

Response to BBC Trust Review of Young People's Services

1. Background

- 1.1. RadioCentre is the industry body for Commercial Radio. Formed in July 2006 from the merger of the Radio Advertising Bureau (RAB) and the Commercial Radio Companies Association (CRCA), RadioCentre's membership comprises the overwhelming majority of UK Commercial Radio stations, who fund the organisation. RadioCentre is governed by a board of eight directors, representing a cross section of the industry and including all the major Commercial Radio groups.
- 1.2. The role of RadioCentre is to maintain and build a strong and successful Commercial Radio industry - in terms of both listening hours and revenues. RadioCentre operates in a number of areas including working with advertisers and their agencies, representing Commercial Radio companies to Government, Ofcom, copyright societies and other organisations concerned with radio. RadioCentre also provides a forum for industry discussion, is a source of advice to members on all aspects of radio, jointly owns Radio Joint Audience Research Ltd (RAJAR) with the BBC, and includes copy clearance services for the industry through the Radio Advertising Clearance Centre (RACC).
- 1.3. This submission constitutes the response of the Commercial Radio industry to the BBC Trust's review of the BBC's services for younger audiences (specifically Radio 1, 1Xtra and BBC Three). We focus on radio services and on Radio 1 in particular.

2. Executive Summary

2.1. Overview

- 2.1.1. The objective of the BBC is to promote its public purposes across a range of services which reach 90% of the UK population. The current review of the BBC's services for younger audiences addresses its performance in achieving this objective amongst 13-34 year olds. In radio, this means a focus on Radio 1 and 1Xtra.

Our response therefore establishes two things:

- a) The extent to which Radio 1 and 1Xtra are delivering young audiences; and
- b) Each service's success in delivering the public purposes to those audiences.

We address each of these points in turn, referring to quantitative and qualitative analysis we have undertaken into Radio 1 and 1Xtra's audiences and output.

- 2.1.2. Radio 1 launched in 1967 in response to radio from the pirate ships which had gained huge popularity amongst young people. 1Xtra launched in 2002 as part of BBC Radio's bouquet of services for its new national DAB multiplex. In the intervening years, a great deal had changed for young people, including an explosion of radio and other media services targeted at them. That change has continued apace.
- 2.1.3. Radio 1 and 1Xtra are highly regarded services with well deserved reputations for creativity and innovation. Each service has merited considerable critical acclaim and Radio 1 in particular has built a very substantial audience over many years.
- 2.1.4. In framing this response, we have chosen not to focus on how this success has impacted on Commercial Radio. Instead, we have scrutinised the output of Radio 1 and 1Xtra as compared to the requirements of their service licences, and have then examined the services licences in the context of the BBC's public purposes. We have then made recommendations either directly about the output of Radio 1 and 1Xtra or on the requirements made by the service licences in order to improve the delivery of public purposes to young audiences.
- 2.1.5. A vibrant BBC Radio can be good for Commercial Radio, and vice versa. We seek an

ecology where each can thrive, with a clear understanding of its role and a clear framework within which to achieve its objectives. We welcome competition and collaboration in equal measure.

2.2. The BBC's opportunity to reach younger radio listeners

- 2.2.1. The BBC's opportunity to reach younger audiences using national radio services is unique. This derives from the resources which it has at its disposal, including its privileged access to national FM spectrum and public funding.
- 2.2.2. Radio 1 is well placed to reach a large number and broad range of young people on a national scale. 1Xtra has an important supplementary role to play in attracting young ethnic minority listeners via DAB and other digital platforms.
- 2.2.3. Recognising this, the BBC Trust has ensured that Radio 1 and 1Xtra's service licences each define the young audiences they are intended to serve. Radio 1's service licence states that it should seek listeners aged 15-29; whilst 1Xtra's states that its target audience consists of 15-24 year olds – particularly those from ethnic minorities.

2.3. Radio 1 and 1Xtra's delivery of young audiences

- 2.3.1. Our review of audience data reveals that Radio 1 is failing to capitalise upon its unique opportunity to attract a young audience. In fact Radio 1's primary response to the recent decline in overall UK radio listening (particularly amongst younger audiences) has been to grow its listening hours amongst older audiences (30+).
- 2.3.2. As a result, Radio 1 now has 6million listeners who are 30+, but only 5million who are aged 15-29.
- 2.3.3. Furthermore, there is a growing overlap between the audiences of Radio 1 and Radio 2. As Radio 1's audience becomes older, there is also an inevitable increase in overlap with Commercial Radio services.
- 2.3.4. 1Xtra is more successful in attracting its target audience of young listeners, perhaps as a result of its service licence identifying a more tightly defined age-group for it to serve.
- 2.3.5. Our recommendations are that:
 - The BBC Trust should consider setting Radio 1 and 1Xtra a younger target audience; our initial view is that their focus should be on 13-24 year olds, although the BBC Trust should undertake work to establish what the best match between audience and the public purposes might be.
 - The BBC Trust should ask the BBC to identify strategies for delivering that audience effectively and subsequently monitor the effectiveness of these strategies.
- 2.3.6. A benefit of setting the services a younger target audience, and thereby reducing audience overlap, is the opportunity to increase the BBC's overall reach. The BBC Trust may consider it particularly important to increase the BBC's reach, and the delivery of the public purposes, to those at the lower end of the 13-34 'young people' demographic.
- 2.3.7. In order to support the delivery of a new target audience for Radio 1 and 1Xtra, we believe that changes are required to how BBC radio services' audience performance is measured.
- 2.3.8. Our recommendation is that:
 - BBC radio stations should be required to contribute to the BBC's overall reach by increasing their reach within their own target audience (rather than increasing their reach more generally)
- 2.3.9. We provide evidence that other stations are more successful at reaching a higher proportion of younger listeners, and examine how Radio 1's programming policies in particular may be contributing to it reaching an older demographic.

2.4. Promotion of public purposes

- 2.4.1. This submission assesses Radio 1 and 1Xtra's fulfilment of each public purpose in turn, comparing their current performance against the conditions laid out in their service licences. We also identify whether opportunities exist for the BBC to improve its delivery of each public purpose, proposing service licence amendments where appropriate.
- 2.4.2. The BBC's public purposes are as follows:
- a) Stimulating creativity and cultural excellence
 - b) Sustaining citizenship and civil society
 - c) Promoting education and learning
 - d) Reflecting the UK's nations, regions and communities
 - e) Bringing the UK to the world and the world to the UK
 - f) Delivering to the public the benefit of emerging communications technologies and services
- 2.4.3. We have concluded that although Radio 1 and 1Xtra each make valuable contributions to the delivery of public purposes, each could be doing more to fulfil the requirements of their existing service licences.
- 2.4.4. We identify that the BBC Trust should make each service subject to more stretching targets, with improved specificity around the nature, volume and scheduling of key strands of output.

2.5. Stimulating creativity and cultural excellence

- 2.5.1. Radio 1 and 1Xtra primarily promote the BBC's 'Creativity and Cultural Excellence' public purpose through their music output. Radio 1's service licence tasks it with providing "a significant platform for new music and emerging UK artists across a wide range of musical genres" and with supporting live music.
- 2.5.2. The analysis we have undertaken suggests that Radio 1 and 1Xtra's music output does not reflect a sufficient emphasis on new and UK music. We found that the new tracks played are predominantly from established and international artists leading to insufficient support for emerging UK artists.
- 2.5.3. The tracks played on Radio 1 in particular are insufficiently distinctive and have a much broader appeal than 15-29 year olds. For instance, in one week during November 2008, there was an identical 'most played' track on both Radios 1 and 2.
- 2.5.4. In addition, the current emphasis of Radio 1's programme of live music (including concerts and sessions) is on established artists, who receive extensive promotion of their upcoming touring schedules. This support for established acts is inevitably at the expense of unfamiliar or new artists. It also deprives Radio 1 of the opportunity to support artists which have a particular appeal for younger listeners.
- 2.5.5. Our recommendations are that:
- The BBC Trust should strengthen the conditions in Radio 1 and 1Xtra's service licences which relate to music output. We suggest amendments which would aid each service's commitment to new and UK music in daytime.
 - The BBC Trust should amend Radio 1's service licence to ensure that the station's music output is distinguished by its particular appeal to younger audiences.
 - The BBC Trust should revise Radio 1 and 1Xtra's service licences to ensure that they promote live music by a range of unfamiliar and new artists, rather than focusing on established artists.

2.6. Sustaining citizenship and civil society

- 2.6.1. Radio 1 and 1Xtra's service licences task them with promoting 'Citizenship and Civil

Society' amongst young audiences through news and other speech output which tackles important social issues.

- 2.6.2. Our analysis suggests that a significant proportion of Radio 1's young audience is not currently exposed to these strands of speech content. This is as a result of the scheduling and overall volume of this output. There is also a lack of clarity regarding the issues which should be covered in documentaries and other speech content.
- 2.6.3. An important part of the BBC's 'sustaining citizenship and civil society' public purpose remit is encouraging understanding of and participation in the democratic process at all levels. Young people are the most politically disenfranchised age group in society, yet neither Radio 1 nor 1Xtra have any obligations to engage listeners in this area.
- 2.6.4. Our recommendations are that:
- The BBC Trust should strengthen each station's service licence to ensure that news, documentaries, social action campaigns, advice programmes and other current affairs output have greater impact. The service licences should include much greater specificity in terms of content, volume and scheduling.
 - The BBC Trust should include in the Radio 1 and 1Xtra service licences additional obligations to deal with issues around democratic participation.

2.7. Promoting education and learning

- 2.7.1. Radio 1 and 1Xtra currently fulfil this public purpose amongst young listeners through programming which includes career and educational support. Our impression is that this output is not fully captured in each service licence.
- 2.7.2. Our recommendation is that:
- The BBC Trust should revise the service licences to ensure that Radio 1 and 1Xtra maintain these important strands of activity for the full range of young listeners.

2.8. Reflecting the UK's nations, regions and communities

- 2.8.1. Radio 1 and 1Xtra deliver this public purpose through activity such as opt-out programming (Radio 1 only) and live events. We have identified two ways in which Radio 1's performance in delivering the 'reflecting the UK's nations, regions and communities' public purpose could be improved.
- 2.8.2. Firstly, as a national service, Radio 1's focus in delivering this public purpose should be to "Represent the different nations, regions and communities to the rest of the UK". As such, we believe that it is more important for Radio 1 to broadcast a key strand of its output from a region to the rest of the UK, than from a region exclusively to that region. Secondly, in providing nations-specific programming and mounting significant live events in towns across the UK, Radio 1 may be inadvertently undermining the BBC's responsibility to deliver this public purpose by taking care "not to undermine a continuing plurality of local and regional media".
- 2.8.3. Our recommendations are that:
- The BBC Trust should focus Radio 1 on providing national content some of which should be produced from a range of regions, rather than opt-out programming for particular areas.
 - The BBC Trust should require Radio 1 and 1Xtra to ensure that they do not undermine a continuing plurality of local and regional media.

2.9. Bringing the UK to the world and the world to the UK

- 2.9.1. Radio 1 and 1Xtra promote this public purpose by playing international music and providing coverage of world affairs.
- 2.9.2. We have found that Radio 1's efforts to deliver this public purpose are leading to excessive promotion of international artists who are already well established in the UK.

2.9.3. Our recommendation is that:

- The BBC Trust should revise the service licences for Radio 1 and 1Xtra to stipulate that in showcasing global musical talent, each service should focus on giving a platform to unfamiliar and innovative artists.

2.10. Delivering to the public the benefit of emerging communications technologies and services

2.10.1. Radio 1 and 1Xtra are currently tasked by the BBC Trust with promoting digital radio platforms and delivering appealing content and interactivity to young audiences via the internet and mobile platforms.

2.10.2. Our analysis reveals that, whilst the services provide a good range of appealing content and interactivity, Radio 1 performs less well than Commercial Radio in migrating listening to digital platforms.

2.10.3. Our recommendation is that:

- The BBC Trust should amend Radio 1's service licence to require the station to play a leading role in encouraging its target audience to migrate their listening to digital platforms.

2.11. Value for Money

2.11.1. Radio 1 and 1Xtra each have significant service budgets outlined in their respective service licences. We question whether these sums deliver good value for money to licence fee payers and are necessary to deliver the public purposes, as outlined in each service licence. In an attempt to assist in answering this question, we present some confidential programming and news costs for Commercial Radio stations.

2.11.2. The data we submit strongly suggests that high quality programming and news output for young people could be delivered for significantly less than the £32.5m which Radio 1's service budget apportions to the station for content.

2.11.3. Our recommendations are that:

- The BBC Trust should issues services with service budgets which reflect the cost of delivering the public purposes.
- The BBC Trust should find new ways of assessing the value for money delivered to licence fee payers by BBC Radio services including by benchmarking their costs against those of Commercial Radio stations where appropriate.

3. Introduction

3.1. The history of bespoke BBC services for younger audiences can be traced to the launch of Radio 1 on 30 September 1967. Its foundation, at the government's prompting, was a direct response to the success of pirate radio in reaching a hitherto neglected audience. When Radio 1 transmissions began, British audiences had access to just three other BBC radio services and three television channels. Each of these catered for a wide range of interests, rather than focusing on younger tastes

3.2. Since then, a vast array of services has been launched for young people, with a particular explosion in the number of services in the last decade. This has included new radio stations (such as Kiss, Galaxy, Kerrang 105.2, NME Radio, Absolute Radio Xtreme, 107.6 Juice FM, XFM and the BBC's own 1Xtra) as well as a plethora of magazines, digital television channels (including BBC Three) and digital media outlets.

3.3. Over the same period, young people's attitudes and experiences have evolved significantly. Young people expect to outdo previous generations in terms of life expectancy, earnings, foreign travel, social mobility, access to technology and time spent in full-time education. They are likely to have different attitudes to previous Radio 1 listeners towards issues such as relationships, use of money, politics, religious belief, career, leisure and so on.

