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Dear Clare,

Ensuring the BBC delivers for UK audiences as it makes changes to its provision of local content and news

The BBC has made a number of announcements over the last six months in relation to changes it plans to make to its local and nations' radio stations and the BBC News channel. We have been considering the potential impact of these changes on audiences to ensure the BBC continues to deliver for them.

Ofcom appreciates the significant challenges the BBC is facing; it needs to adapt and modernise its offering to reflect the new ways audiences are consuming content, yet at the same time it is also coming under greater financial pressures. As set out in the Charter and Agreement and underlined in our Annual Report on the BBC last year, while responding to these challenges the BBC must continue to deliver on its obligation to serve all audiences, including local audiences, across the UK with distinctive, high-quality UK content. The BBC must also continue to offer a wide range of content for audiences who still only use live broadcast TV and radio services.

Transparency about the BBC's plans

It is critical that the BBC is clear with audiences and Ofcom about the changes to services it plans to make and how it will continue to meet the needs of UK audiences and deliver the Mission and Public Purposes. With this in mind, we have been disappointed by the lack of detail and clarity contained within the BBC's announcements about the changes to its provision of local content and news. The absence of important information has resulted in a lot of uncertainty for audiences who are not clear about what the changes will mean in practice for the services they use. We have had to request a significant volume of additional information from the BBC in order to understand the changes and believe some of this could have been avoided had the BBC set out much clearer plans from the start.

We recognise that the BBC needs to change and evolve to keep up with audience behaviours, and so we anticipate there will be more changes to services in the future. We strongly encourage the BBC to consider how it can improve the transparency around announcing such changes; we expect it to be able to explain in detail how services will alter and what audiences and stakeholders can expect.

Changes to BBC local radio in England

The BBC announced plans to transform its local services in England on 31 October 2022, which included planned changes to BBC local radio. The BBC set out that there would be greater programme sharing on local radio after 2pm on weekdays and across the weekend. In practice, the BBC said that on weekdays there would be 18 programmes shared between all 39 stations between 2-6pm, and there would be ten programmes between 6-10pm on weekdays, all day on Saturdays, and on Sunday mornings. An all-England programme would be launched post 10pm on weekdays and on Sunday afternoons and evenings. Following feedback from staff and audiences, the BBC made a further announcement on 18 January 2023, setting out updated plans which include increasing the number of shared programmes across the stations. For example, there will now be 20 shared programmes between 2-6pm on weekdays, and 18 shared programmes between 10am and 2pm on Saturdays and Sundays.

We have been engaging with the BBC to understand these plans in more detail. This includes meetings with key members of the BBC's Nations and Regions teams, as well as seeking additional written information from the BBC. We have used this information alongside carrying out our own analysis to assess the potential impact of these changes.

We have considered both what the changes might mean for audiences, as well as what they could mean for the delivery of local content. Starting with audiences, our assessment of listening data is consistent with what the BBC set out in its initial plans, namely that the changes are focussed on times when listening is generally lower. We have also looked at whether any audience groups may be particularly affected by the changes but have not identified any particular concerns in this regard. The audience profile of local radio in England does skew towards those aged 65+ and so it is older audiences who are more likely to be affected by the changes. Nevertheless, the listening profile of local radio tends to be similar across the course of the day and there is no specific audience group who only listens at the times in the schedule where the changes will be focussed.

When considering the potential impact on the delivery of local content, we had some initial questions about how important elements of the BBC's output would continue to be delivered and asked the BBC for some further information. In particular, we sought additional information about its delivery of news and travel announcements, how it would deal with local major incidents and breaking news, and how it would continue to provide content to facilitate local democracy. In response to our questions, the BBC has made a number of commitments for how it will ensure key areas of its output are maintained. We set these commitments out below.

• News and Travel: The BBC has told us that it will continue to broadcast unique news bulletins on each of the 39 stations between 6am and 6pm¹ (with local headlines every half hour in breakfast 6am-9am). At the weekends provision will also remain the same as now, with unique local bulletins across all stations between 6am and 1pm. Local travel updates will also continue to be

¹ The original letter, which was sent to the BBC on 24 February, contained an inadvertent error with regard to these timings, which has been corrected in this reissued letter.

able to be provided within local news bulletins, and major travel incidents will be able to be delivered as soon as needed by the presenter in both local and shared programming.

