

Winchester Radio

Question	Your response
<p>Question 1: We consider that the launch of the four DAB+ music stations and the extension of broadcast hours for BBC 5 Sports Extra are material changes. If you disagree, please explain why you consider the BBC's published proposals are not material.</p>	<p>Confidential? – Y N</p> <p>We concur that the BBC's published proposals are material. We are especially concerned with the proposed Radio 2 Extension, which we believe will materially affect Winchester Radio (as well as other community radio stations with similarly-aged target audiences and key commitments).</p>
<p>Question 2: Do you consider that the BBC's published proposals are clear in relation to their scale (both in terms of financial resource and in terms of reach and type of content) and the timescales for implementation? If not, please provide details of the areas where you feel more clarity is required.</p>	<p>Confidential? – Y N</p> <p>The scale of the BBC's ambitions are clear in terms of the reach and type of content, however, the financial figures are largely meaningless without including (even an estimate of) the music copyright licensing costs – these must be a very significant proportion of the overall operating costs.</p>
<p>Question 3: Did the BBC's PIT consultation processes provide suitable opportunity for you to set out your views fully? If not, please provide details.</p>	<p>Confidential? – Y N</p> <p>No, the BBC's PIT consultation process did not provide a suitable opportunity for us to engage with the process. This consultation from Ofcom is the first occasion that our views have been proactively sought. We were aware of the BBC's intentions to introduce new services, through press reporting, but were not previously aware that a consultation process had already taken place.</p>
<p>Question 4: Given that both proposals raise a number of contentious issues, it is our intention to undertake full BCAs for both. If you disagree and think that Ofcom should undertake Shorter Assessments, please explain why.</p>	<p>Confidential? – Y N</p> <p>We agree that it is appropriate that Ofcom undertakes full BCAs on the BBC's proposals.</p>
<p>Question 5: Do you agree with the BBC's assessments in its PITs about the potential public value and/or market impact of the</p>	<p>Confidential? – Y N</p> <p>Our initial view of the BBC's assessments about the public value and market impact of their</p>

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<p>proposals? Are there any additional public value and/or competition considerations that have not been identified by the BBC?</p>	<p>proposed Radio 2 Extension is that they are seriously flawed. We have not fully reviewed the assessments of the other proposed services, as we don't believe that they will have a material impact on Winchester Radio – although other community radio stations targeting difference audience demographics might well be materially affected and, like Winchester Radio, are likely to not have had the opportunity to comment previously.</p> <p>As Boom Radio commented in their response to the BBC consultation, the BBC has, apparently deliberately, and counter-intuitively, not included BBC Local Radio in its analysis. Given that this service has a generally older audience (whether it is specifically targeted or not) and, outside of breakfast, plays a considerable amount of music, it is disingenuous for the BBC to exclude this from its analysis – especially in relation to the BBC Radio 2 Extension proposal.</p> <p>The BBC does not as far as we can see, mention community radio at all in its impact assessments. It is not, therefore, evident that they have considered the impact their proposals might have on the community radio sector. New services of the sort and size being proposed could have significant effects on the audience levels of community radio stations, and thus significantly impact the level of social gain they are able to provide.</p> <p>In terms of public value, we struggle to understand what gap in the market the Radio 2 Extension is intending to fill. BBC Radio 2 changed its music policy around 7/8 years ago, moving its target demographic younger, with the music played adjusting accordingly. Commercial radio – especially Boom Radio – reacted accordingly. At around the same time, Winchester Radio was applying for/being awarded its community radio licence. When deciding what our target audience would be, one the major factors was how well different age-groups were served by other radio stations: as</p>

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	<p>well as looking at commercial radio (as we were required to do in the community radio application form), we looked at BBC radio – both national and local. We decided to target the over-50s audience as this audience was underserved, at that time, by both BBC and commercial radio. Because of the style of our programming, and despite the general affluence of Winchester, our audience also skews C2DE, rather than ABC1.</p> <p>Our financial planning was based on us being able to attract a certain amount of on-air advertising revenue. Since launch, it is no secret that we have struggled to generate the expected levels of income from this source (see our Trustees’ Annual Reports on the Charity Commission’s website). This is, no doubt, partly due to the success of Boom Radio (and all credit to the Boom Radio team for their commercial success and business acumen) “stealing” a proportion of our target audience. The BBC launching another commercial-free radio service – and one with the majority of the schedule consisting speech-led programming, including “entertaining and educational documentaries” aimed directly at our target audience could well make Winchester Radio unsustainable.</p> <p>Winchester Radio is one of a growing number of community radio stations (originating from the hospital radio sector) targeting an older audience, with underlying health & wellbeing social gain/charitable objects. The number of these stations is increasing quite rapidly at the moment, as Small-Scale DAB networks become available and the NHS increasingly focuses on prevention and care in the community. The Charity Commission for England & Wales’s Register of Charities shows 30 registered charities (excluding the national association) with the national association’s model object for health & wellbeing broadcasters; there will be others registered with OSCR in Scotland, and possibly others in Northern Ireland. If care is not taken, many of these stations could see a</p>

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	significant drop in audience numbers if the Radio 2 Extension is permitted to go ahead.
<p>Question 6: Do these proposals lead to any significant market impact concerns which might affect your own services? If so, please explain how the BBC's proposals would affect your services if they go ahead.</p>	<p>Confidential? – Y N</p> <p>Yes, as explained in our answer to question 5, we are seriously concerned about the impact the proposed Radio 2 Extension would have on Winchester Radio's audience numbers. Whereas, at the moment, our target audience age-group is above that of Radio 2, the Radio 2 Extension will be directly competing for our audience, both in terms of age and demographics. Compared to any BBC station, our audience is miniscule, but we are able – just – to survive. If our audience leaves Winchester Radio to the – no doubt heavily-promoted – Radio 2 Extension, it could have a devastating impact on our financial viability, and thus the charitable social gain that we currently provide.</p>