- 3.4. Public debate around the status of young people in UK society also touches upon a number of emotive social issues, such as dramatic increases in the incidence of violent crime amongst teenagers in the last year, suicide rates amongst young men, levels of political disengagement and family breakdown.
- 3.5. Discussions of the role and performance of Radio 1, 1Xtra and other BBC services for younger audiences is inextricably tied to this context. In a world of increased media fragmentation, what audience should Radio 1 serve? How closely should 1Xtra's news and current affairs output address key social issues? What should Radio 1's role be with regard to influencing behaviour amongst young people? Should its music output retain a broad appeal or focus on a specific younger audience?
- 3.6. The objective of the BBC is to promote its public purposes across a range of services which reach 90% of the UK population. This review of Young People's services addresses its performance in achieving this amongst 13-34 year olds. In radio, this means a focus on Radio 1 and 1Xtra.
- 3.7. Our response therefore establishes two things:
 - a) The extent to which Radio 1 and 1Xtra are delivering young audiences; and
 - b) Each service's success in delivering the public purposes to those audiences.

We address each of these points in turn, referring to quantitative and qualitative analysis we have undertaken into Radio 1 and 1Xtra's audiences and output.

- 3.8. Radio 1 and 1Xtra are highly regarded services with well deserved reputations for creativity and innovation. Each service has merited considerable critical acclaim and Radio 1 in particular has built a very substantial audience over many years.
- 3.9. In framing this response, we have chosen not to focus on how this success has impacted on Commercial Radio. Instead, we have scrutinised the output of Radio 1 and 1Xtra as compared to the requirements of the service licence, and have then examined the service licences in the context of the BBC's public purposes. We have then made recommendations either directly about the output of Radio 1 and 1Xtra or on the requirements made by the service licences in order to improve the delivery of public purposes to young audiences.
- 3.10. A vibrant BBC Radio can be good for Commercial Radio, and vice versa. We seek an ecology where each can thrive, with a clear understanding of its role and a clear framework within which to achieve its objectives. We welcome competition and collaboration in equal measure.

4. Radio 1 and 1Xtra's delivery of a young audience

4.1. Overview and methodology

- 4.1.1. This response uses three main measures for Radio 1 and 1Xtra's performance. In chapters 5 to 11, we consider how well Radio 1 and 1Xtra are delivering the public purposes to their audiences and assess the performance of the service licences in securing that delivery. Chapter 12 considers the value for money provided by each service. Before that, this chapter measures Radio 1 and 1Xtra's success in attracting young audiences, in light of the clear opportunity which each possesses to attract large numbers of young people with a view to promoting the BBC's public purposes to them.
- 4.1.2. The principal source material for audience analysis in this chapter is RAJAR listening data. We have provided a comprehensive range of RAJAR analysis in Appendix A, along with other supporting data.
- 4.1.3. To complement this quantitative approach, RadioCentre commissioned Work Research to undertake qualitative research with four focus groups of Radio 1 listeners. This research focused on 15-19 year olds who are already heavy Radio 1 listeners (and therefore familiar with and enthusiastic about its output) with a view to understanding the station's appeal amongst this age-group. We have enclosed the findings in Appendix B of this

submission.

- 4.1.4. The Work Research study has mainly informed later chapters of our response, which consider Radio 1 and 1Xtra's performance in promoting the public purposes amongst their audiences, but we have also included some elements in this chapter where appropriate.

4.2. Radio 1 and 1Xtra's opportunity to build reach amongst young audiences

- 4.2.1. The BBC's opportunity to deliver public purpose benefits via radio is unmatched in UK broadcasting. This is a result of the BBC's radio services' access to national FM spectrum and public funding. With this opportunity comes a responsibility for the BBC to maximise delivery of the public purposes to defined audiences.

- 4.2.2. Radio 1 has a particularly strong opportunity to build audience reach amongst a defined group of young listeners. Along with Radio 2, Radio 1 is the only national popular music station with access to national spectrum. 1Xtra is also in a strong position, which will strengthen as DAB listening increases, but in view of Radio 1's size and influence it generally gains a larger share of overall attention in this submission.

- 4.2.3. Young people are at the forefront of the trend towards increasingly fragmented media consumption, whereby consumers access a wide range of services across a plethora of media platforms. For instance, Ofcom's most recent communications market report found that young people consume a broader range of internet content than other age-groups. They are also the age-group which is most likely to use two media concurrently or have access to each of digital television, mobile phones and the internet¹.

- 4.2.4. The effect of this trend is that it is becoming more difficult to build substantial audiences amongst younger age-groups via a single medium or service. Radio remains a highly effective means of reaching young listeners, with only 12.5% of 15-24 year olds and the same proportion of 15-29 year olds not listening to any radio service over the course of a given week. However, Ofcom analysis shows that total radio listening among 4-24 year olds decreased by 7.8% in 2007 and by 10.6% between 2002 and 2007. This is despite increases in online listening and listening to national commercial radio stations amongst younger age groups².

“When I'm on my laptop I can't watch TV so I put on the radio to fill the silence”

Radio 1 listener involved in November 2008 Work Research study

- 4.2.5. Recognising the importance of ensuring that Radio 1 and 1Xtra deliver young listeners, the BBC Trust has used each service's service licence to define their respective target audience. Radio 1's service licence states that it should seek listeners aged 15-29; whilst 1Xtra's states that its target audience consists of 15-24 year olds – particularly those from ethnic minorities³.

- 4.2.6. This analysis indicates that, with a mandate to address young people and privileged spectrum and funding to do so, Radio 1 has a clear responsibility to maximise its reach to its target young listeners. Instead, the evidence we subsequently present suggests that the reverse has occurred.

4.3. Current performance: overview

- 4.3.1. Our review of audience data reveals that Radio 1 is failing to capitalise upon its unique opportunity to attract a young audience. In fact Radio 1's primary response to the recent decline in overall UK radio listening (particularly amongst younger audiences) has been to grow its listening hours amongst older audiences (30+).

- 4.3.2. 1Xtra is more successful in attracting its target audience of young listeners, perhaps as a result of its service licence identifying a more tightly defined age-group for it to serve.

¹ Ofcom, 'Communications Market Report 2008', August 2008, p. 42; p. 128; p. 114.

² Ofcom, 'Communications Market Report 2008', August 2008, p. 7; p. 16; p. 280.

³ BBC Trust, 'Radio 1 Service licence', April 2008, p. 1; '1Xtra Service licence', April 2008, p. 1.

4.3.3. Although we subsequently set out how Radio 1’s service licence finds three ways to describe its target audience, for the purpose of assessing current performance, we focus on the most specific descriptions contained in the stations’ respective service licences; Radio 1’s target audience is 15-29 year olds and 1Xtra’s is 15-24 year olds.

4.4. The BBC is failing adequately to serve younger radio listeners

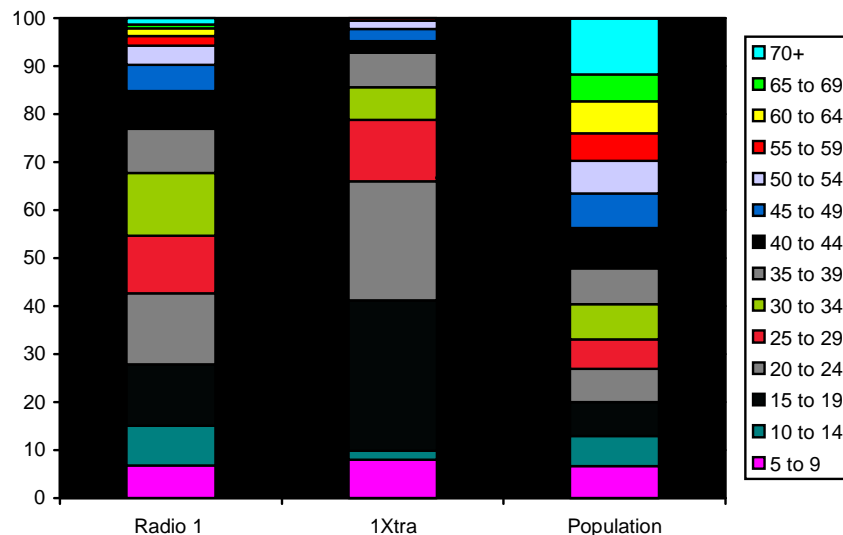
4.4.1. There is no question that Radio 1 is popular among young listeners, with 20-24 year olds representing the largest segment of its overall audience. The enthusiastic Radio 1 listeners who spoke to Work Research also confirmed that it carries a strong appeal for young audiences.

4.4.2. Yet despite these findings, detailed analysis of Radio 1’s audience reveals that it has developed a broad demographic appeal, rather than focusing on broadcasting content which is particularly appealing to 15-29 year olds. This is problematic because, as we outlined in 4.2.3, media consumption amongst younger audiences has become increasingly fragmented, making it more difficult to reach large numbers of young people with public purpose messages and therefore more important that Radio 1 does so.

4.4.3. For instance, Figure 1 reveals that well under half (39.6%) of all 4+ Radio 1 listeners are aged 15-29, with nearly a third (30.1%) aged 30-44. In fact Radio 1 has nearly 6 million 30+ listeners, compared with just over 5 million 15-29 listeners. As a result, the average age of a Radio 1 listener is 29 (according RAJAR data amongst radio listeners aged 4+). Amongst those aged 15 and over (the standard sample for RAJAR analysis), the average age of a Radio 1 listener is 33. Our analysis identifies little variation in these findings based on geographical area, gender and social group.

4.4.4. Figure 1 also reveals that 1Xtra is performing better than Radio 1 in delivering its core audience, despite (or perhaps as a result of) its remit defining a narrower target (15-24s) than Radio 1’s. 56.2% of 1Xtra’s 4+ audience comprises its core 15-24 target audience. 1Xtra is also attracting a higher proportion of ethnic minority listeners than Radio 1, in accordance with its service licence. Nevertheless, we believe that there may still be room for improvement in 1Xtra’s audience delivery. Two thirds of 1Xtra listeners currently listen to at least one other BBC radio service in any given week, with over half also listening to Radio 1, suggesting that 1Xtra could do more to contribute to the BBC’s overall reach target⁴.

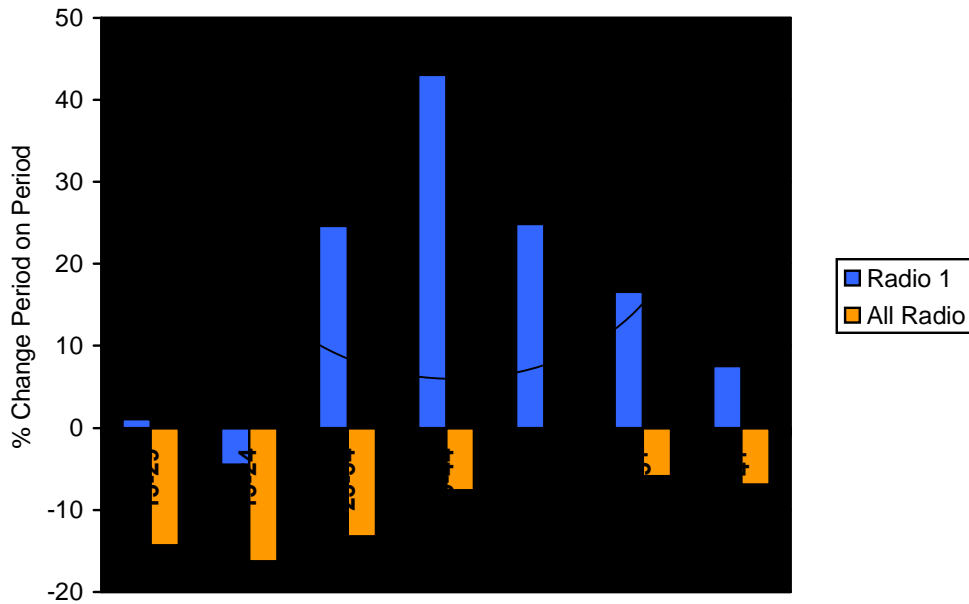
Figure 1: Radio 1 and 1Xtra Age/Reach Profiles (5+) (Source: RAJAR / RadioCentre analysis)



⁴ Source: RAJAR Q3 2008.

4.4.5. In fact, as Figure 2 demonstrates, Radio 1’s primary response to the recent decline in overall UK radio listening (particularly amongst younger audiences) has been to grow its listening hours amongst older audiences. Over the last five years, Radio 1 listening amongst 15-24 year olds has declined, whilst listening amongst all other age demographics has grown substantially. Listening has grown particularly rapidly amongst those aged 35-44.

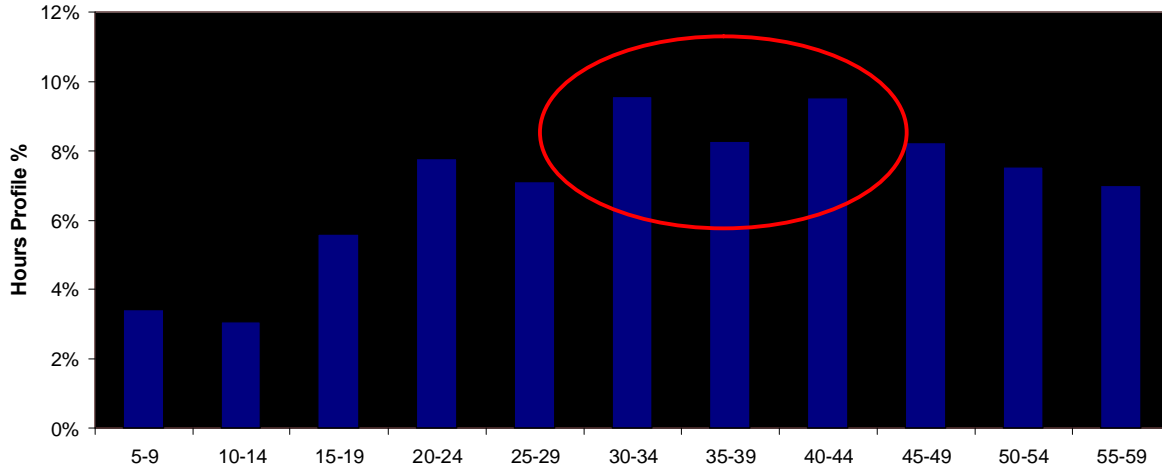
Figure 2: R1 % change in Hours over 5 years vs. All Radio (Source: RAJAR / RadioCentre analysis)



4.4.6. The change in Radio 1 listening over the last five years demonstrates an emphasis by the BBC on using its popular music services to attract those aged 30-49. This represents a wasted opportunity to use the national FM spectrum allocated to Radio 1 to reach difficult-to-reach younger listeners.

