



Radio Cymru 2 : Public Interest Test consultation

BBC consultation document

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1. Executive summary

1.1 The BBC's proposals for Radio Cymru 2

This consultation document explains the BBC's proposal to extend the number of originated Welsh language-hosted hours offered by Radio Cymru 2 so that it becomes a UK Public Service in its own right. Currently Radio Cymru 2 offers 25 hours of music and entertainment programming per week as an opt from the BBC's main Welsh-language radio station Radio Cymru.

In this document, we set out the market context, the detail of our proposal and how this proposal will generate public value. We invite responses from all interested stakeholders, particularly regarding the public value and market impact of the proposals.

1.2 The public value of these changes

We consider that extending the hours of Radio Cymru 2 and establishing it as a UK Public service in its own right will contribute towards the BBC's Charter commitments to provide Welsh-language content.

By offering a music and entertainment schedule hosted entirely in the Welsh language and containing a high proportion of Welsh-language music, we consider that Radio Cymru 2 will:

- Attract a younger audience (between the ages of 25 to 54) who are interested in hearing Welsh-language content in music and speech programming but may have lower levels of fluency in Welsh.
- Provide greater value for Welsh-speaking audiences. Listeners will have access to a larger volume of content, giving them greater choice in terms of differentiated Welsh-language programming.
- Encourage a wider take up of the Welsh language.
- Increase audience reach with a larger number of hours of originated content that Radio Cymru 2 listeners will enjoy.
- Support the Welsh-language music recording industry. We will showcase more music from existing and emerging Welsh-language artists.
- This development would take place against the backdrop of the Welsh Government's aim to create 1 million Welsh speakers by 2050 – a policy objective which has been endorsed by the UK Government and Department for Culture, Media and Sports (DCMS).¹

1.3 Regulatory approval process

The Framework Agreement states that the BBC can only make a material change to UK Public Services once the BBC has carried out a Public Interest Test, has determined the Test is satisfied and Ofcom has approved the change. A material change is defined as

¹ [Cymraeg 2050: Welsh language strategy action plan 2022 to 2023](#), Llywodraeth Cymru Welsh Government, 22 March 2022

either a “new UK Public Service” or “any change to a UK Public Service which may have a significant adverse impact on fair and effective competition”.²

Ofcom has confirmed that the planned extension of the hours of Radio Cymru 2 would result in it being a new UK Public Service. As such, the change requires a Public Interest Test.

As part of this process, we are publicly consulting on these proposals to give stakeholders an opportunity to comment. We invite responses from all interested stakeholders, particularly regarding the public value and market impact of the proposals. This consultation runs for five weeks from 27 July 2023 to 31 August 2023. Meanwhile, we will undertake further analysis to assess both the public value and market impact of these proposals.

We will determine our final proposals on the basis of this research, analysis and stakeholder feedback. If the BBC Board decides that these proposals meet the Public Interest Test, we will then send the Public Interest Test submission and supporting evidence to Ofcom. At this point, we will publish the Public Interest Test submission, research and analysis. We expect this to be in the autumn of 2023.

² [BBC Framework Agreement](#), clause 7(6) and 7(7).

2. The context for our proposals

In this section, we lay out the services offered by BBC Cymru Wales, in particular the Welsh radio services, and a timeline of Radio Cymru 2's development since its launch.

2.1 The BBC's Welsh-language services

BBC Cymru Wales provides a wide range of English and Welsh-language content for audiences across Wales, as well as flagship content for the wider BBC network. In particular:

- BBC One Wales, BBC Two Wales and BBC iPlayer provide television programmes of particular relevance to audiences in Wales.
- BBC Radio Wales is a national speech-led radio service for adults, offering a range of programmes and reflecting the issues, events, culture and interests of the people of Wales.
- BBC Radio Cymru is a national speech and music radio service for Welsh-language speakers.
- BBC Cymru Fyw is an online news, sports and information service in the Welsh-language.
- The BBC News and BBC Sport website and apps provide a full national service for Wales in English.
- BBC Bitesize provides learning resources to support the devolved Welsh curriculum in Welsh and English.

