



Response to BBC Public Interest Test Consultation on new music radio stations on DAB+

About AudioUK

AudioUK is the trade body for the audio-led production sector, which is comprised of companies making high-quality podcasts, radio programmes and audiobooks for brands, broadcasters and platforms, as well as self-publishing content. AudioUK has four core priorities: Business; Representation; Community; and Excellence – and has around 140 member companies based across the whole of the UK, representing around 95% of sector turnover. Our members were responsible for 31% of eligible hours of the BBC’s network radio output in the period 2022-23.

Question 1: What do you think about the potential public value of our proposals for the launch of new music radio stations on DAB+, including the extent to which our proposal contributes to the BBC’s mission to serve all audience through the provision of high quality and distinctive output and services which informs, educates and entertains?

And

Question 2: What do you think about the benefit to audiences who will listen to the stations, as well as wider potential social and cultural impacts?

The extent to which there is genuine public value to the proposed new services will depend on the quality of the content and the extent to which a variety of talents and expertise are brought in to create the services.

At present our sector provides a range of shows for the BBC’s music networks. However there is an ongoing issue that some parts of the schedule are reserved for in-house production, meaning the Licence Fee Payer is not benefiting from the greater diversity of production talent available in the independent sector. This represents a limit on creativity on these networks and we continue to ask that this policy is revisited and competition opened up to 100% of non news programmes.

Concerning the proposed new stations, we are correspondingly disappointed that there is no mention of how these stations might interact with the independent production sector in the proposal and would expect further detail on this to be made available.

In addition the budgets made available for some music shows are not sufficient for them to be made without either a sacrifice in the quality (which is not to say any programmes are poor quality but that any additional distinctive creative elements are not possible), or the producer having to commit additional resource at their own cost to make the content to the standard they believe the Licence Fee Payer should expect.

We already have examples of member companies having to make extra content for the BBC’s additional Sounds sub brands, without being paid extra to do so, on budgets that already make it hard for them to pay their staff a fair wage. There is a deep concern in the disparity between the wages that The BBC are able to pay its in house teams, vs the wages that independent production businesses can pay their staff, based on BBC budgets.

We note the proposal is stressing that the money for the services is coming from within existing radio and audio budgets, which is of concern. AudioUK has been making the point that existing

radio and audio programme budgets need to be raised to counter inflation. This is crucial to making sure that those resources committed to radio and audio content are not so low that quality and diversity are compromised. While we appreciate that the BBC is under financial pressure, if it is expanding its radio and audio services there is an argument that it should find additional resource from elsewhere in the BBC's overall budget.

The amount of money the BBC commits to radio and audio has stayed approximately the same year-on-year in terms of the actual figure, which means it has fallen in real terms. However the BBC is making significant income through its commercial operations and the now reinstated inflation link to the Licence Fee, therefore at a time when it is expanding its radio and audio activity it should be allocating additional funds to making sure that it can spend the appropriate amount to maximise creativity and diversity.

The benefits to audiences will depend on the extent to which creative ideas can be applied to these new stations to ensure that it is not just the music that is engaging but the presentation around it.

The independent sector is in a good position to contribute to this creativity and make sure that the stations are distinctive and not incurring on the territory of other services already available to UK audiences.

These stations therefore need to ensure they are benefiting from input from independent producers based all around the UK and in a good position to reflect a diverse range of communities and voices.

Question 3: What impact (positive or negative) do you think our proposal for new music radio stations on DAB+ might have on fair and effective competition on commercial radio stations providing music content on radio?

And

Question 4: Are there any steps you think we could take to minimise any potential negative effects on fair and effective competition or to promote potential positive impacts?

We are aware of the concerns voiced by Radiocentre and others on the impact these new stations might have on the commercial radio sector, which exist on fairly tight margins, especially in times of advertising downturns such as they are experiencing at the moment.

From the information available in the consultation, there is a risk these new services will not be sufficiently innovative or distinctive to justify being introduced into the market.

Given the Charter and Agreement's prioritization of distinctiveness, it is paramount that any new BBC radio services are genuinely distinctive. Again, this can best be achieved with involvement from the independent sector, bringing a diverse range of ideas, talent and approaches to the new services. And to do so will require sufficient budget, budget which is in addition to that already provided for the BBC's existing radio and audio services.