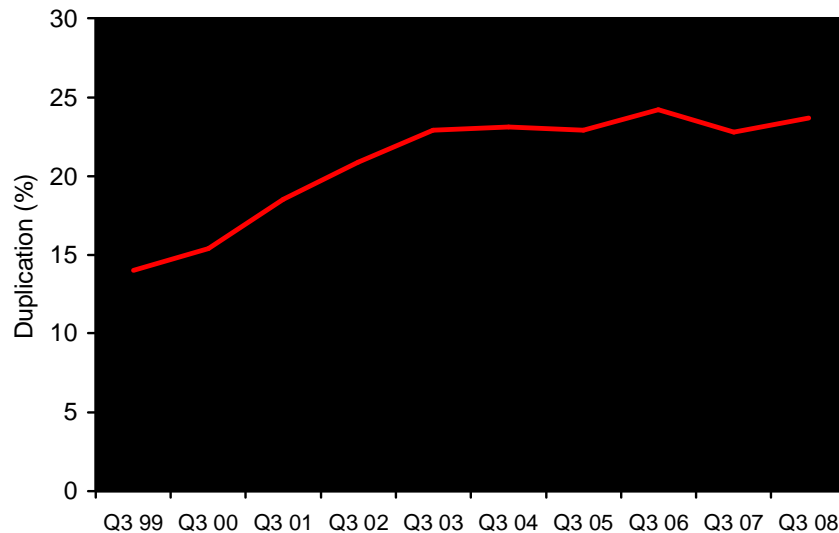
4.4.7. In fact the BBC has a separate service to serve those aged 35+: Radio 2. Figure 3 outlines the collective listening hours of Radio 1 and Radio 2, revealing that 30-49 year olds represent 30% of the population but contribute 36% of the hours devoted to these two services. This contributes towards the 'Radio 1 / 2 bulge' we highlight below.

Figure 3: Breakdown of Radio 1 and Radio 2's combined hours profile by age segment (% hours) highlighting the 'Radio 1 / 2 bulge' (Source: RAJAR / RadioCentre analysis)



4.4.8. Further analysis presented in Figure 4 confirms that the pre-eminent achievement of Radio 1 audience growth in recent years has been to super-serve existing BBC Radio listeners – particularly Radio 2 listeners – and vice versa. The overlap between Radio 1's audience and that of Radio 2 has nearly doubled over the last nine years, meaning that 24% of Radio 1's audience now also listens to Radio 2.

Figure 4: % of Radio 1's audience who listen to Radio 2 (Mon – Sun, 4+) (Source: RAJAR / RadioCentre analysis)



4.5. Radio 1's audience is not distinctive

4.5.1. As well as undermining its ability to deliver the public purposes amongst young audiences, Radio 1's focus on attracting older audiences means that its overall audience profile is not distinctive to that of other radio stations – including local Commercial Radio services covering towns and cities across the UK. For the most part, these stations have been licensed to primarily serve those aged 25-44. For instance, 30.1% of Radio 1's audience

aged 4 and over is in the 30-44 age bracket – almost identical to the percentage of 95.8 Capital FM listeners in this age bracket (33.4%)⁵.

- 4.5.2. This lack of audience distinctiveness restricts the overall viability of Commercial Radio and reduces its ability to invest in local programming and public service content of its own. It also indicates that the BBC is failing in its responsibility to aid the delivery of a high level of net public value by all broadcasters by offering distinctive content – a requirement which flows directly from the 2006 Agreement between the BBC and the government⁶. Instead of creating the conditions in which a pluralistic and healthy broadcasting ecology can flourish and focusing on its target audience, the BBC is competing directly with Commercial Radio for audience.
- 4.5.3. A report on 'The economic impact of the BBC on the UK creative and broadcasting sector' published by the BBC Trust in July 2008 found that the risk of damage to overall public purpose plurality would increase as the gap between the BBC and Commercial Radio's respective funding power widened:
- "If commercial radio is experiencing a market downturn (whether structural or cyclical), then a negative impact of the BBC may occur. The BBC's stable and non-cyclical spending, while advantageous to much of the creative economy, particularly upstream, may become a disadvantage to competitors experiencing a decline in revenues as it becomes increasingly difficult to compete with the BBC which has an increasing (in relative terms) revenue advantage."⁷
- 4.5.4. Recognising the possibility of a funding disparity emerging, the BBC Trust stated that it would pay particular attention to the distinctiveness of BBC Radio as part of its programme of service reviews and encouraged the BBC to improve co-operation with the radio industry⁸.
- 4.5.5. Unfortunately, this funding disparity is already a reality, with RadioCentre analysis revealing that net Commercial Radio revenue is down in real terms by 19.6% since 2003 to £489m (2008 estimate). Given that the BBC will spend around £670m on radio in 2008, the funding "gap" between Commercial Radio and BBC Radio has effectively increased three-fold from £47m in 2003 to £181m⁹. This finding is reflected in research by Enders Analysis (below) which reveals a growing funding gap between BBC and commercial broadcasters, indexing current recent revenue figures against equivalent data from 2003.

⁵ Source: RAJAR, Q3 2008.

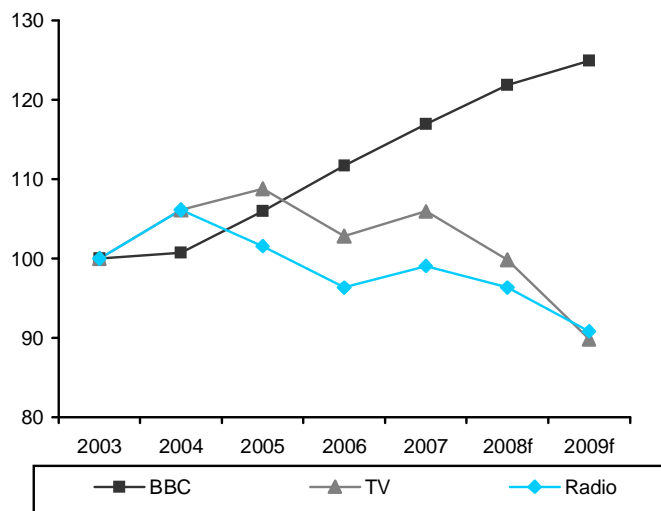
⁶ HMSO, 'An Agreement Between Her Majesty's Secretary of State for Culture, Media and Sport and the British Broadcasting Corporation', July 2006, 8.1.a.

⁷ BBC Trust, 'The economic impact of the BBC on the UK creative and broadcasting sector', July 2008, p. 16.

⁸ BBC Trust, 'The economic impact of the BBC on the UK creative and broadcasting sector', July 2008, p. 5.

⁹ Calculations based on Ofcom and RadioCentre revenue figures, adjusted for CPI to reflect today's prices.

Figure 5: BBC PSB revenue vs. sector ad revenue (Index 2003=100) (Source: Enders Analysis)



4.6. Opportunities for improvement: overview

- 4.6.1. Given the BBC's unique opportunity to build national reach amongst younger radio listeners and the clear need for the BBC to target focused public purpose delivery on this age-group, we believe that the BBC Trust should focus Radio 1 and 1Xtra's audience delivery responsibilities on contributing to overall BBC reach by attracting a defined group of younger listeners.
- 4.6.2. We note two possible ways in which this could be done. Firstly, ambiguity in the service licences about how to describe 'young people' could be removed. At present, the service licences for Radio 1 and 1Xtra interpret the requirement of the 2006 Agreement between the BBC and the government that each should serve "young audiences"¹⁰ in a number of different ways¹¹. Radio 1's service licence uses three separate terms to describe its audience in its opening four sentences, whilst 1Xtra's service licence adds a fourth interpretation:
- "young listeners"
 - "15-29 year olds"
 - "young adults" (implies 18+)¹²
 - "15-24 year olds"¹³
- 4.6.3. This uncertainty about what audience the BBC's services for younger audiences should be most concerns about is reflected elsewhere by both the BBC Trust and the BBC:
- The scope of the BBC Trust's review includes 13 and 14 year olds, reflecting the need for the BBC to serve the full range of teenage audiences with its youth services.
 - Radio 1 documentary commissioning brief documents from the last three years mention target audiences of "14-24 year olds", "under 35s" and "16-24 year

¹⁰ HMSO, 'An Agreement Between Her Majesty's Secretary of State for Culture, Media and Sport and the British Broadcasting Corporation', July 2006, 11.3.a.

¹¹ BBC Trust, 'Radio 1 Service licence', April 2008, p. 1.

¹² BBC Trust, 'Radio 1 Service licence', April 2008, p. 1.

¹³ BBC Trust, '1Xtra Service licence', April 2008, p. 1.

olds"¹⁴.

- Radio 1 press releases from 2001-2003 and the 2001/02 BBC Annual Report consistently list Radio 1's target audience as 15-24 year olds¹⁵.

4.6.4. However, we feel that simply defining the current target audiences more clearly would represent a missed opportunity and instead we urge the Trust to go further.

4.6.5. We believe it is appropriate for the BBC Trust to consider setting Radio 1 and 1Xtra a younger target audience. There are several reasons why this is an appropriate matter to consider:

- The BBC Trust has already defined 'young people' as those aged 13-34. 13 and 14 year olds are therefore not served by any BBC radio service.
- Moving the stations' focus younger will reduce overlap with other BBC services and offer a significant opportunity to grow the BBC's overall reach.
- A more tightly defined, younger audience profile would increase Radio 1 and 1Xtra's opportunity to attract difficult-to-reach pre teens or younger teenagers to BBC content in general and public purpose content in particular, providing a positive means of engagement with tomorrow's generation.

4.6.6. The Trust will need to consider a number of factors in establishing the most appropriate audience remit for each service, and we are not in a position to prejudge the outcome of that work. Our initial view is that the new target audience should be 13-24 year olds, although the BBC Trust should undertake work to establish what the best match between audience and the public purposes might be in the context of other BBC services and in the interests of maximising BBC reach.

Service licence amendments

Radio 1 and 1Xtra should each:

- Seek a target audience of 13-24 year olds

4.7. BBC Radio services should be focused on building reach amongst their target audiences

4.7.1. To ensure that the revised target audiences for Radio 1 and 1Xtra are effective, we suggest that the BBC Trust should remove any encouragements for BBC Radio services to seek additional listeners from other age-groups outside their target audiences.

4.7.2. At present, BBC Radio service licences emphasise the level of reach obtained amongst listeners of all ages, rather than within the target audience. As we demonstrated in paragraphs 4.4.5 to 4.4.8, this has meant that the new listeners added to Radio 1's audience in recent years are already well served by BBC and Commercial Radio stations. We have identified two potential service licence revisions which will help to ensure that Radio 1 is encouraged to focus on its target audience.

4.7.3. Firstly, the Trust should amend the 'Performance measurement framework' section of each service licence. At present, this section encourages broader audience targeting by making Radio 1 and 1Xtra subject to an overarching BBC Radio objective for each service to "contribute towards the maintenance of combined BBC weekly reach at over 90% by aiming to increase its own weekly reach, particularly amongst its stated target audience"¹⁶. This should be reworded to state that each service should 'contribute towards

¹⁴ See BBC documents: http://www.bbc.co.uk/commissioning/radio/network/docs/radio1_commissioningbrief06.pdf;
http://www.bbc.co.uk/commissioning/radio/network/docs/radio1_commissioningbrief07.pdf;
http://www.bbc.co.uk/commissioning/radio/network/docs/radio1_commissioningbrief08.pdf;
http://www.bbc.co.uk/commissioning/radio/network/docs/Radio1_audience.pdf

¹⁵ BBC, Annual Report and Accounts 2001/02, July 2002, p. 13;

http://www.bbc.co.uk/pressoffice/pressreleases/stories/2002/01_january/31/recordradio.shtml;
http://www.bbc.co.uk/pressoffice/pressreleases/stories/2003/03_march/18/coverage_iraq.shtml.

¹⁶ BBC Trust, '1Xtra Service licence', April 2008, p. 7.

the BBC’s 90% reach target by seeking to build reach amongst [its target audience]’.

4.7.4. In addition, it is unnecessary as well as inappropriate for the Radio 1 service licence to require it to “embrace others who share similar tastes [to its target audience]”¹⁷. Every radio station will naturally appeal to some listeners which it does not deliberately set out to attract. However, as far as we are aware, no other radio station licence or format in the UK (BBC or commercial) includes a requirement for that service actively to seek non-core listeners. To include such a requirement risks confusing programmers and diluting the emphasis on delivering the service’s target audience.

