

# Definition of New Music on Radio 1 and Radio 2

Proposed variation to Ofcom's Operating Licence for the BBC's Public Services

**CONSULTATION:** 

Publication Date: 23 January 2018 Closing Date for Responses: 20 February 2018

# About this document

Ofcom's responsibilities include holding the BBC to account for delivering its mission and promoting its public purposes. One of the ways we do so is by setting an operating licence for the BBC containing a set of regulatory conditions with which the BBC must comply.

In the operating licence issued in October 2017, we placed requirements on the BBC to ensure a significant proportion of Radio 1 and Radio 2's music output was New Music. To date, whether a song qualifies as 'new' on these stations has been primarily determined by the date it was physically released. In recent years, however, physical sales have increasingly given way to downloads and streaming services, and we consider it appropriate to amend the definition of New Music to take account of these changes.

This licence variation consultation seeks views on our proposals to update the definition of New Music used to assess Radio 1 and Radio 2's compliance with their respective requirements and to adjust the associated New Music obligation for Radio 1.

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# 1. Summary

- 1.1 The BBC is the UK's most widely-used media provider, offering programming on television and radio, and content online. The public has exceptionally high expectations of the BBC, shaped by its role as a publicly-funded broadcaster with a remit to inform, educate and entertain the public, and to support the creative economy across the UK.
- 1.2 To meet these expectations, the BBC must deliver the mission and public purposes set out in its Charter.<sup>1</sup> Alongside responsibilities for programme standards and protecting fair and effective competition in the areas in which the BBC operates, the Charter gives Ofcom the task of setting an operating licence for the BBC.
- 1.3 Ofcom issued the first operating licence (the "Licence") in October 2017.<sup>2</sup> This contained regulatory conditions for Radio 1 and Radio 2. This included requirements for a minimum proportion of the music played on these services to be New Music as defined in the Licence, to contribute to the distinctiveness of the stations' output when compared to services offered by other providers.
- 1.4 Changes in the way music is distributed have called into question the continued appropriateness of the definition of New Music used in the Licence. To take account of these developments, we have decided to consult on proposals to amend this definition.<sup>3</sup> We are also proposing to revise the level of the New Music requirement for Radio 1 in the Licence to better reflect the station's overperformance against this condition in recent years and to help ensure that high levels of delivery continue.

## Background

1.5 Radio is one of the key means by which people consume music. Two thirds of radio listeners say they listen to the radio to discover new music, increasing to 83% among younger adults.<sup>4</sup> The reach of live radio remains extremely high, with the latest industry listening figures showing that nine in ten adults in the UK listen to the radio at least once a week.<sup>5</sup> Music-based radio continues to be the most popular listening activity among all UK adults, ahead of personal music collections, speech radio and online music services.<sup>6</sup>

https://www.gov.uk/government/publications/bbc-charter-and-framework-agreement. <sup>2</sup> Operating licence for the BBC's public services, October 2017, available at:

https://www.ofcom.org.uk/ data/assets/pdf file/0017/107072/bbc-operating-licence.pdf.

<sup>&</sup>lt;sup>1</sup> The "Charter" is used in the rest of this document to refer to the *Royal Charter for the continuance of the British Broadcasting Corporation. The Agreement between the Secretary of State for Culture, Media and Sport and the British Broadcasting Corporation* is referred to as the "Agreement". Both are available at:

<sup>&</sup>lt;sup>3</sup> Given the potential impact on third parties in the music industry, we have decided it is appropriate to consult publicly in addition to consulting the BBC.

