

RADIOCENTRE SUBMISSION TO OFCOM CONSULTATION ON THE FUTURE APPROACH TO COMMUNITY RADIO KEY COMMITMENTS

SUMMARY

1. Radiocentre welcomes the opportunity to respond to Ofcom's consultation¹ on the proposal to streamline and simplify Key Commitments in analogue community radio station licences.
2. The UK benefits from a diverse radio ecosystem, where the offerings from BBC and commercial radio are complemented by smaller community stations which exist to benefit their local communities by providing hyperlocal content and operating for social gain rather than profit. We recognise the important contribution played by community stations across the country, as well as the dedication of the staff and volunteers that run these services, including the training opportunities that they provide to those looking to start a career in radio and audio.
3. We do not oppose Ofcom's proposals to take a less prescriptive approach to regulating analogue community radio, giving stations greater flexibility and enabling them to focus on their core social gain requirements. However, we are concerned that Ofcom's proposed approach, in conjunction with the potential relaxation of funding restrictions², could lead to "mission drift" where social gain is deprioritised by some community radio stations over time in pursuit of audience growth (and advertising revenue). This in turn could have an adverse negative impact on small local commercial radio stations that deliver significant public value to their audiences, including important local news updates from professional journalists.
4. If Ofcom does proceed with these proposals, we suggest that the following safeguards are put in place:
 - a. **Stronger oversight and enforcement from Ofcom to ensure that the community radio sector remains distinctive from the output delivered by commercial radio.** Ofcom should introduce new ways of regulating the ongoing content and activities of community radio operators, supported by the allocation of additional resource where warranted. Ofcom should also consider redeploying resources that would be freed by the new light touch regime, in order to provide a greater degree of proactive oversight of the community radio sector.
 - b. **Enhanced transparency and accountability requirements for community radio licence holders, including reporting on how they meet their social gain/public value commitments.** In exchange for the removal of Key Commitment quotas, community stations should be held accountable for their output. To ensure that local communities can hold their community radio station to account, the stations should be required to maintain a comprehensive 'public file'. This should contain all relevant contact information, the streamlined Key Commitments, and the most recent annual report submitted covering the delivery of these commitments and social gain.

¹ [Consultation: Community Radio - future approach to Key Commitments \(ofcom.org.uk\)](https://www.ofcom.gov.uk/consult/condocs/cr/cr1901/cr1901.pdf)

² As has been proposed as an option in a recent DCMS consultation on analogue community radio licences.

BACKGROUND

5. A valuable contribution is made by the overwhelming majority of community radio operators, where audience and content are well-defined – and where the community objectives are genuinely embraced by those involved and represented and discharged conscientiously. Colourful, award-winning and praiseworthy content is produced by stations that are deeply concerned with their areas, involving local people and making a genuine contribution to local communities.
6. Community radio is recognised as playing an important role in providing communities throughout the UK with local information and locally relevant content. From the outset, community radio has existed to complement other radio provision, catering for whole communities or for different areas of interest – such as a particular ethnic group, age group or interest group.
7. Research from February 2021³, which formed part of the Digital Radio & Audio Review, found that community radio listeners have a deep connection with their local community station. In particular, they value the highly localised news, traffic and weather updates; the diverse and unpredictable nature of music offering, which often showcases local musical talent; the relatability of local presenters; and the provision of community service and connection to a local area.
8. The original legislation to create community radio⁴ stipulated that it should not place commercial radio stations at risk. This should continue to be the case as Ofcom considers future changes to community radio licences. Whilst larger commercial radio operators co-exist with community stations with ease, a David Lloyd report commissioned by Radiocentre in 2018⁵ highlighted how some of the smallest commercial radio stations are placed at real risk when less dutiful, or unduly competitive, community stations are launched in their areas, with minimal ongoing regulatory oversight.
9. We note that the proposed changes to Key Commitments will provide greater flexibility to analogue community radio stations by reducing regulatory burdens, enabling them to better serve their target communities. Moreover, we understand why Ofcom may wish to avoid a perverse situations where overly prescriptive Key Commitments reduce a community radio station's ability to best deploy its resources to deliver social gain. In that sense, it could be argued that the proposed changes are broadly in line with changes to analogue commercial radio licences contained in the Media Act 2024.
10. However, we are concerned that the combination of removing Key Commitment quotas and the potential relaxation of funding restrictions (an option proposed in the government's recent consultation on analogue community radio licencing⁶) risks leaving community stations without appropriate scrutiny and accountability to ensure that they offer services that are distinct from those provided by commercial radio.