Service licence amendments

Radio 1 and 1Xtra should each:

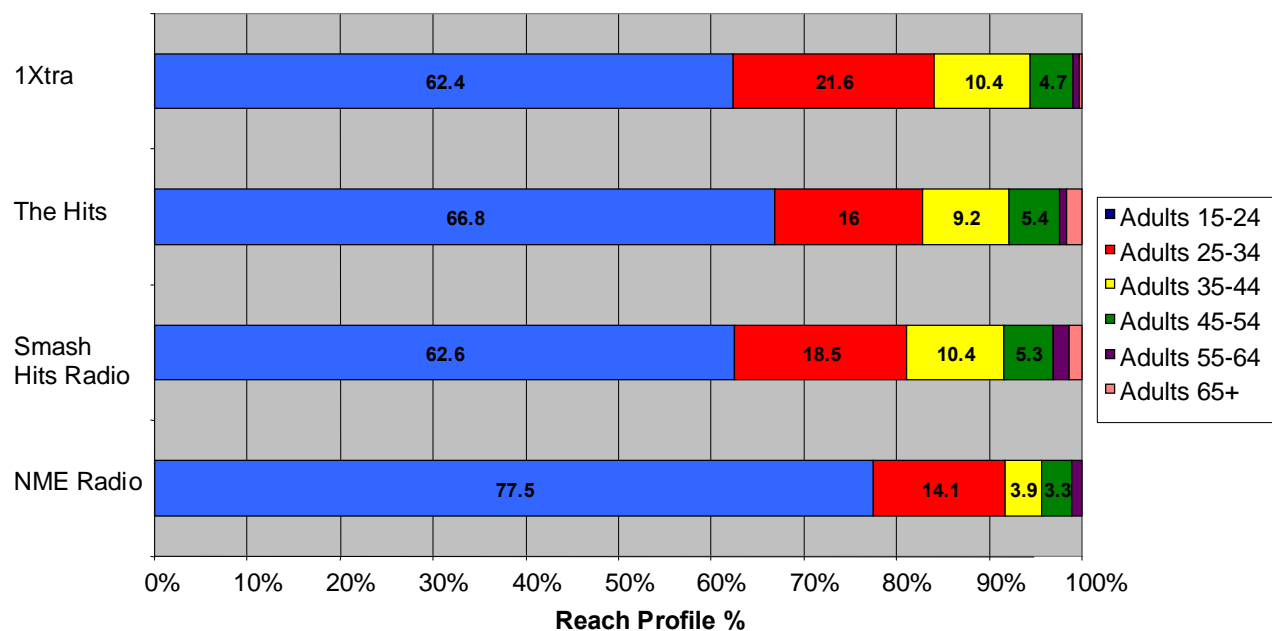
- Contribute towards the BBC’s 90% reach target by seeking to build reach amongst their target audience
- Make no deliberate effort to attract listeners outside their target audience

4.8. Opportunities for improvement: the scope to achieve more effective targeting of young listeners

4.8.1. It is for the BBC to determine how to deliver its audience targets, but it is worth briefly noting that improvements in audience delivery are attainable. One of the key sources of evidence for this is performance data from other radio stations.

4.8.2. Figure 6 reveals that BBC 1Xtra and a number of national Commercial Radio youth services are succeeding in attracting a much higher proportion of younger listeners than Radio 1. A substantial majority of the listeners aged 15+ to each of the four listed stations is in the 15-24 age bracket. NME Radio’s performance is particularly strong, with 77.5% of its listeners aged 15 and over coming from the 15-24 age-group. By way of comparison, only 32.5% of the Radio 1 audience which is aged 15 and over is in the 15-24 age bracket.

Figure 6: 15+ % Reach Profile for 1Xtra and selected Commercial Radio stations (Source: RAJAR / RadioCentre analysis)



¹⁷ BBC Trust, 'Radio 1 Service licence', April 2008, p. 1.

- 4.8.3. Of course, it is important to acknowledge that each of the stations listed above are unavailable on FM or AM, which may make it easier for them to attract highly focused audiences.
- 4.8.4. Yet there are also a number of (commercial) stations carried on FM which deliver younger audiences than Radio 1. Kiss (58.3%), Kerrang 105.2 (54.4%) and Galaxy (53.5%) all have higher proportions of 15+ listeners from the 15-29 age bracket than Radio 1 (46.7%).
- 4.8.5. Delivering young audiences can be achieved using a variety of standard programming methods. We note the following methods to demonstrate that a refocus could be achieved:
- a) **Emphasis on music which appeals to younger listeners:** As we outline in chapter 6, a major cause of Radio 1's broad audience profile is the lack of distinctiveness between its music output (particularly in daytime) and that of Commercial Radio stations targeting those aged 25-44 and of Radio 2. Rather than scheduling songs which appeal to older listeners, Radio 1 could refocus its music policy on tracks which appeal more directly to its target audience.
 - b) **Younger presenter line-up:** Listeners are always more likely to find presenters appealing if they can identify with them. One means of refocusing Radio 1 on a young audience would be to introduce younger presenters who can act as spokespeople for younger audiences, rather than simply as entertainers. Although Radio 1 and 1Xtra have given opportunities to a number of new presenters in recent years, Radio 1's daytime schedule still places significant emphasis on experienced presenters who have had long careers in radio – such as Chris Moyles (34), Edith Bowman (33), Jo Whiley (43) and Scott Mills (34).
 - c) **Revised internal performance measures:** In paragraphs 4.7.3 and 4.7.3 we suggested that the BBC Trust should reconsider its approach to measuring the BBC's performance in terms of audience delivery. Delivering against this revised framework could be aided by the BBC using a parallel approach to measure the performance of its staff. The objective here would be to end the culture of focusing on delivering the maximum reach of a service, regardless of audience profile, as reflected in the way the BBC reports and interprets quarterly RAJAR results.

5. Radio 1 and 1Xtra's promotion of the BBC's public purposes

5.1. Overview

- 5.1.1. In the previous chapter we assessed Radio 1 and 1Xtra's performance in delivering an audience of younger listeners. In chapters 6 to 11 we explain how, although these stations are performing well in many areas, they are not making the most of what reach they do have amongst this audience in order to fully deliver the BBC's public purposes. We identify ways in which the Trust should revise the service licences to ensure that Radio 1 and 1Xtra maximise their opportunities to deliver significant public service impacts amongst large audiences of young people.
- 5.1.2. In general, Radio 1 and 1Xtra's service licences do not place sufficiently stretching targets to ensure either that they maintain their current performance or that they improve their future delivery of the public purposes. The service licences have undoubtedly benefited from the revisions implemented by the Trust in April 2008, but there is still considerable scope for improvement in areas such as specificity, definition and scheduling requirements.

5.2. Methodology

- 5.2.1. Chapters 6 to 11 address each of the public purposes in turn. The first half of each chapter establishes Radio 1 and 1Xtra's current performance against that public purpose, whilst the second half identifies opportunities for improvement, suggesting service licence

revisions where appropriate. The BBC's public purposes are as follows:

- a) Stimulating creativity and cultural excellence
- b) Sustaining citizenship and civil society
- c) Promoting education and learning
- d) Reflecting the UK's nations, regions and communities
- e) Bringing the UK to the world and the world to the UK
- f) Delivering to the public the benefit of emerging communications technologies and services

5.2.2. Our analysis is underpinned by monitoring of Radio 1 and 1Xtra's output, as well as the results of Work Research's qualitative study amongst 15-19 year old Radio 1 listeners.

6. Stimulating creativity and cultural excellence

6.1. Current performance: overview

6.1.1. Radio 1 and 1Xtra are tasked with 'stimulating creativity and cultural excellence' through their music output, although Radio 1's service licence states that its coverage of other areas of cultural life such as film, comedy and entertainment should also make a contribution. Radio 1's service licence states that it should contribute to overall "musical creativity in the UK", playing music from a range of genres, whilst 1Xtra is required to play black music or tracks from "all of the popular urban music genres"¹⁸.

6.1.2. There are three core areas of Radio 1 and 1Xtra's music output which are tasked with delivering public purposes: UK music, new music and live music. In each respective service licence, these three strands are supported with minimum performance conditions, based on a percentage of daytime music output or number of live events covered:

- **UK music:** Radio 1's service licence requires it to ensure that at least 40% of the music in daytime is from UK acts each year, with 1Xtra subject to an equivalent 35% condition. Radio 1's UK music output should also provide a "significant platform" for "emerging" artists.
- **New music:** Radio 1 is required to provide a "significant platform" for new music, ensuring that at least 45% of the music in daytime is new each year. The equivalent condition for 1Xtra is 60%.
- **Live music:** Both services are required to promote and broadcast live performances, with 1Xtra required to broadcast at least 50 live music events each year and Radio 1 required to broadcast from around 25 "major live events and festivals" and broadcast "at least 250 new sessions each year". Radio 1's service licence states that it should provide coverage of "both established acts and experimental new bands"¹⁹.

6.2. Radio 1 and 1Xtra's daytime output does not reflect a sufficient emphasis on UK music

6.2.1. Despite their service licence requirements, our assessment is that Radio 1 and 1Xtra's weekday daytime music output could reflect a stronger commitment to UK-originated music. The performance of each service's evening specialist programming in promoting UK music is generally very good, although we note that this programming is scheduled away from peak listening times.

6.2.2. Rather than referring to its UK-origination or newness, the Radio 1 listeners who participated in Work Research's study described its music output in terms of the range of

¹⁸ BBC Trust, 'Radio 1 Service licence', April 2008, p. 2, p. 3; '1Xtra Service licence', April 2008, p. 2, p. 3.

¹⁹ BBC Trust, 'Radio 1 Service licence', April 2008, p. 2, p. 3; '1Xtra Service licence', April 2008, p. 2, p. 3.

genres covered. Respondents identified Radio 1 as playing chart music, pop, hip-hop, Asian music, r'n'b and drum'n'bass. One respondent characterised Radio 1 as offering a mix of old and new music. Another described typical Radio 1 listeners as "the type of people who listen to all different types of music but nothing too edgy – so all different types of normal people". We judge that 1Xtra also plays a range of genres.

"it's got everything, even an Asian show at midnight on Wednesdays, dance on Friday nights and hip-hop on Saturday nights...and I like the banter in the afternoons"

Radio 1 listener involved in November 2008 Work Research study

- 6.2.3. Participants identified a clear differentiation between evening and daytime output, with a number of them tuning primarily to evening specialist output, whilst others enjoyed the broad range of more accessible music offered during daytime. These differences were also reflected in the type of presenters, with popular entertainers appearing during daytime and 'expert' DJs in specialist output.
- 6.2.4. Although listeners value evening specialist output, Radio 1's audience reach amongst 15-29 year olds drops to less than 5% after 7pm, from a high of nearly 20% at peak time. Radio 1 has recently marketed its evening specialist output using 3 minute long cinema ads which showcase presenters who play a diverse range of genres (focusing entirely on presenters from outside of daytime). If the objective of the campaign was to increase the audience for programming which delivers the 'stimulating creativity and cultural excellence' public purpose, we suggest that the BBC could start by examining whether that programming is scheduled in such a way as to maximise its reach.
- 6.2.5. Global Radio, Guardian Media Group (GMG) and RadioCentre analysis supports the impression that Radio 1 and 1Xtra are not providing a significant platform for new and UK music during daytime music output. Global analysed the tracks played by Radio 1 during the week 2-8 November 2008, referring to music monitoring logs compiled by the music research company NeilsenMusicControl (NMC). Global's findings need to be treated with a degree of caution, as NMC's database's may exclude certain unfamiliar tracks, particularly those played during Radio 1's evening specialist output. Nevertheless, the findings do accurately reflect Radio 1's daytime output, as separate analysis by GMG reveals that it is rare for unfamiliar tracks to be aired during such programming.
- 6.2.6. During the week in question, Global found that Radio 1 played 178 different songs by UK artists, representing 38% of the total number of different songs played and 41% of all plays. Radio 1's service licence commitment is for UK acts to provide "at least 40% of the music in daytime"²⁰, although it is unclear whether this is measured in terms of different tracks or total plays. The distinction is an important one, since if these figures reflect performance during daytime over the course of a year, Radio 1 fails its service licence commitment against the first interpretation but fulfils it against the second.
- 6.2.7. This finding is backed up by RadioCentre analysis of Radio 1 and 1Xtra playlists for 19–25 November and 26 November–2 December 2008. We found that an average of 38% and 33% of the tracks on the respective Radio 1 and 1Xtra playlists across each week consisted solely of work by UK artists. The proportion of UK-only tracks on each station's 'A List' was lower still (29% and 23% respectively). These figures are each lower than the 40% and 35% minimum conditions in their respective service licences²¹. The UK-origination conditions apply to overall music output, rather than to each station's playlist or a subset thereof, but our analysis nevertheless reveals an emphasis by each service on highly popular international acts, rather than fresh or unfamiliar UK artists.
- 6.2.8. In fact, the UK-origination conditions in both Radio 1 and 1Xtra's service licences were only met by each service's playlist during the weeks in question when tracks were included that featured artists with mixed UK/international profiles. We judge that this reflects a lack of clarity about the way in which each station is interpreting the term 'UK act'.

²⁰ BBC Trust, 'Radio 1 Service licence', April 2008, p. 3.

²¹ BBC Trust, 'Radio 1 Service licence', April 2008, p. 3; '1Xtra Service licence', April 2008, p. 3.

6.3. The new music played on Radio 1 and 1Xtra during daytime reflects an emphasis on established and international artists

- 6.3.1. Although both Radio 1 and 1Xtra play a significant quantity of new tracks during daytime, our analysis reveals that the vast majority of these are by established and international artists. We have also found that each service is performing better at delivering new music during specialist output, reinforcing the findings of our UK-origination analysis which suggested that Radio 1 is focusing on delivering music output which supports the 'stimulating creativity and cultural excellence' public purpose outside of peak listening times.
- 6.3.2. Monitoring of Radio 1's output prepared for this review by GMG and shared separately with the BBC Trust reveals that 64.0% of all tracks played during the week commencing 20 October 2008 consisted of new music, using the 'new' definition included in the Radio 1 service licence²². This dropped to 57.8% during weekday daytime – still in excess of Radio 1's 45% service licence condition – and increased to 74.1% during specialist output.
- 6.3.3. However, in qualitatively analysing the music logs for the week in question, GMG found that the vast majority of these songs were by established or international artists. In fact, only 2.0% of all tracks logged in weekday daytime were by 'new'²³ UK' artists, compared with 15.1% in evening output. Similarly, Radio 1 only played one track by an emerging international artist in weekday daytime during the week in question, representing 0.2% of all weekday daytime tracks. This suggests that whilst Radio 1 is playing new tracks during its daytime, it is not providing meaningful support to new artists when young listeners are listening in the greatest quantities. RadioCentre monitoring of 1Xtra output suggests that the same finding can also be applied to that station. This contravenes the requirement to provide "a significant platform" for "emerging" UK artists.