Additionally, BBC Cymru Wales produces 520 hours a year for S4C, the Welsh-language television channel.

2.2 The development of Radio Cymru 2

BBC Radio Cymru broadcasts across Wales for approximately 19 hours per day. During daytime, Radio Cymru is speech-led, with 100% speech programming between 7am and 8.30am. In 2022-23, 68% of its weekday daytime output was speech, including news, current affairs, drama and sports programming and in each week Radio Cymru broadcast 28 hours of news and current affairs programmes. Radio Cymru is available on FM, DAB, BBC Sounds, other online apps, smart speakers, and digital TV.

BBC Radio Cymru 2 was launched in 2018 as an opt-out service from Radio Cymru, providing an alternative national Welsh-language entertainment offer in breakfast peak to complement the existing Radio Cymru all-speech news programme on the main service.³ It offered 15 hours of programming weekly on DAB, BBC Sounds, other online apps, smart speakers, and digital TV. Its broadcast hours were 7am to 9am on weekdays and Saturdays, and 7am to 10am on Sundays, with weekday news bulletins broadcasted at 7.30am and 8.30am. When Radio Cymru 2 was not providing originated hours, it simulcast the existing Radio Cymru service.

³ [BBC Radio Cymru 2 takes to the airwaves](#), BBC, 29 January 2018.

In August 2022, the BBC announced its intention to increase Radio Cymru 2's broadcast hours from 15 hours to over 60 hours per week.⁴ Under these plans, BBC Radio Cymru would continue to broadcast its schedule to the nation and BBC Radio Cymru 2 would offer a mix of music-based programmes interleaved with existing simulcast content from some of Radio Cymru's entertainment programmes on digital.

The BBC undertook a materiality assessment on these changes in summer 2022 and concluded that the additional hours would not have a significant adverse impact on fair and effective competition. In order to comply with regulatory processes, we shared our assessment and conclusion with Ofcom. In September 2022, Ofcom informed the BBC that the proposal to increase Radio Cymru 2's original hours from 11% to 47% of its total broadcast hours (with the remainder being a simulcast of the main Radio Cymru service) would mean Radio Cymru 2 could no longer be considered as an opt-out service and would need to become a new radio station. Therefore, Radio Cymru 2 would need to be established as a new UK Public Service and the proposals would require a full Public Interest Test.

On 3 October 2022, Radio Cymru 2 launched a new show from 9am to 11am on Mondays to Thursdays and 11am to 1pm on Fridays.⁵ This increased the station's broadcast hours to 25 hours per week. Ofcom agreed that at this scale Radio Cymru 2 remained an opt of Radio Cymru rather than needing to become a new service in its own right.

⁴ [BBC announces its intention to extend Radio Cymru 2 to broadcast 60 hours a week](#), BBC, 3 August 2022.

⁵ [Rhydian Bowen Phillips, Lisa Gwilym and Dom James to host new programmes on BBC Radio Cymru 2](#), BBC, 20 September 2022.

3. The BBC's proposals for Radio Cymru 2

Below we set out the key elements of our proposals for Radio Cymru 2.

3.1 Target audience

Under these proposed changes, Radio Cymru 2 will continue to target Welsh speakers or those interested in listening to Welsh-language content between the ages of 25 to 54. In particular, Radio Cymru 2 will remain targeted at Welsh language speakers with lower levels of fluency. The proposed changes will encourage wider take up of Welsh as there are increasingly more Welsh speakers from less-fluent or mixed-language backgrounds.

3.2 Budget

The current budget for BBC Radio Cymru 2 is £400,000 per annum. We estimate that it will cost an additional £10,000 per annum to extend Radio Cymru 2's broadcast hours by 36.5 hours per week, i.e. a 2.5% increase in its budget. This will be funded through the reprioritisation of funding from BBC Radio Cymru.

The extension is highly cost effective as all distribution and operational costs are already sunk. The additional costs incurred by Radio Cymru 2's extension involve extending three presenter-led programmes rather than creating new, presenter-led programmes. The remaining new hours of the extension will be filled by producer-prepared playlists at drivetime and on weekends.