<sup>&</sup>lt;sup>4</sup> Source: TouchPoints 2017

<sup>&</sup>lt;sup>5</sup> Source: RAJAR, All adults (15+), Q3 2017

<sup>&</sup>lt;sup>6</sup> Ofcom research, 2017. Base: all adults (n = 1062)

- 1.6 However, while radio has retained its role as a source for music discovery, the way in which music is released has changed. Physical sales have increasingly given way to downloads and streaming services. Over half of adults now listen to music in this way each week, compared to under a third who listen to music in a physical format (CD, vinyl, cassette).<sup>7</sup>
- 1.7 In our March 2017 consultation on the draft Licence (the 'March 2017 consultation')<sup>®</sup> we decided to retain requirements set by the BBC Trust which required a minimum level of New Music to be played on Radio 1 and Radio 2 during daytime.<sup>9</sup> To help ensure that the BBC maintained its performance in this area, we proposed to increase the requirement for New Music on Radio 1. Further, to reflect how music is distributed today, we decided to refresh the existing definition of New Music, so that it referred to both "physical release" and "download release".
- 1.8 The BBC supported the decision to change how New Music was defined to take account of digital release. However, it also submitted evidence to Ofcom to suggest that the proposed approach would significantly affect the range of music that could be considered 'new'.<sup>10</sup> Following engagement with the BBC and a broad range of music, radio and streaming service stakeholders, we concluded that further analysis was required before amending the definition of New Music in the Licence or the level of the New Music requirement on Radio 1. Having carried out this analysis we are now consulting on a revised definition.

### **Our proposed approach to New Music**

- 1.9 We propose to amend the definition of New Music so that it includes two elements:
  - a) an extended window to give listeners time to become familiar with new tracks and support the development of new and emerging artists; and
  - b) a mechanism which encourages the BBC to refresh the Radio 1 and Radio 2 playlists by restricting the extent to which the most commercially successful songs continue to count as 'new'.
- 1.10 Our proposed definition is as follows:

A music track is to be considered "New Music" for a period of either:

- (a) 12 months from first release (whether by physical, radio, download or streaming means), or
- (b) 6 weeks after it enters the Top 20 of the UK Official Singles Chart whichever is sooner.

<sup>&</sup>lt;sup>7</sup> Source: TouchPoints 2017.

<sup>&</sup>lt;sup>8</sup> Holding the BBC to account for the delivery of its mission and public purposes: a consultation, March 2017, is referred to as "the March 2017 consultation" throughout this document. It is available at:

https://www.ofcom.org.uk/\_\_data/assets/pdf\_file/0033/99519/bbc-performance-consultation.pdf.

<sup>&</sup>lt;sup>9</sup> "Daytime" in relation to a UK Public Radio Service means 06:00 to 19:00 on Mondays to Fridays and 08:00 to 14:00 on Saturdays and Sundays.

<sup>&</sup>lt;sup>10</sup> BBC submission to the March 2017 consultation; paragraphs 4.31-4.46. No other respondent to the March 2017 consultation commented on our proposed definition of New Music.

- 1.11 We have assessed the output of Radio 1 and Radio 2 in 2017 against our proposed definition. This shows that the amount of New Music played on Radio 1 continues to exceed the existing level of the requirement. We therefore remain of the view that it is appropriate to increase the level of the New Music requirement for Radio 1 from 45% to 50% of the music played in daytime.
- 1.12 A more detailed account of our assessment and our resulting proposals are presented in Section 2 below.

### **Next steps**

- 1.13 This consultation will close on 20 February 2018. We intend to publish a statement including our final decision on the definition of New Music and accompanying variation to the Licence in advance of the New Music regulatory conditions on Radio 1 and Radio 2 coming into effect on 1 April 2018.<sup>11</sup>
- 1.14 We will treat all comments as non-confidential and may refer to them in the work we publish, unless respondents state otherwise. Respondents should place any confidential parts of their response in a separate annex, explaining why they consider them to be confidential. Please see Annex 2 for further information about responding to this consultation.

<sup>&</sup>lt;sup>11</sup> Some of the regulatory conditions in the Licence set requirements by reference to a financial year such as the conditions concerning New Music. The first financial year begins on 1 April 2018.

# 2. Our assessment

- 2.1 In this section we set out:
  - a) the background to our decision to revise the definition of New Music which applies to Radio 1 and Radio 2;
  - b) the approach we have taken to setting a revised definition; and
  - c) the amendments we propose to make to the Licence as a result.