6.4. Radio 1's music output lacks distinctiveness during daytime

- 6.4.1. Radio 1 and 1Xtra's low emphasis on new and UK artists during daytime manifests itself in music output which is not distinctive to other radio stations – both in terms of tracks played and genres covered. Each station devotes the bulk of its airtime to established and international artists.
- 6.4.2. For instance, Global Radio analysis of Radio 1 music logs reveals that Radio 1's daytime output is dominated by tracks (particularly those by established and international artists) which feature heavily on Commercial Radio stations targeting those aged 25-44, as well as on Radio 2. This suggests that music output represents a key reason as to why Radio 1 and Radio 2's audiences have converged in recent years, creating the 'Radio 1 / 2 bulge' we identified in paragraphs 4.4.5 to 4.4.8.
- 6.4.3. Firstly, Global Radio reviewed music output on Radio 1 and Radio 2 during the weeks 16 – 22 November 2008, identifying a lack of distinctiveness between each station's output. The findings include:
- Both services shared the same most played track, 'Human' by the established US rock band the Killers, with a total of 49 plays across the two stations.
 - Of the top 30 most played songs on both stations, a total of 11 tracks were duplicated across both stations. These consisted of tracks by the established UK artists Take That, Oasis, Coldplay, Snow Patrol, Duffy and Alesha Dixon, a track from upcoming Irish rock band The Script, and songs by the established US artists Kings of Leon, Beyoncé, Nickelback and the Killers.
- 6.4.4. Further Global Radio analysis reviewed NMC music logs for eight radio stations available in London – Radio 1, Radio 2, Capital, Kiss, Absolute, XFM, Magic and Heart – over one week

"you go from pop to r'n'b to hip-hop to pop – I like all that stuff"

Radio 1 listener involved in November 2008 Work Research study

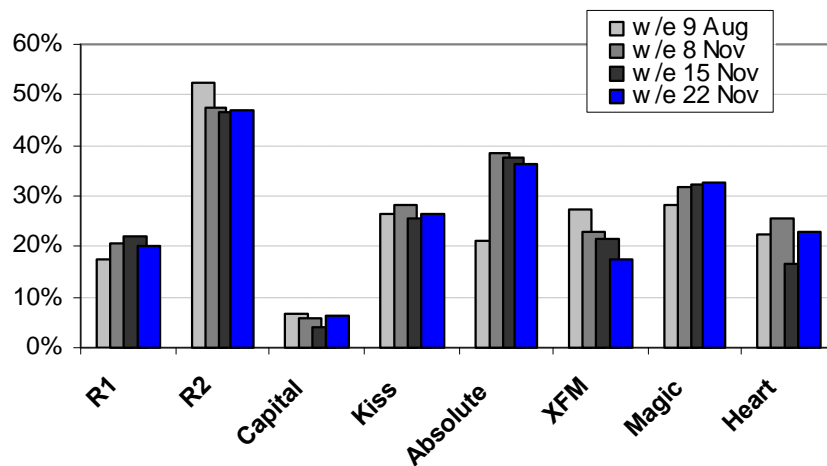
²² Either unreleased or less than one month since release date (physical release, not download release).

²³ 'New' in this context means an emerging artist without a previous full single release.

in August 2008 and a further three weeks in November 2008. Again, these findings need to be treated with caution, since, as outlined above, they only include tracks which feature on NMC’s database. In practice, this is likely to slant the findings against Radio 1 when daytime and off-peak output is taken as a whole, since Radio 1 plays a large number of unfamiliar tracks during its evening specialist output. However, as noted in paragraph 6.2.5 the findings offer a more accurate indication of the distinctiveness of Radio 1’s daytime output.

6.4.5. Figure 7, below, suggests that only around 20% of plays of music tracks identified by NMC as being played on Radio 1 in any given week are of songs which cannot be heard during that week on any of the other stations in the group of eight. This is lower than the percentage of unique plays on four Commercial Radio stations – Kiss, Absolute, Magic, Heart – as well as Radio 2.

Figure 7: Percentage of ‘plays’ that are unique amongst group of stations (Source: NMC / Global Radio analysis)



6.4.6. This second piece of Global Radio analysis also revealed Radio 1 is subjecting its most played songs to heavy rotation, rather than using “an extensive playlist to introduce unfamiliar and innovative songs alongside more established tracks”²⁴. Allowing for a margin of error created by the absence of certain unfamiliar tracks from NMC’s database, Global Radio’s analysis indicates that the top 50 songs on Radio 1 represent around half of all plays on the station, a finding which was consistent across each of the four weeks assessed.

6.4.7. Furthermore, figure 8 reveals that only 2 or 3 out of these top 50 songs were unique to Radio 1 in each week surveyed, with the remaining 47 or 48 appearing on at least one of the other stations surveyed, and typically on 2 or 3 others. Of all the stations surveyed, Radio 1 has the most overlap with Capital, with 41% of Capital's songs also appearing on Radio 1 in the last report.

Figure 8: Radio 1 50 most played songs – uniqueness and percentage of airplay (Source: NMC / Global Radio analysis)

Week	Unique songs	% of R1 airplay
09-Aug	2	51%
08-Nov	3	53%
15-Nov	3	50%
22-Nov	2	49%

²⁴BBC Trust, ‘Radio 1 Service licence’, April 2008, p. 2.

6.5. Radio 1's support for live music places too much emphasis on established artists

- 6.5.1. As outlined above, Radio 1 and 1Xtra each have significant service licence requirements in terms of live music (including both concerts and session tracks), with Radio 1's service licence stating that this should cover "both established acts and experimental new bands"²⁵.
- 6.5.2. Although each service provides significant coverage of live music, we have found that Radio 1 is using its live music programme to provide established UK and international artists with an excessive level of promotion. Our concerns are particularly focused on Radio 1's tendency to advertise an artist's upcoming touring schedule up to a year ahead of the concerts taking place, whilst also promoting details of third party ticket agents such as Ticketmaster and Seatickets. Our impression is that Radio 1 offers this promotion to an artist in the context of securing exclusive access to tracks, artists or events in exchange for on air and online promotion.
- 6.5.3. RadioCentre is submitting a separate submission to the BBC's Editorial Complaints Unit about this issue. Details are provided confidentially in Appendix C. We argue that the promotion offered to artists and third party ticket agents lacks editorial justification and constitutes undue prominence, in direct contravention of the BBC's editorial guidelines²⁶. In addition, we note that this activity exceeds what is permitted under Broadcasting Code rules which apply to Commercial Radio (but not the BBC) with the effect that the BBC is offering a level of support for established artists which Commercial Radio stations are unable to replicate²⁷.
- 6.5.4. As well as creating editorial compliance issues, Radio 1's excessive promotion of artists and third party ticket agents reflects our concerns about the extent to which the BBC's music output supports the public purposes. This is because the artists in question are all established UK international acts which appeal to broad audience which appear regularly on Radio 2 and Commercial Radio, rather than carrying a particular appeal for young listeners. Commercial Radio programming research has identified at least one of the artists listed as primarily appealing to older listeners, and we estimate that the average age of fans of two other artists falls outside of the target audience for Radio 1.
- 6.5.5. This suggests that Radio 1's focus on promoting the live schedules of established and international artists is causing the UK's only national popular music station for young audiences to miss an opportunity to deliver distinct public purpose benefits. Significantly, the level of support which is being offered to these acts is not available to unfamiliar or new artists, or to artists which carry a particular appeal for younger audiences.
- 6.5.6. In addition, the activity suggests that the BBC is leveraging its privileged opportunity to attract large national audiences in order to secure exclusive content such as live tracks and first plays of singles at the expense of other broadcasters. This is not in the overall interests of licence fee payers and threatens to undermine plurality in creative broadcasting.

6.6. Opportunities for improvement: overview

- 6.6.1. We have a number of specific proposals as to how Radio 1 and 1Xtra's performance in delivering the 'Stimulating creativity and cultural excellence' can be improved. These are outlined below. We also have a general comment on the structure of the service licences, which has much wider implications, and which we believe the Trust should reflect on more widely in considering the impact which service licences have on public purpose delivery.
- 6.6.2. Our impression is that the current mixed performance of Radio 1 and 1Xtra's music output in delivering the public purposes reflects the ambiguity created by the reiterative structure of each BBC service licence. For instance, the service licence for Radio 1 outlines its music

²⁵ BBC Trust, 'Radio 1 Service licence', April 2008, p. 2.

²⁶ BBC, 'Editorial Guidelines: 13 – Editorial Integrity and Independence', June 2005, <http://www.bbc.co.uk/guidelines/editorialguidelines/edguide/editorial/>.

²⁷ Ofcom, 'Broadcasting Code: Section 10 – Commercial references and other matters', October 2008, <http://www.ofcom.org.uk/tv/ifi/codes/bcode/commercial/>

policy on three separate occasions (in the 'Remit', 'Overview' and 'Contribution to public value' sections), using different language on each occasion, and placing emphasis in different areas. In each case, the service licence appears to place clear requirements on Radio 1, yet requirements generally lack any quantification or prioritisation could be seen as encouraging Radio 1 to play any songs it chooses during daytime output.

- 6.6.3. In accordance with our attempts to assess Radio 1's performance based on its fulfilment of the public purposes, we believe that the public purpose based approach should take precedence, and that the Trust should seek a revised approach for the service licences which avoids overlaps or duplication between different sections. We suggest that the description of music output in the 'Remit' and 'Overview' sections of each service licence should be harmonised or consolidated in a revised 'Contribution to public value' section.

6.7. Radio 1 and 1Xtra should be subject to stretching requirements to promote new and UK music

- 6.7.1. Our findings about Radio 1 and 1Xtra's current commitment to new and UK music highlight the need for each service to be subject to stretching service licence conditions for each type of track, particularly during daytime. We believe that these requirements should be clear and specific.
- 6.7.2. We suggest that both services should have strengthened requirements to provide a significant platform for new music and emerging UK artists during daytime. This will help to ensure that Radio 1 cannot meet its service licence conditions by exclusively playing established and international artists. Under the current service licence requirements, it is theoretically possible for Radio 1 and 1Xtra to play no new UK music in daytime whatsoever, let alone new music from emerging UK artists. For instance, Radio 1 could dispatch its requirement to provide 45% of music from UK acts by solely playing old tracks, whilst 1Xtra could deliver 60% new music by relying exclusively on established US artists.
- 6.7.3. In addition, we propose that 50% of all music on Radio 1 should be of UK origin (45% on 1Xtra) and that 60% should be new on both stations. The effect of this is to require that a minimum of 10% (5% on 1Xtra) of all music in daytime is new tracks from UK artists, although in practice the actual proportion is likely to be much higher.
- 6.7.4. We also noted in paragraph 6.2.6 that there is currently ambiguity as to whether the service licence conditions relating to new and UK music are measured in terms of total number of different tracks played or total number of plays. The distinction is an important one, as under the former approach it would be reasonably easy to produce artificially inflated figures by scheduling a large number of UK or new songs and simply playing each of them once. As such, we propose that the service licence conditions should be reworded as relating to a proportion of total plays.
- 6.7.5. Paragraph 6.2.7 explained that there is ambiguity about the meaning of the term 'UK acts' as it appears in both the Radio 1 and 1Xtra service licences. We suggest that the Trust addresses this by including a definition of this term in service licences, just as it does for new music.
- 6.7.6. On a similar note, we have identified two grounds for revising the definition of 'new' music:
- Radio 1's and 1Xtra's service licences should require them to play a minimum number of unreleased tracks during daytime. That they do not already do so reflects the ambiguous way in which 'new' music is defined. Analysis by GMG found that 28.5% of the songs played on Radio 1 during weekday daytime were pre-release tracks or custom-made remixes, representing around half of the 57.8% of daytime songs which fulfil the current definition of new music. Yet there is actually nothing to stop Radio 1 and 1Xtra from solely playing songs which have already been released in support of their 'new' music conditions.
 - In the two years which have elapsed since the service licences were first

published for consultation, changes in the music industry have meant that a number of tracks now never receive a physical release, suggesting that this definition is no longer fit for purpose.

- 6.7.7. Finally, RadioCentre’s April 2007 response to the BBC Trust’s review of the service licences suggested that timescales used to measure performance against specific conditions should vary to reflect the frequency with which different types of content are consumed. For instance, we proposed that live events targets could be set and assessed on a yearly basis, whilst news coverage would need to be considered on a daily basis.
- 6.7.8. Given that music output is available throughout Radio 1’s schedule and represents a key audience driver, the conditions which relate to it should be delivered on at least a weekly basis. At present, the relevant service licence conditions measure performance across an entire year. This makes meaningful measurement impossible and defers any remedial action by too long a period.

Service licence amendments

Radio 1 and 1Xtra should each:

- Use daytime¹ to provide a significant platform for new music and emerging UK artists
- Ensure that at least 60% of the plays of songs during daytime¹ are of new tracks² each week, with a majority of these consisting of tracks which are yet to be released as singles

Radio 1 should:

- Ensure that at least 50% of the plays of songs during daytime¹ are of tracks by UK acts³ each week

1Xtra should:

- Ensure that at least 45% of the plays of songs during daytime¹ are of tracks by UK acts³ each week

1 Daytime is defined as 06.00-19.00hrs, Monday-Friday and 08.00-14.00hrs, Saturday-Sunday
 2 Either unreleased or less than one month since single release date (physical or download release; does not include album release)
 3 Tracks on which the leading artist is from the UK

6.8. The BBC Trust should amend Radio 1’s service licence to ensure that the station’s music output is distinguished by its particular appeal to younger audiences

- 6.8.1. As outlined in section 4.8, music output is a key driver of audience appeal. Music therefore represents a key tool which the BBC could use to improve its delivery of a young audience. We believe that the BBC Trust should amend Radio 1’s service licence to ensure that the station’s music output is distinguished by its particular appeal to younger audiences.
- 6.8.2. One of the things which the young listeners who participated in the Work Research study valued was the wide range of genres available on Radio 1. Given that 1Xtra’s service licence already contains a requirement for it to play “a wide range of music from all relevant black music genres” during daytime, we suggest that an equivalent requirement for music diversity be introduced into Radio 1’s service licence to ensure this performance is maintained.

Service licence amendments

Radio 1 should:

- Play music which is distinguished by its particular appeal to its target audience
- Play a wide range of musical genres in daytime

6.9. Radio 1 and 1Xtra’s live music output should focus on new and relevant artists

- 6.9.1. We judge that Radio 1 and 1Xtra should refocus their efforts on using their programme of live sessions and concerts to provide a platform for unfamiliar or experimental new bands and artists with a particular appeal for its younger audience, rather than seeking established or international artists which have a broad appeal. Radio 1 and 1Xtra should also avoid providing inappropriate levels of promotion or advertising for third party

products or services such as third party ticket agents.

