



Response to Ofcom's provisional determination on Radio Cymru 2

BBC Response

14 December 2023

Executive summary

The BBC welcomes the opportunity to respond to Ofcom's consultation on its provisional determination of Radio Cymru 2's competition assessment.

In our consultation document published in July and the Public Interest Test published in September, we proposed extending the number of originated hours on Radio Cymru 2 from 25 to 61.5 hours per week making it a new UK Public Service in its own right. As its own station, Radio Cymru 2 would continue to broadcast music and entertainment programming interleaved with simulcast content from Radio Cymru for audiences aged 25 to 54, particularly Welsh-speakers with lower levels of fluency.

We concluded through our public value assessment that this extension would better serve Welsh audiences, encourage the take up of the Welsh language, increase audience reach, support the Welsh-language music recording industry and provide larger volume of Welsh-language content. Furthermore, we determined the impact would be insignificant for commercial local and network radio in Wales and negligible for stations providing some Welsh-language programming, whilst there could be some impact on Capital Cymru, but not enough to crowd out the station.

We consider Ofcom's reviews of our public value and market impact assessments robust and thorough, and we welcome Ofcom's provisional determination that the additional public value of extending Radio Cymru 2's originated hours justifies the limited adverse impact on fair and effect competition.

We also agree that Ofcom's proposed Operating Licence conditions for Radio Cymru 2 are suitable and proportionate.

Radio Cymru 2 competition assessment

All of our responses are nonconfidential.

Question 1: Do you agree with the findings from our review of the BBC's assessment of the public value of the Proposals? Please provide evidence to support your views.

Ofcom has appropriately reviewed our assessment of the public value that would be generated from extending Radio Cymru 2's originated hours. We agree with Ofcom's conclusion that the proposal has the potential to deliver significant public value for listeners of Welsh-language content and those interested in the Welsh language.

Question 2: Do you agree with our assessment of the likely impact of the proposals on fair and effective competition? Please provide evidence to support your views.

We welcome Ofcom's view that our market impact assessment is sufficiently robust. We also agree with Ofcom's conclusion that this proposal is unlikely to have a significant adverse impact on competitors.

We note that Ofcom's analysis includes community radio stations with varying levels of Welsh-language programming. The BBC's assessment did not include community radio stations as they do not subscribe for the RAJAR industry survey and are not-for-profit organisations. Furthermore, community radio stations have strict limits on the amount of income they can make from advertising. In 2022, on-air commercial income accounted for less than a third of community radio stations' income on average.¹

In any event, even taking these community radio stations into account, there is still a substantial geographical area in Wales where only Radio Cymru 2 and Radio Cymru are available. Therefore, we agree with Ofcom's analysis that the proposed change to Radio Cymru 2 is unlikely to have a significant impact on these stations and consider that the proposed extension will deliver public value, particularly for audiences that receive only Radio Cymru 2 and no community radio offering Welsh-language.

Question 3: Do you agree with our provisional conclusion that the public value associated with the BBC's proposals justifies the adverse impact on fair and effective competition that we have identified? Please provide evidence to support your views.

We agree with Ofcom's provisional determination that the additional public value the proposal would justifies the limited adverse impact on fair and effective competition.

¹[Ofcom Communications Market Review 2023: Interactive data – Radio and audio](#), published 28 November 2023.

Question 4: Do you agree with our proposals on the Operating Licence conditions that should apply to BBC Radio Cymru 2? Please provide evidence to support your views.

In summary, Ofcom proposes the following operating licence conditions apply to Radio Cymru 2:

- To provide content of interest and relevance to audiences in Wales, including a broad range of content which reflects the culture of Wales.
- To provide music of particular relevance to audiences in Wales.
- To provide daily and regular bulletins from Monday to Saturday and daily news bulletins on Sunday.
- For the BBC to annually publish its plans to deliver news on Radio Cymru 2 at the same time of the BBC's Annual Plan for the Financial Year.

We are content with these conditions proposed by Ofcom. They reflect the intention of Radio Cymru 2 to better serve Welsh audiences, particularly 25 to 54 year-olds keen on listening to Welsh-language content. We will set out our plans for Radio Cymru 2 in our Annual Plan as we do each year for other BBC services.