### Background

### Existing 'New Music' definition and regulatory conditions

- 2.2 Distinctiveness, quality and creativity are at the heart of audience expectations for the BBC's output and services.
- 2.3 To help ensure the BBC continues to deliver high-quality and distinctive content for audiences, the Agreement requires Ofcom to impose enforceable regulatory conditions on the BBC in its Licence. Schedule 2 of the Agreement provides further detail as to the specific factors and requirements Ofcom must take into account when doing so.
- 2.4 In the Licence, New Music is currently defined as follows:

"New Music" means music which is either unreleased or it has been less than one month since release date (physical release, not download release).

2.5 Regulatory conditions 2.39.2 and 2.40.2 of the Licence refer to this definition. Condition 2.39.2 states that the BBC must ensure that, on Radio 1:

*"in each Financial Year at least 45% of the music in Daytime is New Music, of which a significant proportion must come from new and emerging United Kingdom artists".* 

2.6 Condition 2.40.2 states that the BBC must ensure that, on Radio 2:

*"in each Financial Year at least 20% of the music in Daytime is New Music, of which a significant proportion must come from new and emerging United Kingdom artists".* 

2.7 The requirements set out in the Licence were imposed following consultation. In that consultation we explained that we were carrying over the approach of the BBC Trust but were proposing amendments to ensure distinctive output and to reflect changes in the way music is released.

### The consultation and statement

2.8 In our consultation on the draft Licence (the 'March 2017 consultation') we explained how we intended to fulfil this goal. We proposed to set a Licence containing conditions which would:

- ensure the BBC's portfolio of radio services offered the broadest variety of output, including a range of musical output on its popular radio services that was broader than that of comparable providers;<sup>12</sup> and
- b) satisfy our specific obligations under Schedule 2 of the Agreement,<sup>13</sup> to set or change existing requirements "to ensure Radio 1 and Radio 2 music output in particular is more distinct from those of other broadcasters" as well as "to improve focus on promoting UK talent, particularly new UK acts, on Radio 1 and Radio 2".<sup>14</sup>
- 2.9 To achieve these policy objectives we proposed, among other things, to retain obligations on Radio 1 and Radio 2 initially set by the BBC's former regulator, the BBC Trust, requiring a specific amount of New Music to be broadcast.
- 2.10 We considered that requiring the BBC to play a specific level of New Music on Radio 1 and Radio 2 at the times of day when the widest range of people were listening would help to set the services apart from comparable commercial stations. We also considered such conditions were necessary to ensure listeners were provided with increasing opportunities to hear material from a diverse range of artists, including new UK talent. To this end, the obligations we proposed also required the BBC to ensure that, "a significant proportion [of its New Music provision] *must come from new and emerging United Kingdom artists*".
- 2.11 To ensure the obligations would remain effective, and in recognition of the continuing move towards digital music distribution, we proposed an updated definition of New Music in the Licence so that 'release date' referred to both physical and digital release:

"New Music" means:

- (a) music which has never been released, either by physical release or by download release;
- (b) music which has been released within the previous month, either by physical release or by download release or by both. In cases where the date of physical release is different from the date of download release, the earlier date shall be deemed to be the date of release.<sup>15</sup>
- 2.12 In its response to the March 2017 consultation, the BBC stated that although it supported Ofcom's rationale for changing the definition to take account of digital music release, it believed the specific wording we had proposed could substantially narrow the range of new music available for Radio 1 and Radio 2 to play, for two reasons:
  - a) in previous years singles were often supplied to radio stations for a four to six week 'pre-release' period. Because now nearly all music is made available to consumers and radio stations at the same time, most songs would only qualify as 'new' for the four weeks after release as opposed to a total of eight to ten weeks.

<sup>&</sup>lt;sup>12</sup> The March 2017 consultation; paragraph 4.71.1.

<sup>&</sup>lt;sup>13</sup> Schedule 2 of the Agreement, Article 2(3).