- 6.9.2. In addition, the BBC's performance in securing access to live music events reveals the damage to public purpose delivery which can be caused when the BBC attempts to procure access to artists on an exclusive basis. The BBC's national scale gives it considerable power and influence with artists and record labels, which can restrict Commercial Radio's ability to cover new and live music through its own services.
- 6.9.3. Rather than ceasing to offer coverage of live music, artist interviews or early plays of new singles, the BBC should adopt a policy of avoiding procuring this content on exclusive basis, wherever possible. This approach could be applied to a range of other content areas, such as sports and events rights. It would also have a number of positive effects, including:
- Improving Commercial Radio stations' opportunity to carry appealing content without preventing the BBC from also doing so;
 - Broadening the potential reach for coverage of certain types of content;
 - Catering to a wider range of listeners than those delivered by BBC services;
 - Where content rights carry a fee, reducing the price of these rights for the BBC as well as Commercial Radio, and so improving value for money for licence fee payers without impairing the BBC's ability to secure content;
 - Increasing competition between BBC and Commercial Radio and so stimulating the overall quality of radio output; and
 - Strengthening plurality of viewpoints and editorial perspectives within radio.

Service licence amendments

Radio 1 and 1Xtra should each:

- In covering live music, focus on giving a platform to artists and events which might not otherwise have one
- In covering live music, avoid promoting third party ticket sales agents or providing excessive promotional opportunities to artists
- Wherever practical, avoid procuring access to content on an exclusive basis

7. Sustaining citizenship and civil society

7.1. Context

- 7.1.1. The 'sustaining citizenship and civil society' public purpose is a key area of priority for both Radio 1 and 1Xtra, with a number of issues emphasising the opportunity for each service to deliver considerable public value amongst their target audience.
- 7.1.2. Amongst the most high profile of the problems associated with young people is violent crime which features either young victims or perpetrators. 28 teenagers have been killed in violent attacks in London alone during 2008, with other recent fatalities in cities such as Manchester, Derby, Nottingham and Glasgow²⁸. Whilst not all young people will have first hand experience of serious crime against themselves or their friends, Home Office data from 2006 nevertheless reveals that around a quarter (26%) of young people aged 10 to 25 had been victims of personal theft or assault over the previous year²⁹. A similar proportion (22%) had carried out anti-social behaviour in the previous 12 months, with

²⁸ Ben Leach, 'Teenager shot dead in Derby', Daily Telegraph, 12 November 2008, <http://www.telegraph.co.uk/news/uknews/3444916/Teenager-shot-dead-in-Derby.html>

²⁹ The Home Office, 'Young people and crime: findings from the 2006 Offending, Crime and Justice Survey', July 2008, p. 28, <http://www.homeoffice.gov.uk/rds/pdfs08/hosb0908.pdf>.

the proportion increasing amongst males, and those aged between 10 and 17³⁰.

- 7.1.3. Other research points to a range of health and wellbeing issues affecting young people. As well as creating public purpose imperatives in relation to citizenship and civil society, these issues have also contributed to a focus on promoting education and learning amongst younger people – the BBC's third public purpose. For instance, the 2001 Census found that young people (particularly females under 20) had been particularly affected by a doubling in the incidence of new cases of sexually transmitted infections (STIs) in England, Wales and Northern Ireland since 1991³¹. The 2001 Census also revealed that young people are increasingly likely to be affected by domestic upheaval, with a quarter of 15-19 year olds now living in lone parent homes³². Recent years have also witnessed public debates about levels of alcohol consumption and obesity amongst young people.

7.2. Current performance: overview

- 7.2.1. It is partially as a consequence of Radio 1 and 1Xtra needing to provide a forum to address issues of this kind that the 2006 Agreement between the BBC and the Secretary of State describes Radio 1 as "principally a popular music service ... but also containing significant speech output" and 1Xtra as "a service of contemporary black music ... alongside significant speech"³³.
- 7.2.2. In turn, Radio 1 and 1Xtra's service licences identify their news, current affairs and social action output as having an important role to play in contributing to this public purpose. Each service has similar requirements to place complex issues in context, demonstrate impartiality and accuracy and provide opportunities for debate.
- 7.2.3. Our assessment is that each service is delivering news, current affairs and social action output, but that these strands are not having as great an impact on young audiences as might be expected. This is particularly the case on Radio 1, which has emphasised music and entertainment rather than the "distinctive mix of contemporary music and speech" required of it in its service licence³⁴. Indeed one participant to the Work Research described Radio 1 as "like all of the radio stations in one", rather than as a distinctive proposition with unique content.
- 7.2.4. Concentrating on Radio 1, the 15-19 year olds who participated in the Work Research study had to be prompted a number of times by the interviewers before giving an indication that they were familiar with key speech output strands on Radio 1 – such as news, current affairs coverage, documentaries and advice programmes. The only strand of speech output they volunteered without prompting was "witty banter". When probed further, the participants described Radio 1's speech output as comprising news content, celebrity gossip, celebrity interviews and backstage coverage.

7.3. News and current affairs output is not having the impact which it could amongst its target audience

- 7.3.1. Radio 1 and 1Xtra both provide high quality news, although our analysis has revealed that the news on Radio 1 is not scheduled at the right times and in sufficient quantities to maximise its impact amongst its target audience.
- 7.3.2. Figure 9 maps Radio 1's reach amongst those aged 15-29 against the scheduling of extended news and documentaries on Radio 1. This indicates that Radio 1 is failing to capitalise upon moments in the schedule where 15-29 reach is at its highest in order to deliver distinctive public service speech impacts at these times. For instance, rather than scheduling documentaries with a view to attracting significant young audiences, Radio 1

³⁰ The Home Office, 'Young people and crime: findings from the 2006 Offending, Crime and Justice Survey', July 2008, p. 24, <http://www.homeoffice.gov.uk/rds/pdfs08/hosb0908.pdf>.

³¹ Public Health Laboratory Service / Office for National Statistics, <http://www.statistics.gov.uk/cci/nugget.asp?id=721>.

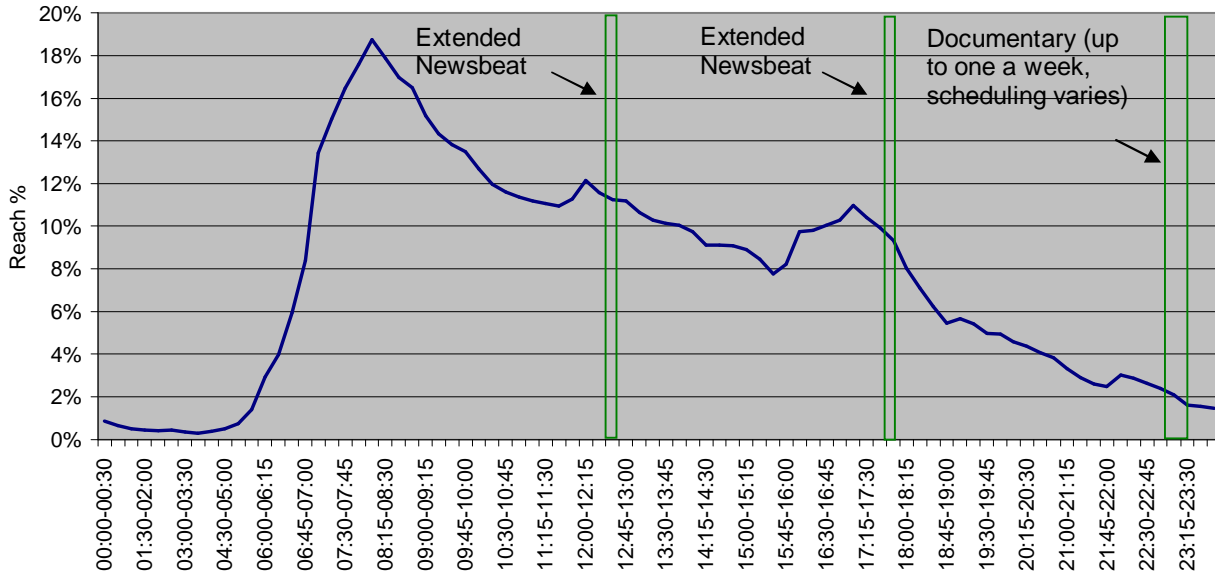
³² Population Estimates Unit, Office for National Statistics Census 2001, <http://www.statistics.gov.uk/cci/nugget.asp?id=716>.

³³ HMSO, 'An Agreement Between Her Majesty's Secretary of State for Culture, Media and Sport and the British Broadcasting Corporation', July 2006, 11.3.a.

³⁴ BBC Trust, 'Radio 1 Service licence', April 2008, p. 1

broadcasts them after 11pm, when its reach amongst 15-29 year olds drops to 1.8% from a high of 18.7% between 8-8.15am.

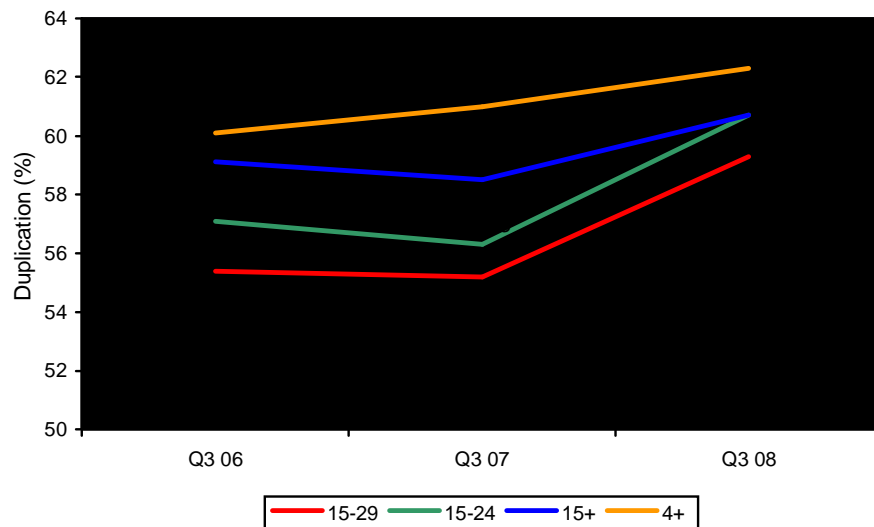
Figure 9: The percentage of all 15-29 year olds which Radio 1 reaches during each daypart (Monday - Friday) (Source: RAJAR / RadioCentre analysis)



7.3.3. When probed about Radio 1’s news output, the participants in Work Research’s focus groups described it as one of the most engaging and accessible news formats for this age group, with some younger 15-19 year olds identifying it as their sole source of news. One participant also recalled hearing a clear and helpful explanation of the credit crunch. However, the fact that news output was not immediately volunteered by focus group participants reinforces that its impact is lower than it could be.

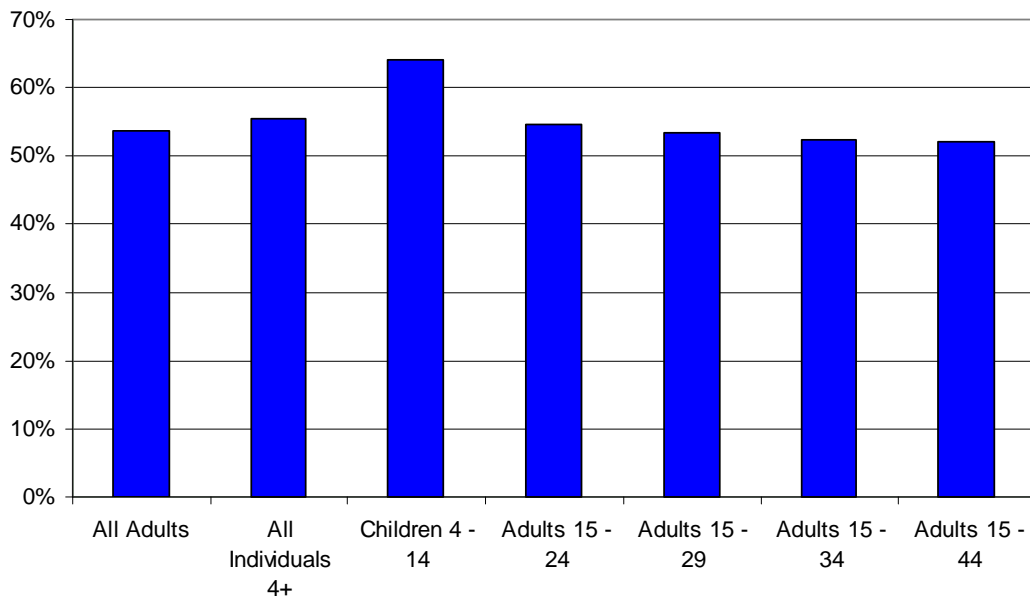
7.3.4. In fact, as figure 10 reveals, around 60% of young people who listen to Radio 1 do not listen to an extended edition of Newsbeat in a given week, with this proportion having increased over the last two years.

Figure 10: % of Radio 1’s audience who don’t listen to an extended edition of Newsbeat mapped over last 2 years (Source: RAJAR / RadioCentre analysis)



7.3.5. These findings and those of Work Research above suggest that the BBC’s strategy of filling peak-time with highly engaging entertainment programming in order to attract a large audience which could then go on to hear impactful public purpose content is failing. Chris Moyles has received considerably attention over recent years for delivering audiences of in excess of 7million people each week³⁵, but figure 11 reveals that, regardless of how the data is analysed, well over half of listeners to Chris Moyles will never hear an edition of Newsbeat in a given week.

