



# Classic Gold and AM Networking

Change of Format Request: Decision

**Statement**

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# Classic Gold and AM Networking

At its meeting on 9 February 2006, Ofcom's Radio Licensing Committee considered a request submitted by UBC Media Group plc, owners of the Classic Gold stations, to change the Formats of its services in two ways:

1. To be allowed to consolidate its portfolio of local services into a smaller number of regional 'clusters'. This reorganisation would affect 13 out of 18 Classic Gold stations
2. To change the Formats of all 18 Classic Gold stations to allow them to schedule the four hours of locally made programming currently required by the Format at any time during weekday daytime (i.e. between 0600 – 1900hrs) rather than weekday peaktime (i.e. either breakfast or drivetime)

Ofcom took the view that these changes could substantially alter the character of the service and therefore, under the requirements of section 106ZA of the 1990 Broadcasting Act, a public consultation was held lasting 42 days.

A total of six responses were submitted from the industry and individuals; one respondent was in favour of the proposals. One response was confidential.

Ofcom may consent to the change only if it is satisfied that one of the following criteria specified in section 106(1A) (a) to (d) of the 1990 Broadcasting Act is satisfied. They are:

- (a) That the departure would not substantially alter the character of the service;
- (b) The change would not narrow the range of programmes available by way of relevant independent radio services;
- (c) The change would be conducive to the maintenance or promotion of fair and effective competition; or
- (d) There is evidence that, amongst persons living in that area or locality, there is significant demand for, or significant support for the change.

After full and careful consideration the Committee decided as follows:

## Proposal 1

The proposal to regionalise output for 13 Classic Gold stations should not be agreed. In reaching its decision the Committee considered each of the four statutory criteria and decided that:

- Given the emphasis on localness through the duties placed upon Ofcom by Parliament, agreement to the removal of local programming on this scale would represent a substantial change to the character of each affected service
- While the number of radio stations in each area would not be diminished under the proposals, the amount of local programming would be reduced. The Committee therefore concluded that the proposals would narrow the range of programmes in the affected areas
- Insufficient evidence was provided by the applicant for Ofcom to make an informed assessment of the likely impact on competition of the proposed Format change

- The submission did not demonstrate demand or support for the Format change amongst persons living in the affected areas

The Committee also gave consideration to the following:

- Agreement to the proposal would have the potential to move the network further towards that of a quasi-national network, which would not be Ofcom's intention
- The rationale for the proposed regional clustering was not compelling. Nevertheless Ofcom was of the opinion that creating regional groups out of services that have clear local obligations was inconsistent with its approach to preserving and upholding localness in local radio
- Agreement to UBC's proposals would set a significant precedent for Ofcom's policy on Format changes. Without a clearer rationale for the proposal, if it were allowed, it would be difficult for Ofcom to refuse similar requests that could ultimately result in the end of distinct local programming across AM stations

## Proposal 2

The proposal to amend the 18 Classic Gold station Formats to allow the four hours of locally made programming to be scheduled anywhere within daytime should be agreed. In reaching its decision the Committee considered each of the four statutory criteria and decided that:

- The amount of local programming broadcast during daytime would not alter and so the character of the service would not be substantially altered by this proposal
- The amount of locally produced and presented programming would remain unchanged and so the range of programmes available to listeners would be unchanged
- The amount of locally produced and presented programming would remain unchanged and so the level of fair and effective competition would not be affected
- There was no strong evidence of support for or against this change, either from listener research or from the consultation

The proposal satisfied the first three statutory criteria and was therefore eligible for consideration.

The Committee also gave consideration to the following:

- Acceptance of this proposal took full account of the evidence provided by UBC Media plc (verified by Ofcom), that in this case, a larger available audience was identified outside of the traditional peaktime dayparts. As such, stations will have the ability to provide local programming at a time when it is more likely to be heard. It does not signal the relegation of local output to obscure hours or subvert Ofcom's commitment to localness
- Acceptance of this proposal is in keeping with Ofcom's stated position to look more favourably at Format change requests on this band.