<sup>&</sup>lt;sup>14</sup> The March 2017 consultation; paragraph 4.66.

<sup>&</sup>lt;sup>15</sup> The March 2017 consultation; paragraph 3.1, schedule 2, annex 4.

- b) In most cases, entire albums are now released digitally at the same time as singles, with the result that tracks from an album can be purchased/streamed individually. Consequently, whereas record labels in the past would have used pre- and post-release singles to promote an album over a 12-18 month window, far fewer 'post-album' singles are released.<sup>16</sup>
- 2.13 In the BBC's view, the definition proposed by Ofcom in the March 2017 consultation would provide its radio stations with "*much less scope to build audience familiarity with new artists and tracks*". This would, the BBC considered, "*impact most on new and emerging artists*" as the BBC's ability to support new acts over an extended period would be reduced.<sup>17</sup> The BBC suggested that the amount of music which it played on Radio 1 that would qualify as New Music under the revised definition would fall from 60% to 17%.<sup>18</sup>
- 2.14 In our final statement on the Licence, published in October 2017, we acknowledged the arguments put forward by the BBC and stated that we would consult specifically on a revised definition for New Music.<sup>19</sup>

### Ofcom's approach to determining a definition of New Music

- 2.15 Our objective in developing a revised definition of New Music, as set out in the March 2017 consultation, is to ensure that the regulatory conditions in place:
  - a) ensure that Radio 1 and Radio 2 offer the broadest variety of output, including a range of musical output that is broader than that of comparable providers; and
  - b) satisfy our specific obligations under Schedule 2 of the Agreement "to ensure Radio 1 and Radio 2 music output in particular is more distinct from those of other broadcasters" as well as "to improve focus on promoting UK talent, particularly new UK acts, on Radio 1 and Radio 2".<sup>20</sup>
- 2.16 In deciding how New Music should be defined, we have engaged with a range of stakeholders including radio stations, record labels and music streaming companies to better understand ongoing changes in the way music is distributed. We have taken account of a range of views on the following issues:
  - what stakeholders consider New Music to be;
  - the role of the BBC in supporting New Music;
  - the relevance of the release date of music;
  - what is an appropriate period for music to qualify as 'new' after release; and
  - the use of the UK Official Singles Chart to determine the amount of time music should qualify as 'new'.

<sup>&</sup>lt;sup>16</sup> <u>BBC submission to the March 2017 consultation</u>; paragraphs 4.36 and 4.37.

<sup>&</sup>lt;sup>17</sup> <u>BBC submission to the March 2017 consultation</u>; paragraph 4.38.

<sup>&</sup>lt;sup>18</sup> <u>BBC submission to the March 2017 consultation</u>; paragraph 4.35.

<sup>&</sup>lt;sup>19</sup> Ofcom, <u>Statement: Holding the BBC to account for delivering for audiences, Annexes</u>, October 2017; page 51.

<sup>&</sup>lt;sup>20</sup> Schedule 2 of the Agreement, Article 2(3)

2.17 There are several ways in which the New Music definition could be structured. Following engagement with a number of stakeholders in the music industry to develop a suitable definition of New Music, the BBC put forward the following proposal:

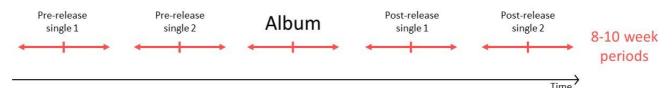
"a track remains new for either 12 months from initial release to radio, digital download or streaming services, or for <u>X weeks</u> after entering the <u>Top Y</u> of the UK's Official Singles Chart, whichever is sooner".

- 2.18 The BBC told Ofcom there had been "general agreement that a definition formed in this way was a reasonable solution", but noted there had been no clear consensus on the underlined variables.
- 2.19 In our discussions with stakeholders, we have found that there is broad support for the BBC's approach. In light of this, we are satisfied that the structure developed by the BBC for a definition of New Music is appropriate. We have therefore focussed our analysis on deciding how long a track remains new after its initial release and the effect of using the Official Singles Chart as a gauge for a track's popularity.