Figure 11: % of the Chris Moyles audience that does not listen to any Newsbeat show through the week (Source: RAJAR / RadioCentre analysis)



7.3.6. Monitoring of Radio 1’s output by GMG also reveals that there are long periods of the schedule in which no news content is broadcast whatsoever. Although Radio 1’s reach amongst younger audiences is lower at these times, the collective effect of this is to significantly reduce the potential younger audience for Radio 1’s news output. Between 19.00 and 06.00 on Monday – Thursday nights, Radio 1 broadcasts a cumulative total of 4-5 minutes of news, consisting of bulletins at 22.00, 04.00 and 05.00. On Friday and Saturday nights there is no news between 18.00 and 06.00, whilst on Sunday nights there is no news between 16.00 and 05.00.

7.3.7. By way of comparison, Commercial Radio groups such as GMG Radio, whose news production costs are outlined in Appendix D, provide 24 hour hourly news across their stations.

7.4. 1Xtra is outperforming Radio 1 in the content and scheduling of its speech programming

7.4.1. RadioCentre analysis suggests that Radio 1’s documentaries, social action campaigns and advice programmes do not cover appropriate topics in a fashion and at times in the schedule which will enable them to prompt and influence thinking and behaviour amongst young people. Even when probed at length about Radio 1’s speech output, none of the participants in the Work Research focus groups volunteered details of any documentaries or social action campaigns which they had heard on the station. This cannot be explained by their lack of familiarity with the station – all the participants in the focus groups listen to Radio 1 more than any other station.

³⁵ RAJAR Q3 2008

- 7.4.2. For instance, Radio 1 was not associated by any of the participants with action to tackle the rise in fatal attacks against young people during 2008. After detailed questioning about Radio 1’s potential to have a positive impact on attitudes and behaviour, Trevor Nelson was recalled by participants as having used his Radio 1 show to speak out against youth knife crime. Conversely, some of the music on Tim Westwood’s Radio 1 hip-hop programme was linked with promotion of gun culture by some participants.
- 7.4.3. Perhaps the most high profile treatment of this issue on BBC Radio over the last year was carried on BBC London 94.9³⁶. Although this station covers London, it is not targeted at the young people whom its knife crime campaign was designed to reach; its service licence states that its target audience is 45+³⁷.
- 7.4.4. We judge that 1Xtra is performing much better than Radio 1 in delivering significant public purpose speech output about issues of key importance to young people at points in the schedule where listening is high. For instance, the 2-4pm weekday slot is currently occupied by ‘Max’, which broadcasts high quality documentaries and magazine-style output in a way which is engaging for its target audience.
- 7.4.5. Finally, the Work Research study raised questions about the impact which the Radio 1 advice programme The Sunday Surgery is having in delivering the public purposes. The Sunday Surgery had to be mentioned by the interviewers themselves before being recalled by participants. When asked what they thought about it, participants indicated that they see it primarily as an entertainment programme and do not see its presenter (Kelly Osbourne) as being credible. Others suggested that it did not relate to their needs.

“How can Kelly Osbourne give you good advice?”

Radio 1 listener involved in November 2008 Work Research study

7.5. Opportunities for improvement: overview

- 7.5.1. The failure of Radio 1 and 1Xtra’s speech output to have the impact that might be expected of it in support of the ‘sustaining citizenship and civil society’ public purpose is particularly significant given that Work Research participants identified Radio 1 as having a powerful opportunity to influence young people. When asked about Radio 1’s potential effect on attitudes and behaviour, the 15-19 year old participants suggested that they felt that Radio 1 has real potential to be a more overt and effective force for good.
- 7.5.2. We believe that each service’s failure hitherto to capitalise upon this represents a missed opportunity, given the particular scope for Radio 1 to deliver high quality public purpose impacts amongst 15-29 year olds. We suggest a number of potential changes to their service licences below, which are designed to ensure that Radio 1 delivers significant public purpose impacts in relation to important issues during periods of the schedule when young audiences are listening in the largest numbers.

“If Zane Lowe says something good or right then I’ll generally think the same”

Radio 1 listener involved in November 2008 Work Research study

7.6. Radio 1 and 1Xtra should be subject to an overarching requirement to schedule news and speech output in such a way as to maximise its impact

- 7.6.1. The purpose remit for the ‘sustaining citizenship and civil society’ public purpose requires the BBC to “engage a wide audience in news, current affairs and other topical issues”³⁸. However, as outlined above, the evidence suggests that Radio 1’s news, current affairs, advice, documentaries and social action output are not currently scheduled in such a way as to maximise their impact and so “engage” the widest possible young audience.

³⁶ See http://www.bbc.co.uk/pressoffice/pressreleases/stories/2008/06_june/06/crime.shtml
³⁷ BBC Trust, ‘Local Radio Service licence’, April 2008, p. 27.
³⁸ BBC Trust, ‘Purpose Remit: Sustaining citizenship and civil society’, December 2007, p. 1.

- 7.6.2. Radio 1 and 1Xtra's service licences should be amended to address this. An overarching requirement for key speech output strands to be scheduled in such a way as to maximise their reach amongst each service's target audience should be included along with more stretching requirements about the particular scheduling and volume of news output. This should include a requirement for hourly news across both services, including during off-peak programming, with extended bulletins throughout daytime at points in the schedule at which young listening is at its highest.

Service licence amendments

Radio 1 and 1Xtra should each:

- Schedule news, current affairs, advice, documentaries and social action output in such a way as to maximise its reach amongst its target audience
- Broadcast hourly news bulletins throughout the schedule, both during the week and at weekends, with a particular emphasis on daytime
- Broadcast at least four extended bulletins each day, at least three of which should be in daytime

7.7. Radio 1 and 1Xtra's service licences should stipulate the content and scheduling of documentaries, social action campaigns and advice programmes

- 7.7.1. Although Radio 1's service licence discusses social action output in terms of the 'sustaining citizenship and civil society' public purpose, its documentaries and advice programme are currently classified under 'promoting education and learning'. Conversely 1Xtra's social action, documentary, current affairs and discussion programmes are classified as promoting 'sustaining citizenship and civil society'.
- 7.7.2. It is vital that both Radio 1 and 1Xtra offer an on-air forum for discussion about significant issues affecting the status of young people in society. These services should also aim to positively influence behaviour where possible. We therefore believe that Radio 1's speech output, like that of 1Xtra, should be focused on promoting citizenship and civil society.
- 7.7.3. Beyond this, there are a number of other areas in which the service licences appear to require improved specificity and clarity:
- 1Xtra's service licence already goes further than Radio 1's in recognising the important role for speech-based programming, with a clear condition that a minimum of 20% of output should be speech-based. We suggest that this requirement should be extended to Radio 1.
 - Radio 1's documentary requirement is currently low. It is required to produce "at least 40 new documentaries each year"³⁹, whilst 1Xtra has no individual documentary quota. The current requirements do not even guarantee an average of one documentary per week on each service.
 - Radio 1's service licence states that "documentaries should provide in-depth examinations of a range of issues significant to its audiences"⁴⁰. We believe that 'issues' should be interpreted as a range of social matters in areas such as crime and social disorder, welfare, health and financial matters rather than music-based material.
 - Radio 1's service licence states that "Social action campaigns on topics relevant to young adults should increase understanding of personal, health and educational issues and usually feature in daytime programming" but sets no requirement as to the volume/frequency and duration of these campaigns⁴¹.
 - 1Xtra currently provides an important speech programme on each weekday

³⁹ BBC Trust, 'Radio 1 Service licence', April 2008, p. 4.

⁴⁰ BBC Trust, 'Radio 1 Service licence', April 2008, p. 4.

⁴¹ BBC Trust, 'Radio 1 Service licence', April 2008, p. 4.

afternoon, Max. However 1Xtra’s service licence states only that this programme will be “regular” and broadcast “on weekdays”⁴². An equivalent service licence reference to the programme presented by Jeremy Vine on Radio 2 states that this will be broadcast “each weekday” and that its content will consist of “current affairs”, listing a number of topic areas⁴³. We believe 1Xtra’s service licence should reflect this more specific approach, and that the Trust should give consideration to the value of introducing a similar or equivalent condition for Radio 1.

Service licence amendments

Radio 1 should:

- Ensure that at least 25% of output each week is speech based
- Broadcast at least 50 new documentaries each year about a range of issues of personal, social, financial, health and educational relevance
- Offer a continuous year-round programme of social action campaigns

1Xtra should:

- Broadcast each weekday an accessible programme covering current affairs and/or issues of relevance to the target audience during daytime with a speech content considerably higher than the station’s normal output.

7.8. Radio 1 and 1Xtra should play a role in engaging young people in political affairs and encouraging participation in the democratic process

- 7.8.1. One of the key priorities of the BBC’s ‘sustaining citizenship and civil society’ public purpose remit is to “Build greater understanding of the parliamentary process and political institutions governing the UK”, amongst “all its audiences”⁴⁴. At present, Radio 1 and 1Xtra’s service licences do not have requirements targeted at addressing this priority. This is despite evidence of widespread disengagement from the political process amongst young people.
- 7.8.2. Recent research by the Hansard Society presented in figure 12 found that young people are the age-group which is least likely to participate in the democratic process, with those aged 24 and under particularly affected by this issue. Only 23% of 18 – 24 year olds would be absolutely certain to vote in an immediate general election, compared to an adult average of 53%. This reflects Ofcom findings which indicated that more than one-half (51%) of all 18-24 year olds did not vote in the 2005 General Election⁴⁵.

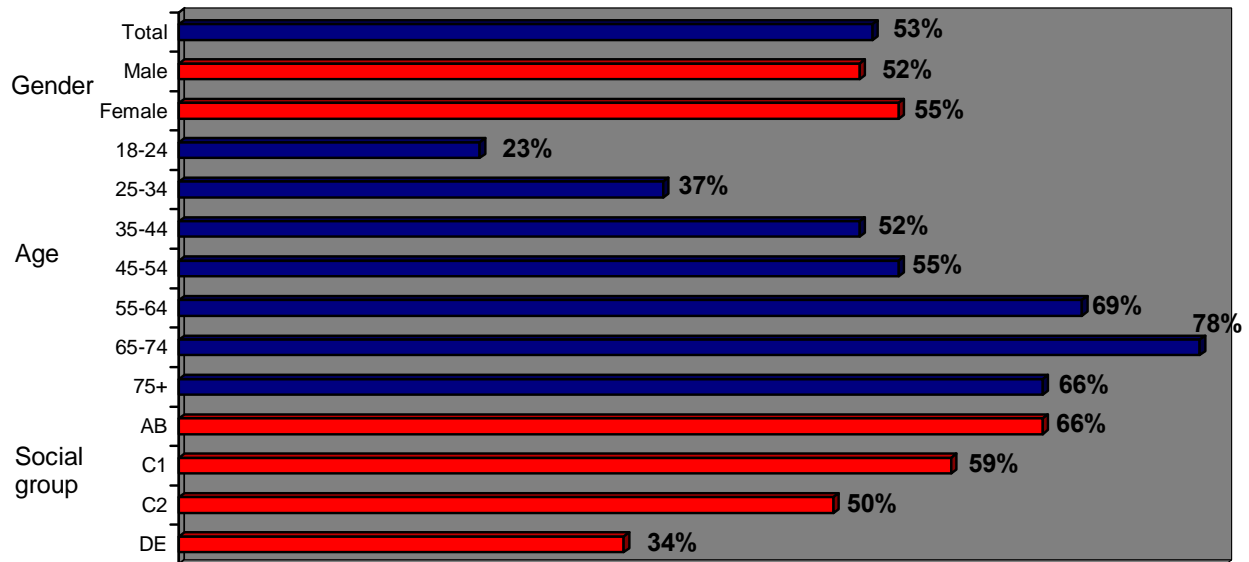
⁴² BBC Trust, ‘1Xtra Service licence’, April 2008, p. 4.

⁴³ BBC Trust, ‘Radio 2 Service licence’, April 2008, p. 4.

⁴⁴ BBC Trust, ‘Purpose Remit: Sustaining citizenship and civil society’, December 2007, p. 1.

⁴⁵ ICM; Ofcom, ‘Viewers and Voters: Attitudes to television coverage of the 2005 General Election’, September 2005, p. 31.

Figure 12: Proportion of people who would be “absolutely certain to vote in an immediate General Election” (Source: The Hansard Society⁴⁶)



7.8.3. The potential importance of the BBC’s role in this area is underlined by findings from the same Ofcom research which reveal that young people perceive deficiencies in the presentation of political issues on television, suggesting an important role for services which expressly target young audiences rather than attempting to maintain a broad appeal⁴⁷.

7.8.4. We propose that specific requirements to fulfil this public purpose priority should be inserted into both Radio 1 and 1Xtra’s service licences; by way of example, CRCA monitoring for its submission to the BBC Green Paper review found that Radio 1’s lead news story on the day of the last General Election was about Formula One racing.

Service licence amendments

Radio 1 and 1Xtra should:

- Provide programming which engages young people in political affairs and encourages participation in the democratic process

8. Promoting education and learning

8.1. Current performance

8.1.1. As outlined above, we have re-classified Radio 1 and 1Xtra’s social action, advice and documentary output under the ‘sustaining citizenship and civil society’ public purpose.

8.1.2. After prompting from the interviewers, the participants in Work Research’s study of Radio 1 listeners identified the careers and study advice provided by Radio 1 as an important example of the positive role which it could play amongst a young audience. These services were seen as being more useful than programmes such as The

“I guess it is good to know that if you needed [practical advice] you could get it from Radio 1”

Radio 1 listener involved in November 2008 Work Research study

⁴⁶ The Hansard Society, ‘Audit of Political Engagement 5: The 2008 Report’, March 2008, p. 17.

⁴⁷ ICM; Ofcom, ‘Viewers and Voters: Attitudes to television coverage of the 2005 General Election’, September 2005, p. 31.

Sunday Surgery, although the participants had not used these services themselves. This suggests that Radio 1 may be performing well in promoting education and learning. Our impression is that similar support is also provided to 1Xtra listeners.

- 8.1.3. Although Radio 1 and 1Xtra are performing well in providing educational and career advice to their listeners, our impression is that this output is not fully captured in each service licence. The service licences refer to “vocational initiatives”⁴⁸ and “practical vocational advice to those wishing to pursue a career in the music industry [provided] via its online presence”⁴⁹ as the main activity for Radio 1 and 1Xtra respectively under this public purpose.