3.3 Editorial proposition

3.3.1 Broadcast hours

After implementing the changes, Radio Cymru 2 will offer 61.5 hours of originated hours per week, which will be a mixture of presenter-led content and pre-recorded playlist shows. These originated hours will be interleaved with simulcast content from Radio Cymru, which will make Radio Cymru 2 an 18.5 hour a day radio station operating from 5.30am to midnight each day.

Presenter-led originated content will be from 7am to 2pm Monday to Thursday, 7am to 9am and 11am to 2pm on Fridays, 7am to 9am on Saturdays and 7am to 10am on Sundays. As stated previously, these are not new presenter-led programmes, but extensions of current programmes.

Playlists will be curated by producers and played from 5pm to 7pm Mondays to Thursdays, 5pm to 6pm on Fridays, 2pm to 5.30pm on Saturdays, and 10am to 9pm on Sundays.

There will also be another daily, weekday news bulletin in addition to the two existing bulletins. Therefore, Radio Cymru 2's bulletins will be scheduled at 8.30am, 10.30am and 12.30pm.

Figure 1: Broadcast hours for Radio Cymru 2 under proposed extension

	Monday to Thursday	Friday	Saturday	Sunday
05:30	Simulcast hours with Radio Cymru	Simulcast hours with Radio Cymru	Simulcast hours with Radio Cymru	Simulcast hours with Radio Cymru
06:00				
06:30				
07:00	Programmes hosted by Rhydian Bowen Phillips and Lisa Gwilym	Programme hosted by Lisa Angharad	Programme hosted by Daniel Glyn	Programme hosted by Mirain Iwerydd
07:30				
08:00				
08:30				
09:00		Simulcast hours with Radio Cymru	Simulcast hours with Radio Cymru	
09:30				
10:00				
10:30				
11:00	Extended hours of original programming	Programme hosted by Dom James	New Playlist	
11:30				
12:00				
12:30				
13:00				
13:30	Extended hours of original programming			
14:00	Simulcast hours with Radio Cymru	Simulcast hours with Radio Cymru	New Playlist	
14:30				
15:00				
15:30				
16:00				
16:30				
17:00	New Playlist	New Playlist	Simulcast hours with Radio Cymru	
17:30				
18:00				
18:30	Simulcast hours with Radio Cymru	Simulcast hours with Radio Cymru		
19:00				
19:30				
20:00				
20:30				
21:00				
21:30				
22:00				
22:30				
23:00				
23:30				
00:00				Simulcast hours with Radio Cymru

■ Simulcast ■ Original Programming □ New/Extended Original Programming

3.3.2 Music mix

Radio Cymru 2's language of presentation will be wholly Welsh with about 50% of music being Welsh-language in line with the current offer on Radio Cymru 2 since 2018. This is slightly lower than Radio Cymru's current proportion of 66% Welsh-language music. However, in line with Radio Cymru 2's target audience, this music mix is intended to reflect the needs of Welsh speakers from less-fluent or mixed-language backgrounds. Radio Cymru 2 audiences have stated that they would find 50% Welsh-language music appropriate for a service of this type.⁶

3.4 Distribution

The proposed changes will not change how Radio Cymru 2 is currently distributed. That is, it will be available on DAB, BBC Sounds, other online apps, smart speakers, and digital TV.

3.5 Estimated reach and share of listening

Given the low number of broadcast hours, RAJAR does not currently report separately on Radio Cymru 2's audience figures. Listening to Radio Cymru 2 is currently reported as part of Radio Cymru's audience figures.

As of the first quarter of 2023, Radio Cymru (i.e. Radio Cymru and Radio Cymru 2) had a 3.0% share of listening in Wales, reaching 130,000 listeners per week (4.9% of the Wales population aged 15+), and delivered 1.517 million hours of BBC radio listening. This performance equates to an approximate 24% reach among Welsh speakers.⁷

According to data provided by RAJAR, the initial 15 weekly hours of Radio Cymru 2's programming has had a weekly reach of about 11,000 listeners.