### How long a track is considered to be new after its initial release

2.20 The way that new music is brought to the attention of the public has changed over time. The record labels we spoke to told us that they will generally promote an artist's new work for 12-18 months, depending on its commercial success. In the past, this promotional period could have contained several physical pre- and post-album singles, as well as the album itself, but not all album tracks would have been made available for individual purchase. This promotional structure created a number of discrete opportunities for record labels to promote an artist and seek radio airplay with the aim of appealing to a new audience. As shown in Figure 1 below, there may have been four or five eight-to-ten week periods (each including a four-to-six week pre-release phase) during which different tracks by an artist would be played on Radio 1 and Radio 2 and treated as New Music:<sup>21</sup>

#### Figure 1: Indicative historic album release cycle



2.21 The ease with which music can be distributed today has led many record labels to change their approach to promotion. Many record labels now adopt an 'On Air, On Sale' approach, which means that tracks become available for purchase and streaming at the same time that they begin to receive radio airplay. As such, post-album singles are far less common and record labels will instead co-ordinate marketing activity with radio stations by setting an 'impact date' representing a track's intended peak of exposure. This may be some time

<sup>&</sup>lt;sup>21</sup> Under the existing definition, music is New Music if it is either unreleased or it has been less than one month since release date (physical release, not download release).

after a track has first been made available to the public to avoid audience fatigue and allow each different track to reach its full commercial potential.

- 2.22 As 'impact dates' are now less frequently tied to release dates, we accept that a definition of New Music enabling tracks to qualify for only a short window following their initial release could result in the BBC having to alter the musical output of Radio 1 and Radio 2 significantly as well as limiting the stations' ability to promote a range of new material from UK artists over the traditional album cycle. We therefore consider it is appropriate for tracks to continue to qualify as New Music for a longer period, in order to provide Radio 1 and Radio 2 with a number of qualifying 'impact dates' around the release of an album.
- 2.23 In addition, our engagement with stakeholders has highlighted the importance of an extended period for audiences to become familiar with new tracks, particularly those from newer artists and less popular genres. Whereas established artists will generally have the support of a record label and a dedicated fanbase for their new material, it may take longer for tracks by newer artists, particularly those distributing music independently online, to find an audience. A longer period would help to ensure that such artists are not disadvantaged and allow Radio 1 and Radio 2 to play and promote their work.
- 2.24 We have assessed various options for how long a track should qualify as 'new', between three and 18 months. We have taken into account the changes to music distribution discussed above, and analysed Radio 1 and Radio 2 output during sample periods across 2017. We consider that a period of 12 months favoured by the majority of the industry stakeholders we met takes best account of modern music release practices. It will allow Radio 1 and Radio 2 to continue to play the same broad range of music as before, while providing more opportunities for new and emerging artists to be discovered and supported, in accordance with the policy objectives set out at paragraph 2.15.

### Using the UK Official Singles Chart as a gauge for a track's success

- 2.25 As part of the BBC's obligation to offer output and services which are distinct from those of other providers, Schedule 2 of the Agreement highlights the importance of promoting new UK acts and broadcasting a distinctive musical output on Radio 1 and Radio 2.<sup>22</sup> However, permitting Radio 1 and Radio 2 to include the most commercially successful tracks within the New Music requirements for a period of twelve months could lead to a reduction in their distinctiveness from the music mix offered by commercial radio stations. There is also a risk that playing a large volume of commercially successful tracks would crowd out the opportunities for music from emerging artists to be played. We therefore consider that a further restriction is required to ensure the distinctiveness of Radio 1 and Radio 2's output so that well known material does not continue to be treated as 'new' even after it has reached a defined level of success.
- 2.26 The UK Official Singles Chart, which takes account of physical sales, digital sales and streams but not airplay, is the best available indicator of the success of recent releases.

