act 1990 (as amended) is satisfied in respect of the Format change requests, and that there are no policy grounds on which to refuse the requests.

#### Question 1:

Respondents are invited to comment on whether they agree with Ofcom's preliminary view and to frame their views and responses with reference to, or in the context of, the statutory criteria in section 106(1A) of the Broadcast Act 1990 (as amended).

# A5. Format change request

Date of request:	15th October 2019
Station Name:	XS Manchester
Licensed area and licence number:	Manchester, AL000325
Licensee:	Real Radio XS Limited
Contact name:	Colin Everitt

#### Details of requested change(s) to Format

Character of Service  Complete this section if you are requesting a change to this part of your Format	Existing Character of Service: A ROCK AND SPEECH SERVICE FOR 35-64 YEAR OLDS, WITH A STRONG COMMITMENT TO LOCAL NEWS, CURRENT AFFAIRS AND INTERACTIVE DEBATE. PEAK TIME PROGRAMMING WILL INCLUDE A SUBSTANTIAL AMOUNT OF RELEVANT SPEECH.				
	Proposed new Character of Service: An urban contemporary music service featuring music of an Afro-Caribbean origin				
Programme sharing and/or co-	Current arrangements:				
location arrangements	Locally-made programming must be produced				
	within the licensed area.				
Complete this section if you are requesting a change to this part of your Format	Locally-made hours: At least 7 hours per day during daytime weekdays (must include breakfast). At least 4 hours daytime Saturdays and Sundays.				
	Programme Sharing: No arrangements				
	Proposed new arrangements: Locally-made programming must be produced within the licensed area.  Locally-made hours: At least 3 hours per day during daytime weekdays.  Programme Sharing: No arrangements				

Locally-made hours and/or local news bulletins	Current obligations:
Complete this section if you are requesting a change to this	
part of your Format	Proposed new obligations:

The holder of an analogue local commercial radio licence may apply to Ofcom to have the station's Format amended. Any application should be made using the layout shown on this form, and should be in accordance with Ofcom's published procedures for Format changes.<sup>2</sup>

Under section 106(1A) of the Broadcasting Act 1990 (as amended), Ofcom may consent to a change of a Format only if it is satisfied that *at least* one of the following five statutory criteria is satisfied:

- (a) that the departure would not substantially alter the character of the service;
- (b) that the departure would not narrow the range of programmes available by way of relevant independent radio services to persons living the area or locality for which the service is licensed to be provided;
- (c) that the departure would be conducive to the maintenance or promotion of fair and effective competition
- (d) that there is evidence that, amongst persons living in that area or locality, there is a significant demand for, or significant support for, the change that would result from the departure; or
- (e) that (i) the departure would result from programmes included in the licensed service ceasing to be made at premises in the area or locality for which the service is provided, but (ii) those programmes would continue to be made wholly or partly at premises within the approved area (as defined in section 314 of the Communications Act 2003 (local content and character of services)).

Only one of these five criteria need be satisfied in order for Ofcom to consent to the proposed change. However, even if Ofcom is of the opinion that the proposed change satisfies one or more of the statutory criteria, there may be reasons (depending on the particular circumstances of the case) why Ofcom may not consent to the proposed change. The additional criteria to which Ofcom will have regard when exercising this discretion can be found on our website.<sup>3</sup>

Applicants should note that, under section 106ZA of the same Act (as amended), a proposed change that *does not* satisfy the first or last of these criteria (i.e. a change that Ofcom considers *would* or *could* substantially alter the character of the service, or does not relate to the origin of locally-made

<sup>&</sup>lt;sup>2</sup> Available at <a href="https://www.ofcom.org.uk/">https://www.ofcom.org.uk/</a> data/assets/pdf file/0024/87405/The-regulation-of-Format-changes.pdf

<sup>&</sup>lt;sup>3</sup> At <a href="https://www.ofcom.org.uk/">https://www.ofcom.org.uk/</a> data/assets/pdf file/0024/87405/The-regulation-of-Format-changes.pdf

programmes) must, if it is to be considered further under any of the other three criteria, be consulted upon.

In the event that Ofcom receives a request for Format change and considers that criterion (a) or (e) is *not* satisfied, it will seek confirmation from the applicant as to whether it wishes to proceed with the request (and, if so, whether it wishes to amend or replace its submission in light of the necessity to make it public).