³ [Community-Radio-Audiences-and-Values-February-2021.pdf \(getdigitalradio.com\)](#)

⁴ [The Community Radio Order 2004 \(legislation.gov.uk\)](#)

⁵ <https://www.radiocentre.org/wp-content/uploads/2018/11/SMALL-SCALE-RADIO-IN-THE-UK-ONLINE.pdf>

⁶ [Consultation on analogue community radio licensing - GOV.UK \(www.gov.uk\)](#)

11. Without appropriate oversight from Ofcom, there is a risk in future that there could be little to distinguish the operation of some community radio stations from smaller commercial broadcasters. A lighter touch regime, potentially alongside the removal of funding restrictions, could incentivise some community radio stations to compete more aggressively with smaller commercial operators by targeting the same audiences (listeners and advertisers) as commercial stations and with their much lower cost base (due to the voluntary nature of their operations) could undercut local advertising rates.
12. In the absence of measurable quotas, we believe there should be still adequate safeguards in place to ensure that community radio stations are held accountable for their social gain requirements and remain distinctive (particularly if they are able to compete for unrestricted advertising revenue). These safeguards should also ensure that community radio continues to provide listeners with what they value most, including:
- Hyperlocal news, traffic and weather
 - Eclectic, diverse and/or unpredictable music, including showcasing local music talent
 - Local presenters and volunteers
 - Being of the community and engendering a sense of being connected to the area
 - Providing a community service
 - Being not-for-profit.
13. The centrality of the social gain requirement must be protected as community radio's defining feature. As such, we feel it would be beneficial for there to be further consultation and work on how the capture of the social gain activity of community radio takes place, and how social gain is measured and regulated in the absence of quotas. This position was echoed by the Community Media Association and the UK Community Radio Network, on behalf of the community radio sector, in their draft joint response⁷ to the Department for Culture, Media & Sport (DCMS) consultation earlier this year.

⁷ <https://radiotoday.co.uk/2024/01/cma-and-ukcrn-issue-joint-response-to-dcms-consultation/>

QUESTIONS

14. We have provided responses to the relevant questions from the consultation document below.

Question 1: Do you agree with Ofcom’s proposal to remove specific music genre requirements from Key Commitments (other than where music is a core element of the character of the service)? Please provide further information and/or evidence in support of your response.

Question 2: Do you agree with Ofcom’s proposal to remove specific speech content requirements from Key Commitments (other than where particular speech content is a core element of the character of service)? Please provide further information and/or evidence in support of your response.

Question 3: Do you agree with Ofcom’s proposal to remove original output requirements from Key Commitments? Please provide further information and/or evidence in support of your response.

Question 4: Do you agree with Ofcom’s proposal to remove locally produced output requirements from Key Commitments? Please provide further information and/or evidence in support of your response.

15. We do not oppose Ofcom’s proposal to take a less prescriptive approach to some of the content quotas and requirements set out in Key Commitments – particularly where they divert resources away from a community radio stations ability to deliver on its core social gain commitment.

16. In its impact assessment, Ofcom notes that it is “*confident that the remaining aspects of the Key Commitments, which describe the character of the service and the service’s social gain obligations, will be sufficient to ensure that services will continue to deliver to their target community*” and that it will “*continue to investigate non-compliance with Key Commitments when appropriate and proportionate to do so*”.⁸

17. A number of our smallest members have raised concerns that the output from some community radio stations is indistinguishable from local commercial stations, and in certain instances the way community radio operators represent their programming strategy in their communities is unrecognisable from their community objectives. While this is generally limited to a small number of bad actors, it is likely to result in a significant impact to an existing local commercial radio service.

18. Importantly, the character of service in each community radio licence, alongside the social gain requirements, will remain a crucial element for individual stations, relevant local stakeholders and for Ofcom in order to assess the success of a local community radio service.

⁸ [Consultation: Community Radio - future approach to Key Commitments \(ofcom.org.uk\)](#) (A2.5)