- Breaking news and major local incidents: The BBC has told us that it expects that major local incidents or breaking local news stories are likely to be of interest within a shared area and so would feature very prominently within shared programmes. As such, the BBC does not expect it would need to routinely scale up its operations to deliver dedicated programming to deal with such events, but it could do so where exceptional circumstances require this. The BBC has also said that the journalistic capacity at each local base is going to be strengthened and the 'Local Story Team' will be able to respond to major local incidents and provide cross-platform coverage, including on the relevant local radio stations.
- Contribution to local democracy: We asked the BBC how it plans to cover topics relevant to local democracy in shared programming. In response, the BBC has told us that it has a network of Politics Senior Reporters across England and that this staffing level is being maintained and these reporters will deliver content to local and shared audio services, as well as online and TV.

More broadly, we also asked the BBC how it would continue to ensure that shared programming would still be relevant to listeners, and asked for updated information on the proposed groupings of stations. In response, the BBC has said that it is confident that shared programming will resonate with audiences in the same way that the regional 6:30pm TV news bulletins do (and the majority of shared radio programming will cover similar geographic areas). It has said that the groupings of stations aim to work within recognised regional cultures and identities.

We have looked at these groupings and note that under the new plans, on Tuesday and Wednesday evenings when there is no local sport to be broadcast, the BBC will in some cases be sharing programming covering very large areas. In these cases, we have some concerns about how the programmes will remain relevant to audiences. For example, the current plans include sharing one programme between areas as wide as Norfolk and Dorset. The BBC has told us that such shared programming will be very rare, given the large amount of sports coverage they broadcast on local radio. However, it has also not provided more specific details about how often it expects local sport will be broadcast compared to this shared programming.

We question how shared programming which will cover such large areas will still be relevant to audiences, and therefore ask the BBC to explain why it considers this to be appropriate. In doing so, the BBC should explain in more detail the expected frequency of local sports coverage, and should include more information about the shared programming it would otherwise plan to broadcast in these slots e.g. what formats the programmes would take, the types of content covered etc.

We expect the BBC to review the impact of its changes to local radio in England as they are implemented to ensure they are meeting audience needs. Under the proposed new Operating Licence the BBC will also be required to publish more information about how it delivers high quality, distinctive content and services for audiences across the UK. We will also be monitoring the BBC's performance in this area closely and plan to commission new research to better understand what audiences need and value from local services.

The delivery of local content to all audiences, across a range of platforms, remains crucial to the BBC's delivery of its remit. Should the BBC seek to make any further changes to these services or move beyond the commitments outlined above we would expect it to discuss these in detail with Ofcom prior to doing so. We would also expect it to clearly communicate any further changes and engage with audiences and stakeholders in developing such plans. In addition, we are considering whether, in light of responses to our consultations on the new Operating Licence and the BBC's changes to local radio provision, our proposals for regulation of local radio remain appropriate. Finally, if we identify any concerns about the BBC's provision of local content, we will consider whether we need to introduce further requirements into the Operating Licence.

Changes to the BBC's nations' radio stations

The BBC has also announced changes to programming on its nations' radio stations. In November, as part of a wider announcement on closing a number of job posts in Northern Ireland, it announced that it would be cutting the breakfast programme and hourly news bulletins on Radio Foyle, and the weekly Inside Business programme on Radio Ulster. In January, it also confirmed that it would be decommissioning its Classics Unwrapped and Jazz Nights shows on BBC Radio Scotland and changing some of the production of its pipe music programmes on BBC Radio Scotland and BBC Radio nan Gàidheal.

While decisions on specific programmes are for the BBC, we have looked at the wider potential impact on the BBC's delivery for audiences in these areas. We have again been engaging closely with the BBC and have sought additional information to inform our considerations. In response, the BBC has set out some commitments for how it will continue to serve these audiences.