Please set out the statutory criterion, or criteria, set out in section 106(1A) of the Broadcasting Act 1990 that you believe is/are satisfied in relation to this Format change request, and the reasons for this.

- (b) that the departure would not narrow the range of programmes available by way of relevant independent radio services to persons living the area or locality for which the service is licensed to be provided;
- (c) that the departure would be conducive to the maintenance or promotion of fair and effective competition
- (e) that (i) the departure would result from programmes included in the licensed service ceasing to be made at premises in the area or locality for which the service is provided, but (ii) those programmes would continue to be made wholly or partly at premises within the approved area (as defined in section 314 of the Communications Act 2003 (local content and character of services)).

Please provide any additional information and/or evidence in support of the proposed change(s) below. In particular, the applicant may wish to outline how they see that the proposed change fits within Ofcom's published Format change request policy<sup>4</sup> and also Ofcom's Localness guidance, which includes our co-location and programme sharing policy.<sup>5</sup>

(b) that the departure would not narrow the range of programmes available by way of relevant independent radio services to persons living the area or locality for which the service is licensed to be provided;

XS Manchester is a Rock station serving the Manchester area aimed at 35-64 year olds and competes with a broad range of local stations for listeners. A table of the competing local commercial FM and AM stations and their respective formats are listed in table 1 below.

#### Table 1

Station	Format
Capital Manchester	A RHYTHMIC-BASED (e.g. DANCE, CLUB etc) MUSIC-LED SERVICE FOR 15-29 YEAR-OLDS SUPPLEMENTED WITH NEWS, INFORMATION AND ENTERTAINMENT. THE SERVICE SHOULD HAVE PARTICULAR APPEAL FOR LISTENERS IN THEIR 20s.
Gold Manchester	A CLASSIC POP HITS STATION TARGETED PRIMARILY AT 35-54 YEAR-OLDS IN THE MANCHESTER AREA.

<sup>&</sup>lt;sup>4</sup> Available at https://www.ofcom.org.uk/ data/assets/pdf file/0024/87405/The-regulation-of-Format-changes.pdf

<sup>&</sup>lt;sup>5</sup> Available at <a href="http://stakeholders.ofcom.org.uk/broadcasting/radio/localness/">http://stakeholders.ofcom.org.uk/broadcasting/radio/localness/</a>

Greatest Hits (Key)	A classic soft pop music-led service aimed primarily at the over-30s in the Greater			
	Manchester area.			
Heart North West	A FULL SERVICE MAINSTREAM POPULAR MUSIC STATION FOR THE NORTH-WEST			
	REGION, TARGETING PRIMARILY 25-54 YEAR OLDS, TREATING NEWS, SPEECH,			
	REGIONAL INFORMATION AND LISTENER INTERACTIVITY AS IMPORTANT INGREDIENTS,			
	AND RUNNING 24-HOUR NEWS.			
Hits Radio (Key 103)	A LOCALLY ORIENTED MAINSTREAM POPULAR MUSIC AND INFORMATION STATION			
	FOR 15-44 YEAR-OLDS IN GREATER MANCHESTER.			
Radio X	A ROCK AND ALTERNATIVE MUSIC STATION TARGETED AT 15-34 YEAR-OLD			
	MANCHESTER LISTENERS.			
Smooth North West	AN EASY LISTENING STATION FEATURING LIFESTYLE ORIENTED SPEECH, TARGETING A			
	NORTH WEST AUDIENCE AGED 50-PLUS.			
XS Manchester	A ROCK AND SPEECH SERVICE FOR 35-64 YEAR OLDS, WITH A STRONG COMMITMENT			
	TO LOCAL NEWS, CURRENT AFFAIRS AND INTERACTIVE DEBATE. PEAK TIME			
	PROGRAMMING WILL INCLUDE A SUBSTANTIAL AMOUNT OF RELEVANT SPEECH.			

Both XS Manchester and Radio X have a Rock format and compete directly with each other for listeners in the in the Manchester area, albeit Radio X is aimed at the lower age demographic of 15-34 year olds. Inevitably as audiences age with time the music once played to 15-34 year-olds also appeals to an older generation leading inevitably to a cross-over/ commonality of playlists between competing radio stations and this can be particularly accentuated in a narrower music genre such as Rock, where the variety and popularity of songs are more limited than say in a mainstream genre such as Pop music.