19. Community radio was designed to be an additional distinctive tier of radio stations, targeting new audiences: “*the provision of sound broadcasting services to individuals who are otherwise underserved by such services*”.⁹ This is likely to be achieved both through its speech offering and music output. The best examples of distinctive community radio stations understand this, but there are also examples of community radio stations that lack comprehensive speech output or a music playlist that is sufficiently distinct from existing local commercial radio services.
20. There is a risk that Ofcom’s proposed changes in this consultation could result in “mission drift” – where the valued, hyperlocal output is slowly eroded over time in pursuit of audience growth, particularly if incentives change as a result of a possible relaxation of funding restrictions following the DCMS consultation on this matter earlier this year.
21. For example, one of our members has highlighted an example where a local community radio station describes itself in its media pack to local advertisers as “*the only local commercial station that broadcasts on all medium/platforms, including FM*”. While just one isolated example, it is indicative of the reality faced by a number of smaller commercial broadcasters.
22. We believe that robust mechanisms should remain in place to hold community radio stations to account for their social gain requirements. There should be opportunities for local communities to participate and they should fundamentally still provide a distinctive service that complements those offered by commercial radio and the BBC. It is therefore important that the new regime proposed by Ofcom has enough proactive oversight (over and above investigations following a complaint) to ensure that community radio stations do not simply become pop music jukebox services with minimal speech, local content or original output.
23. If Ofcom proceeds with these changes, it should review ways in which it can better regulate the current output and activities of community radio operators that do not adhere to their social gain and wider community obligations. This should involve securing appropriate additional resources or reallocating resources that may be freed up from reduced burdens elsewhere.

Question 5: Do you agree with Ofcom’s proposed approach to language requirements for community radio stations? Please provide further information and/or evidence in support of your response.

24. We note that Ofcom is removing the specific language requirement section of the current Key Commitment format, but where it considers that the languages listed are important to the overall character of service, it proposes adding a line to specifying that these languages will be broadcast on the station. We agree that this is a sensible approach.

Question 6: Do you agree with Ofcom’s proposed approach to standardising wording (where appropriate) in the character of service descriptions for community radio stations? Please provide further information and/or evidence in support of your response.

⁹ https://www.ofcom.org.uk/_data/assets/pdf_file/0017/31913/kc-changes-guidance.pdf

25. We note that Ofcom is looking to standardise character of service descriptions which currently vary significantly between licences, both in level of detail and wording used. We agree that this is a sensible approach.

Question 7: Do you agree with Ofcom’s assessment of the impacts of its proposed changes (including potential impacts on specific groups of persons including equality impacts)? Please provide further information and/or evidence in support of your response.

Question 8: Are there any impacts of these proposals which Ofcom has not recognised in this document?

26. Ofcom does not discuss the potential impact of these proposals on commercial radio operators. As we noted above, some of our smaller members – including small commercial operators that broadcast DAB only – are concerned about the combined impact of a lighter touch approach to Key Commitments, and a potential relaxation of funding restrictions. This could incentivise community radio stations to compete against smaller commercial operators and potentially undercut their advertising rates. These businesses are potentially at risk if community stations are allowed to become increasingly commercially driven rather than socially focused.

27. Appropriate safeguards are therefore needed to ensure that there is no inadvertent negative impact on the remaining small local commercial radio stations that operate on tight margins and continue to deliver significant public value to their audiences, provide local employment and deliver trusted local news and information. We set these out in more detail in answer to Question 11.

Question 11: Do you agree with our proposed compliance principles? ---

28. The compliance principles provide some helpful detail on how Ofcom expects analogue community radio stations to comply with their Key Commitments in the new less prescriptive regime.

29. Nevertheless, the benefit of quotas is that they provide an objective standard by which to hold community radio stations to account. While Ofcom might deem some of these existing quotas to be overly burdensome, the lack of any measurable criteria creates ambiguity, which could have potential adverse impacts.

30. The principles, as drafted, set a fairly low bar for compliance. For example, broadcasting ‘some’ original and locally produced output each day could be interpreted as one hour each evening outside of peak time. While this is unlikely to be the case for the majority of community radio stations, it is important Ofcom takes a robust approach to monitoring and enforcement of these principles to ensure that bad actors do not consistently take advantage of the new regime.

31. We believe that community stations should clearly demonstrate to Ofcom that members of the target community have opportunities to participate in the operation and management of

the service. This was a key recommendation from David Lloyd’s 2018 report (cited above). Proportionate monitoring and investigation may take the form of spotlight monitoring or routine post-award monitoring where a station’s activities after a few months on-air are contrasted with what is required. This would be similar to the post-enforcement monitoring which we understand that Ofcom already, on occasions, conducts.

32. Ofcom should also introduce a requirement for all community stations to maintain a comprehensive public file, in a consistent form, giving the names and structure of the station, alongside its streamlined Key Commitments and its most recent annual declaration. Such information would be of benefit to a range of stakeholders, particularly those who contribute funding, in order to see that their investment has been well-placed; and to communities to see examples of how they might engage in future. This should not be a burden to operators who should already possess this information and it should be noted that some community stations already choose to share such information.
33. We would also recommend Ofcom review its compliance principles periodically, to ensure that they are strong enough to hold community radio stations accountable to their social gain requirements and robust enough to prevent “mission drift” from these services.

June 2024