In respect of BBC Radio Ulster and BBC Radio Foyle, we asked the BBC to outline how it would continue to deliver local content to the different areas and communities of Northern Ireland. The BBC has told us that following feedback, it has now decided that the 30-minute weekday news programme will be broadcast at 08:30am rather than at the current lunchtime slot. It has also said that is it now intending to retain the hourly news bulletins on Radio Foyle until 3pm each weekday, and we would be grateful if this could be confirmed. In addition to this provision on radio, the BBC has said that there will be enhanced digital news coverage in Northern Ireland, including within the area served by BBC Radio Foyle.

On BBC Radio Scotland and BBC Radio nan Gàidheal, we asked the BBC how it will continue to deliver a distinctive and wide breadth of output of relevance to listeners in Scotland. In response, the BBC has stressed that audiences of classical, jazz and piping music will continue to be well served despite the changes, and has committed to BBC Radio Scotland continuing to broadcast music programmes every day of the week, covering a broad range of genres. It is also looking at more opportunities to showcase new and emerging Scottish acts.

As set out in relation to local radio in England, we expect the BBC to closely monitor the impact of these changes on audiences and we will also keep these areas under review, including by carrying out more research into what audiences expect from local content. If the BBC plans to make further changes to its delivery in these areas, including changes to the commitments it has made here, we would expect it to fully engage with Ofcom and audiences in developing such plans. Should we have

concerns about the BBC's provision for audiences in the Nations and regions, we would look at whether it is necessary to introduce new requirements into the Operating Licence.

Changes to the BBC News Channel and BBC World News

The BBC <u>announced</u> its intention to create one 24-hour news channel to replace the current BBC News UK channel and BBC World News in July 2022. This included a new live and breaking news team that the BBC said would provide coverage of global breaking news and where relevant a UK only stream for domestic news events.

We have been engaging with the BBC as it develops its plans to understand how the new channel will be run and ensure that it continues to meet the needs of UK audiences. We have discussed a number of potential concerns with the BBC, including:

- Whether some audience groups who disproportionately use BBC News will be adversely
 affected by the changes particularly older audiences who have not moved news
 consumption online and minority ethnic audiences.
- The UK content and stories that may no longer be covered by the BBC News channel –
 including ongoing news stories that are only of interest to UK audiences and local and
 regional stories.
- How the BBC will ensure the quality of the UK only service particularly where this is not planned (e.g. due to a breaking UK news story).

The BBC has committed to ensuring that UK news stories will continue to be provided for UK audiences. In addition, the BBC has been clear that the new service will be an improvement on the current service and that it will include two premium feeds for UK and international audiences. The BBC has also committed to providing more information about the new service in its 2023/24 Annual Plan. It is planning to trial aspects of the service before it is formally launched to ensure the quality of the service is maintained. Finally, the BBC has committed to reviewing the performance of the new service, including research on audience reactions, to ensure that it continues to meet its requirements under the Charter, Framework Agreement and the Operating Licence. The BBC has said it will share performance and research data with Ofcom.

We welcome these commitments from the BBC on the quality and performance of the new BBC News service. We will closely monitor the content and impact of the new service (including research on audience views) as it is implemented to ensure that it is delivering for UK audiences. In addition, we are considering whether, in light of responses to our consultations on the new Operating Licence and the BBC's changes to BBC News, our proposals relating to BBC News remain appropriate. If we have any concerns about the BBC meeting its commitments or we have evidence that audience needs are not being met, we will consider whether we need to introduce additional Operating Licence requirements on the BBC. We will update audiences and stakeholders on how the new service is performing in our annual report on the BBC.

Next steps

We plan to publish this letter and our analysis of the BBC's planned changes alongside our Statement on the Operating Licence next month. If you would like to respond to any of the points raised within

this letter, we would ask that you do so in writing to us by close of business on 9 March 2023 to allow us to reflect on these within our upcoming publication. We would also look to publish any response you may make.

Yours sincerely,

Kei Balchurt.

Kevin Bakhurst