A comparison of the playlists of XS Manchester and Radio X over the past 12 months (Source: Radiomonitor October 2nd 2018 to October1 2019) shows that 46% of tracks played on XS were also played on Radio X, accounting for 84% of total plays on XS Manchester. In addition to this crossover 53% of the tracks played on XS were also played on another commercial AM/ FM station in Manchester, accounting for 87% of all the plays on XS.

The listener age demographic of the two competing Manchester rock stations is as follows:

	Adults 15+	Adults 15-24	Adults 25-34	Adults 35-44	Adults 45-54	Adults 55-64	Adults 65+
Population	2,995	438	526	467	500	435	630
Radio X Manchester Reach	170	34	45	56	25	8	2
Reach %	5.7%	7.8%	8.6%	12.0%	5.0%	1.8%	0.3%
XS Manchester Reach	67	4	17	8	23	14	1
Reach %	2.2%	0.9%	3.2%	1.7%	4.6%	3.2%	0.2%

Source: RAJAR Q2 2019

Despite the commonality of playlists, the targeted age demographic of each Rock station is broadly in line with their required format demonstrating the wide appeal of Rock music over different age groups and negating the use of age as a differentiator within the Rock genre.

The proposed change in XS Manchester's format to a music-led service featuring urban and dance music would not therefore lead to a narrowing of music choice as Radio X is a ready substitute for XS Manchester.

#### **Capital XTRA**

The change of XS Manchester's music format to a music-led service featuring urban and dance music under the brand Capital XTRA would create a new format in the Manchester market with the station playing a mixture of hip-hop, grime, garage, dance and R&B music.

A comparison of the music played on Capital XTRA (UK) over a 12 month period (October 2nd 2018 to 1st October 2019) to commercial radio stations in Manchester showed that only 9% of the tracks played by Capital XTRA were also played on a commercial radio station in Manchester, accounting for only 36% of the plays on Capital XTRA. The biggest overlap in tracks played on Capital XTRA and a Manchester station was only 6% of tracks, Hits Radio (Manchester), accounting for only 19% of the plays on Capital XTRA.

The proposed change in format would therefore increase the music choice available to local commercial radio listeners in the Manchester area.

(c) that the departure would be conducive to the maintenance or promotion of fair and effective competition

The increase in variety of music that Capital XTRA would deliver on a Manchester FM station would we believe increase the overall competition for listenership in Manchester. Evidentially the Capital XTRA brand from September 2014 to June 2019 has increased its number of listeners by 139% (Source: RAJAR Q2 2019) and its UK market share in the same period from 0.4% to 0.7%. We would therefore expect the XS Manchester station under a Capital XTRA format to deliver audience growth over time due to its differentiated format compared to the current XS Manchester format and in doing so grow listenership and therefore competition in the Manchester market.

(e) that (i) the departure would result from programmes included in the licensed service ceasing to be made at premises in the area or locality for which the service is provided, but (ii) those programmes would continue to be made wholly or partly at premises within the approved area (as defined in section 314 of the Communications Act 2003 (local content and character of services)).

The changes being requested to reduce local programming hours are consistent with Ofcom's latest published localness guidelines.

# A6. Other commercial and community radio stations in the relevant licence area

The following is a list of other local analogue (i.e. AM and FM) services broadcasting within, or to a significant part of, the relevant licence area. Links are provided to their Formats (commercial stations) or Key Commitments (community stations).

#### **Commercial radio stations**

Asian Sound Radio (East Lancashire)

Capital FM (Greater Manchester)

**Gold (Manchester)** 

Greatest Hits Radio (Greater Manchester)

Heart (North West England)

Hits Radio (Greater Manchester)

Imagine Radio (Stockport)

Radio X (Manchester)

The Revolution (Oldham)

Silk FM (Macclesfield)

Smooth Radio (North-West England)

Tower FM (Bolton & Bury)

#### **Community radio stations**

**ALL FM** 

**Gaydio** 

Heritage CR

Legacy 90.1

North Manchester FM

Salford City Radio

**Unity Radio** 

Wythenshawe FM