<sup>&</sup>lt;sup>22</sup> Paragraph 2(3) of Schedule 2 to the Agreement

Once a track climbs to a high chart position, it is likely to be both established with the public and receive significant airplay on commercial radio services. Limiting the amount of time that such tracks are deemed to be New Music encourages the BBC to refresh the playlists of its music services, contributing to the distinctiveness of Radio 1 and 2's musical output.

- 2.27 We have looked at the effect of limiting the extent to which tracks that have reached the Top 10, Top 20 and Top 40 of the UK Official Singles Chart should continue to qualify as New Music. In our discussions with stakeholders, many proposed a limitation based on entry to the Top 20, which they considered to be a suitable measure for commercial success. However, others questioned whether the pool of tracks which entered the Top 20 was too small to encourage the BBC to refresh its Radio 1 and Radio 2 playlists regularly.
- 2.28 Our analysis of music played on Radio 1 and Radio 2 in 2017 suggests that the difference to the stations' daytime output between imposing a limitation based on the Top 20 and Top 40 would be marginal.<sup>23</sup> We therefore propose to include a reference to the Top 20 within our definition.
- 2.29 We have also considered for how many weeks after a track entered the Top 20 it should continue to be treated as New Music. Many stakeholders argued that a stricter limitation of around four weeks would prevent many songs from reaching their full commercial potential. However, some suggested that a longer period of around eight weeks could prove counter-productive, as it might encourage the BBC to leave the most popular songs on its playlists at the expense of other tracks. Taking into account these views and having analysed the impact of different options on Radio 1 and Radio 2 output during 2017, our view is that a period of six weeks following entry to the UK Official Singles Chart Top 20 is appropriate and is unlikely to require significant change to R1 and R2's music output.
- 2.30 In light of our assessment, we therefore consider that it is appropriate to revise the definition of New Music to read as follows:
  - A music track is to be considered "New Music" for a period of either:
  - (a) 12 months from first release (whether by physical, radio, download or streaming means), or
  - (b) 6 weeks after it enters the Top 20 of the UK Official Singles Chart whichever is sooner.

### Proportion of New Music played applying the proposed definition

2.31 Figure 2 shows the amount of New Music played on Radio 1 and Radio 2 in 2017, applying our proposed definition and variables, and the BBC's most recently reported performance against the existing definition for comparison:

<sup>&</sup>lt;sup>23</sup> If a track on Radio 1 is considered to be New Music for a period of either 12 months from first release or 6 weeks after it enters the Top 20 of the UK's Official Singles Chart, whichever is sooner, 56% of the station's output daytime would have qualified as New Music in 2017. If the Top 40 chart is used instead of the Top 20 chart, all other variables remaining the same, 54% of the station's daytime output would have qualified as New Music in the same year.

Figure 2: Proportion of New Music played on Radio 1 and Radio 2 during daytime under proposed definition compared to existing definition

	Radio 1	Radio 2
% of total music played within 12 months of first release	67%	33%
% of total music played within 12 months of first release or 6 weeks of Top 20 entry – proposed definition	56%	32%
% of total music played within one month of physical release – existing definition	60%	26%

*Source: Ofcom analysis of RadioMonitor and Official Charts Company data using multiple sample periods in 2017; BBC Annual Report and Accounts 2016/17* 

## Level of conditions

- 2.32 In setting the Licence, we retained a number of requirements from the BBC Trust's service licences (including the New Music requirements on Radio 1 and Radio 2). In many cases we increased the level of those requirements to better reflect actual performance and underpin delivery at higher levels.
- 2.33 In the March 2017 consultation we made it clear that we would "set the levels of these requirements to ensure the BBC maintains its current level of performance." We proposed to increase the minimum amount of New Music that Radio 1 was required to broadcast during daytime from 45% to 50%, due to consistent overperformance against the condition. We also proposed retaining Radio 2's daytime New Music requirement at 20%.
- 2.34 Under our proposed definition of New Music, it is likely that Radio 1 and Radio 2 would continue to overperform against the requirements in the Licence. We remain of the view that it is appropriate to increase the level of the New Music requirement for Radio 1 to 50% and to maintain the level for Radio 2 at 20%. Those levels will continue to secure the distinctiveness of the musical output of each station and we therefore consider that it is appropriate to proceed on this basis if we decide to adopt the revised definition.