8.2. Opportunities for improvement

- 8.2.1. We suggest that the Trust should revise this section of the Radio 1 and 1Xtra service licences to ensure that Radio 1 and 1Xtra maintain the important strands of activity outlined above for the full range of young listeners.

Service licence amendments

Radio 1 and 1Xtra should:

- Offer vocational initiatives such as educational and career advice at appropriate times for the full range of young listeners

9. Reflecting the UK’s nations, regions and communities

9.1. Current performance

- 9.1.1. The service licences for Radio 1 and 1Xtra task them with promoting this public purpose through activity such as opt-out programming (Radio 1 only) and live events. Our assessment is that they are delivering this output.

9.2. Opportunities for improvement

- 9.2.1. We have identified two ways in which Radio 1’s performance in delivering the ‘reflecting the UK’s nations, regions and communities’ public purpose could be improved.
- 9.2.2. Firstly, as a national service, Radio 1’s focus in delivering this public purpose should be to “Represent the different nations, regions and communities to the rest of the UK”, in accordance with the first public purpose priority outlined by the BBC Trust in its published public purpose remit⁵⁰. As such, we believe that it is more important for Radio 1 to broadcast a key strand of its output from a region to the rest of the UK, than from a region exclusively to that region. We therefore question the level of public value which is generated by nations-specific programming strands.
- 9.2.3. Secondly, in providing nations-specific programming and mounting significant live events in towns across the UK, Radio 1 may be inadvertently undermining the BBC’s responsibility to deliver this public purpose by taking care “not to undermine a continuing plurality of local and regional media”⁵¹. Although Radio 1 is a national service, it can have an impact on local Commercial Radio due to the appeal of its music and other output, which is accentuated when Radio 1 undertakes activity within a specific area.
- 9.2.4. In particular, Radio 1 live events can have a significant impact on local competition for listeners between the BBC and local Commercial Radio stations, with events such as Radio 1’s Big Weekend having the effect of reducing listening to the Commercial Radio stations covering the areas where the events are staged, creating particular problems if the station in question is small. This is acknowledged by Radio 1, with Controller Andy Parfitt saying

⁴⁸ BBC Trust, ‘Radio 1 Service licence’, April 2008, p. 4.

⁴⁹ BBC Trust, ‘1Xtra Service licence’, April 2008, p. 4.

⁵⁰ BBC Trust, ‘BBC Public Purpose Remit: Representing the UK, its nations, regions and communities’, December 2007, p. 7.

⁵¹ BBC Trust, ‘BBC Public Purpose Remit: Representing the UK, its nations, regions and communities’, December 2007, p. 7.

in May 2007 "We know that we will have a huge impact in this area. When we did Dundee last year you could see it in our reach the quarter after."⁵²

- 9.2.5. In light of this, we encourage the BBC Trust to require Radio 1 and 1Xtra to take account of their potential impact on local media in planning activity under this public purpose.

Service licence amendments

Radio 1 and 1Xtra should:

- Provide national content, some of which should be produced from a range of regions, rather than opt-out programming for particular areas
- Ensure that they do not undermine a continuing plurality of local and regional media

10. Bringing the UK to the world and the world to the UK

10.1. Current performance

- 10.1.1. Radio 1 and 1Xtra promote this public purpose by playing international music and providing coverage of international news and affairs. As outlined in section 6.1, we have found that Radio 1's efforts to deliver this public purpose are leading to excessive and inappropriate promotion of international artists who are already well established in the UK. In chapter 7, we found that news and speech output (which is likely to include world affairs) is not adequately scheduled to maximise its impact amongst young audiences.

10.2. Opportunities for improvement

- 10.2.1. In paragraph 7.6.2 we outline our recommendation for scheduling changes to maximise the impact of news output, including international/world news.
- 10.2.2. We also recommend that the BBC Trust should revise the service licences for Radio 1 and 1Xtra to stipulate that in showcasing global musical talent, each service should focus on giving a platform to unfamiliar and innovative artists.

Service licence amendments

Radio 1 and 1Xtra should:

- In showcasing global musical talent, focus on giving a platform to unfamiliar and innovative artists

11. Emerging communications

11.1. Current performance

- 11.1.1. Radio 1 and 1Xtra collectively promote "the benefit of emerging communications technologies and services"⁵³ in two main ways, according to their service licences:
- Encouraging the take-up of DAB and other digital technologies by making high quality 1Xtra content available on digital platforms and using Radio 1 to promote its availability
 - Delivering appealing content and interactivity via the internet and mobile platforms.
- 11.1.2. Our analysis indicates that the second of these is being particularly well fulfilled. The BBC spends significant sums in providing digital content which complements on-air output or in staging engaging multimedia events. These include the recent feature which saw Scott

⁵² Sophie Morris, 'Who are the beneficiaries of these new Radio 1 roadshows?', The Independent, 28 May 2007.

⁵³ BBC Trust, 'Radio 1 Service licence', April 2008, p. 5

Mills placed under constant video surveillance whilst spending a week in his flat⁵⁴. Our assessment is that the BBC produces a significant volume of such content, as does the market.

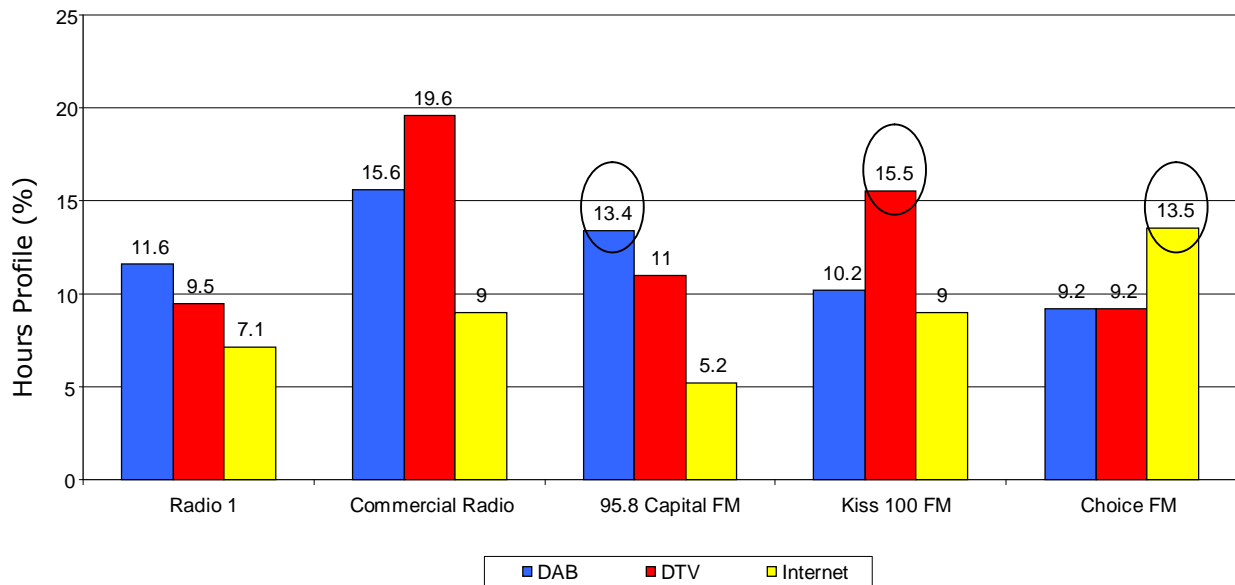
11.1.3. Radio 1 also dominates podcast charts for young audiences, indicating that the BBC Trust imposed limits on the BBC’s activity in this area remain appropriate.

11.2. Opportunities for improvement

11.2.1. Conversely, there appears to be clear scope for Radio 1 to do more to promote digital radio listening. Ofcom research reveals that 15-24 year olds are more than three times as likely as 25-44 year olds to say that they haven’t heard the term ‘digital radio’, with a surprising 15% of this audience saying that they are unfamiliar with the term⁵⁵.

11.2.2. Radio 1 currently underperforms Commercial Radio in migrating listeners to digital listening platforms. Figure 13 shows that Commercial Radio stations derive higher proportions of listening from DAB, DTV and the internet than Radio 1. This is likely to be holding back government-supported efforts to migrate listeners to digital platforms such as DAB.

Figure 13: The proportion of Radio 1 and Commercial Radio listening via digital platforms (Source: RAJAR / RadioCentre analysis)



11.2.3. We suggest that the following requirement be added to the service licence for Radio 1 (but not 1Xtra, as DAB already represents its sole broadcast transmission platform).

Service licence amendments

Radio 1 should:

- Play a leading role in encouraging its target audience to migrate their existing radio listening to digital platforms and to DAB in particular

⁵⁴ BBC, ‘Scott Mills – Live From His Flat’, <http://www.bbc.co.uk/radio1/scottmills/scottcam/>
⁵⁵ Ofcom, ‘Communications Market Report 2008’, August 2008, p. 287.

12. The value for money delivered by Radio 1 and 1Xtra

12.1. Current performance

- 12.1.1. Radio 1 and 1Xtra each have significant service budgets outlined in their respective service licences. Radio 1 has an annual service budget of £32.5m, which includes all on-air costs, such as presenters, music rights, news costs and the main overheads associated with the service such as property⁵⁶. The BBC's 2007/08 Annual Report reveals that this excludes distribution (2007 spend: £3.9m) and infrastructure/support (2007 spend: £8.1m). We understand that major marketing spend falls under this latter infrastructure/support category⁵⁷. 1Xtra's service budget is £7.2m.
- 12.1.2. In seeking to understand whether these budgets are reasonable, RadioCentre asked its members for data on the cost of their programming content, including news and entertainment output. This is presented confidentially in Appendix D. We do not seek to draw direct comparisons between Radio 1 and any particular Commercial Radio station; there is no such comparable service in terms of national scale or remit. However, Commercial Radio does produce news, entertainment and information programming of high value to both listeners and society as a whole, so some read-across is possible.
- 12.1.3. The data we submit reveals that high quality programming and news output for young people could be delivered for significantly less than the £32.5m which Radio 1's service budget apportions to the station for content. Although Radio 1 does have a number of expensive strands of output, including its extensive commitment to live music and documentaries, it is not immediately apparent why Radio 1 incurs such a high spend on its output. For example, we have been able to value the cost of documentaries, with the BBC paying around £4000 for each of its 40 annual documentaries – a total cost of £160,000⁵⁸, or just 0.5% of Radio 1's total programming budget.
- 12.1.4. We also note that Radio 1 has a service budget over four times that of 1Xtra, despite their comparatively similar service licence requirements and we therefore question whether the £45m which Radio 1 is likely to cost in 2008 delivers good value for money to licence fee payers.
- 12.1.5. Perhaps most importantly, we question whether the delivery of the public purposes, in terms of the activity outlined in Radio 1's service licence, genuinely costs £45m to deliver.

12.2. Opportunities for improvement

- 12.2.1. The financial data presented in Appendix D strongly suggests that the value for money which Radio 1 delivers to licence fee payers could be improved. Unfortunately, the BBC's accounts and service licences do not break down service spend in sufficient detail to enable us to establish which cost elements are particularly high, which makes it difficult for us to identify the precise steps needed to improve the BBC's performance.
- 12.2.2. Although it is out of scope for this review, the amount Radio 1 pays its presenters may represent an opportunity given that the Trust's May 2008 report, 'On-Screen and On-Air Talent' found that "The fees paid by the BBC to a small number of top talent working in network radio are much higher than those offered on commercial radio"⁵⁹. However, this area alone is unlikely to address the issue fully.
- 12.2.3. Therefore, we firstly urge the Trust to investigate thoroughly why Radio 1 requires so significant a budget and to be willing to revise that budget if it finds that a lower settlement would not impact on the service's ability to deliver its public purpose remit.
- 12.2.4. Secondly, we believe that the BBC Trust should revise the way in which it measures performance in the BBC Radio service licences. At present, Radio 1 and 1Xtra's value for money is assessed in terms of cost per listener hour. We think this is a poor metric. It

⁵⁶ BBC Trust, 'Radio 1 Service licence', April 2008, p. 1; '1Xtra Service licence', April 2008, p. 1.

⁵⁷ BBC, 'Annual Report and Accounts 2007/08: Part 2', June 2008, p. 141.

⁵⁸ BBC, 'Radio 1 Documentaries In 2007'

http://www.bbc.co.uk/commissioning/radio/network/docs/radio1_commissioningbrief08.pdf

⁵⁹ BBC Trust / Oliver & Ohlbaum, 'On-Screen and On-Air Talent', May 2008, p. 5.

implies, for example, that the absolute cost of the service is irrelevant if it is able to produce a very high level of listening. It also confuses the BBC's targets for audience reach with Commercial Radio's need to drive listening hours. Most importantly, it fails to ask the question: how much does this station need in order to deliver its public purposes to its target audience?

12.2.5. We therefore recommend that the Trust devises a new way of measuring the value for money of BBC Radio services. One component of this may include benchmarking costs against Commercial Radio services where this is appropriate.

Service licence amendments

Radio 1 and 1Xtra should:

- Receive service budgets which reflect the cost of delivering the public purposes
- Be assessed on the value for money they deliver to licence fee payers including by benchmarking their costs against those of Commercial Radio stations where appropriate.

13. Conclusion

13.1. Throughout this submission we have used evidence and analysis to illustrate how successful Radio 1 and 1Xtra are at:

- delivering an appropriate audience
- delivering public purposes to that audience
- contributing in a fair way to a plural, competitive and complementary radio market
- delivering value for money for licence fee payers

This analysis and evidence has led us to present proposals about how the services' performance, targets, behaviours and resources might be amended.

13.2. Radio 1 in particular has enormous historical significance but also potential current cultural importance. Jeremy Hunt, Shadow Secretary of State for Culture Media & Sport recently noted: "The BBC has huge, huge influence and it could be a huge force for good"⁶⁰. We hope this submission is helpful in furthering that vital objective, at least in relation to the BBC's services for younger audiences.

RadioCentre, December 2008

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⁶⁰ Jeremy Hunt MP, Shadow Secretary of State for Culture, Media and Sport, 'Tory Party Conference: Tories tell BBC to heal Broken Britain', Daily Telegraph, 29 September 2008.