## Procedures for amending an operating licence

2.35 Ofcom has a power to amend any operating licence set and in doing so must consult the BBC and any person Ofcom considers appropriate. The operating framework for BBC regulation sets out how Ofcom sets and administers the operating licence regime and the procedures to be followed, including the "Procedures for setting and amending the operating licence".<sup>24</sup> This consultation follows those procedures (and applies the considerations it lists) together with Ofcom's consultation principles (see Annex 3).

<sup>&</sup>lt;sup>24</sup> <u>https://www.ofcom.org.uk/\_\_data/assets/pdf\_file/0025/107089/procedures-bbc-operating-licence.pdf</u>

## **Proposed licence variation**

### **Proposed amendments**

- 2.36 In line with the reasoning set out above, we propose to amend the definition of New Music in the Licence as follows:
  - A music track is to be considered "New Music" for a period of either:
  - (a) 12 months from first release (whether by physical, radio, download or streaming means), or
  - (b) 6 weeks after it enters the Top 20 of the UK Official Singles Chart whichever is sooner.
- 2.37 We also propose to amend condition 2.39.2 to provide that at least 50% of music played in daytime on Radio 1 is New Music:

*"in each Financial Year at least 50% of the music in Daytime is New Music, of which a significant proportion must come from new and emerging United Kingdom artists".* 

Do you agree with the proposed amendments to the BBC's Operating Licence set out it in paragraphs 2.36 to 2.37 of this consultation?

# A1. Impact assessment and equality impact assessment

## **Impact Assessment**

- A1.1 Ofcom is required under the Charter and Agreement to put in place a Licence, and to do so in accordance with the provisions contained in those documents. Ofcom also has a legal duty to carry out impact assessments where our policy decisions are likely to have a significant effect on businesses or the public, or when there is a major change in Ofcom's activities.<sup>25</sup>
- A1.2 In reaching our view on the appropriate revised definition of New Music, we have considered the impact on the BBC, other radio stations, the music industry more generally and listeners. The analysis set out in this document includes such an impact assessment for the purposes of the relevant duties imposed on Ofcom.

## **Equality Impact Assessment**

- A1.3 We are required by statute to assess the potential impact of all our functions, policies, projects and practices on people with any of the following protected characteristics: age, disability, gender, gender reassignment, pregnancy and maternity, race, religion or belief and sexual orientation.<sup>26</sup> We refer to groups of people with these protected characteristics as 'equality groups'.
- A1.4 We fulfil these obligations by carrying out an EIA, which examines the potential impact our policy is likely to have on people, depending on their personal circumstances. EIAs also assist us in making sure that we are meeting our principal duty of furthering the interests of citizens and consumers, regardless of their background and identity.
- A1.5 In setting our first Licence for the BBC Ofcom conducted an EIA considering the effects of our proposed approach for holding the BBC to account for the delivery of its mission and public purposes.<sup>27</sup> We concluded that securing delivery of the BBC's mission and public purposes through this regulatory regime will bring benefits to all consumers of BBC output including equality groups.
- A1.6 We do not consider the proposed change to the definition of New Music to have any additional positive or adverse impact on equality groups.

<sup>&</sup>lt;sup>25</sup> Section 7 of the Communications Act 2003.

 $<sup>^{\</sup>rm 26}$  As defined in the Equality Act 2010.

<sup>&</sup>lt;sup>27</sup> Ofcom, <u>Statement: Holding the BBC to account for delivering for audiences, Annexes</u>, October 2017; paragraphs A6.11 to A6.25

# A2. Responding to this consultation

### How to respond

- A2.1 Ofcom would like to receive views and comments on the issues raised in this document, by 5pm on 20 February 2018.
- A2.2 You can download a response form from <u>https://www.ofcom.org.uk/consultations-and-</u> <u>statements/category-3/definition-new-music-bbc-radio</u>. You can return this by email or post to the address provided in the response form.
- A2.3 If your response is a large file, or has supporting charts, tables or other data, please email it to <u>NewMusic@ofcom.org.uk</u>, as an attachment in Microsoft Word format, together with the cover sheet (<u>https://www.ofcom.org.uk/consultations-and-statements/consultation-response-coversheet</u>). This email address is for this consultation only, and will not be valid after February 2018.
- A2.4 Responses may alternatively be posted to the address below, marked with the title of the consultation:

Max Owens Ofcom Riverside House 2A Southwark Bridge Road London SE1 9HA

- A2.5 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.
- A2.6 We will publish a transcript of any audio or video responses we receive (unless your response is confidential)
- A2.7 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.
- A2.8 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.
- A2.9 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 5. 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.

A2.10 If you want to discuss the issues and questions raised in this consultation, please contact Max Owens on 020 7981 3000, or by email to max.owens@ofcom.org.uk.

## Confidentiality

- A2.11 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 our website, www.ofcom.org.uk, as soon as we receive them.
- A2.12 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.
- A2.13 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.
- A2.14 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 at <a href="https://www.ofcom.org.uk/about-ofcom/website/terms-of-use">https://www.ofcom.org.uk/about-ofcom/website/terms-of-use</a>.

### **Next steps**

- A2.15 Following this consultation period, Ofcom plans to publish a statement in March 2018.
- A2.16 If you wish, you can register to receive mail updates alerting you to new Ofcom publications; for more details please see <u>https://www.ofcom.org.uk/about-ofcom/latest/email-updates</u>

### **Ofcom's consultation processes**

- A2.17 Of com aims to make responding to a consultation as easy as possible. For more information, please see our consultation principles in Annex 3.
- A2.18 If you have any comments or suggestions on how we manage our consultations, please email us at <u>consult@ofcom.org.uk</u>. 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.
- A2.19 If you would like to discuss these issues, or Ofcom's consultation processes more generally, please contact Steve Gettings, Ofcom's consultation champion:

Steve Gettings Ofcom Riverside House 2a Southwark Bridge Road London SE1 9HA Email: <u>corporationsecretary@ofcom.org.uk</u>

# A3. Ofcom's consultation principles

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

### Before the consultation

A3.1 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

- A3.2 We will be clear about whom we are consulting, why, on what questions and for how long.
- A3.3 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.
- A3.4 We will consult for up to ten weeks, depending on the potential impact of our proposals.
- A3.5 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.
- A3.6 If we are not able to follow any of these seven principles, we will explain why.

### After the consultation

A3.7 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.

# A4. Consultation coversheet

## **BASIC DETAILS**

Consultation title: Definition of New Music on Radio 1 and Radio 2

To (Ofcom contact):

Name of respondent:

Representing (self or organisation/s):

Address (if not received by email):

## CONFIDENTIALITY

Please tick below what part of your response 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?	

If you want part of your response, your name or your organisation not to be published, can Ofcom still publish a reference to the contents of your response (including, for any confidential parts, a general summary that does not disclose the specific information or enable you to be identified)?

## DECLARATION

I confirm that the correspondence supplied with this cover sheet is a formal consultation response that Ofcom can publish. However, in supplying this response, I understand that Ofcom may need to publish all responses, including those which are marked as confidential, in order to meet legal obligations. If I have sent my response by email, Ofcom can disregard any standard e-mail text about not disclosing email contents and attachments.

Ofcom seeks to publish responses on receipt. If your response is non-confidential (in whole or in part), and you would prefer us to publish your response only once the consultation has ended, please tick here.

Signed (if hard copy)

Name

# A5. Consultation question

Do you agree with the proposed amendments to the BBC's Operating Licence set out it in paragraphs 2.36 to 2.37 of this consultation?