We estimate that within three years of implementation Radio Cymru 2 could reach between 30,000 and 50,000⁸ weekly listeners, with an average of 7.5 hours per listener per week. Based on the RAJAR data for the first quarter of 2023, this would represent a weekly reach of 1.1% to 1.9% and a share of listening of 0.4% to 0.7%.

3.6 Potential market impact

Our initial hypothesis is that the proposed extension of Radio Cymru 2's hours is likely to have no significant impact, even on its closest competitors. As Radio Cymru 2 is a distinct national service that uniquely offers Welsh-language entertainment programming, we would expect any impact to be minimal and in any event dispersed across the sector. We would also consider that its audience will largely come from existing Radio Cymru listeners interested in listening to more entertainment and music than is available on Radio Cymru. However, we will carry out more detailed market analysis as part of the PIT process.

⁶ Oxygen Brand Consulting Audience Research, March 2021.

⁷ In 2021, an estimated 538,000 usual residents in Wales aged three years and over (17.8%) reported being able to speak Welsh. [Welsh Language, Wales: Census 2021](#), Office for National Statistics, 6 December 2022.

⁸ This is the conservative upper bound estimate.

3.6.1 Radio services offering Welsh-language content

We consider the greatest likely impact will be on those services that are most similar to the Radio Cymru 2 proposals. Therefore, we will focus our analysis on those radio stations that provide Welsh-language programming. The table below summarises the four Ofcom-licensed commercial radio providers in Wales that provide varying degrees of Welsh-language programming.

We expect the impact of the proposals on other Welsh-language radio stations to be minimal. Radio Cymru 2 will continue to broadcast across Wales and serve all Welsh listeners, unlike these radio stations that broadcast regionally and target local regional audiences. Additionally, Radio Cymru 2's broadcasting hours will only overlap with Capital Cymru.

Figure 2: Summary of Radio Cymru 2 competitors

Name	Broadcasting Area	Welsh Broadcasting Hours	Distribution	Population (000)	Share in TSA (%)
Capital Cymru (Global)	Gwynedd; Anglesey; North Wales	6am-7pm (Mon-Fri) 9am-12pm (Sat-Sun)	FM/DAB	190	Unknown ⁹
GHR South Wales (Bauer)	Swansea; Neath Port Talbot; East Carmarthenshire; South West Wales	10pm-midnight (Sun-Thurs)	MW/DAB	1,674	0.8
Radio Carmarthenshire (Nation Broadcasting)	Carmarthenshire	9-10pm (Sun)	FM/DAB	142	3.8
Radio Pembrokeshire (Nation Broadcasting)	Pembrokeshire	9-10pm (Sun)	FM/DAB	105	7.8

3.6.2 Other commercial radio services

There are other commercial radio providers serving audiences in Wales, for example, Heart South Wales, Capital South Wales and Smooth Wales, that all offer an entertainment mix in English language, a large part of which originates from network radio, with some daily opt-out programming. They also offer a combination of regional news bulletins and national news updates, but not Welsh-language programming. Audiences in Wales also listen to UK-wide radio services.

We anticipate that audience diversion from English-language commercial local radio or UK-wide radio will be very small, particularly given Radio Cymru 2's existing audience reach and consumption.

However, we consider it is unlikely that the introduction of additional hours of Welsh-language music and entertainment programming is likely to have any material impact on listening to these services.

⁹ Capital Cymru is not separately reported by RAJAR.

4. Providing public value

4.1 Delivering against the BBC's Mission

The BBC is a mission-driven organisation. Its mission is to “act in the public interest, serving all audiences through the provision of impartial, high-quality and distinctive output and services which inform, educate and entertain”.¹⁰

In doing so, the BBC must deliver great value for money in return for the licence fee. Alongside this mission sit five public purposes that further guide the operation of the BBC. These are:

- Providing impartial news and information;
- Supporting learning for people of all ages;
- Providing distinctive content;
- Reflecting the diverse communities of the UK and supporting the creative economy; and
- Reflecting the UK to the world.¹¹

4.2 Our public value hypothesis

We consider that extending the hours of Radio Cymru 2, thus making it a UK Public Service in its own right, will contribute to the BBC's mission and in particular to the second and fourth public purposes, i.e. supporting learning for people of all ages and reflecting, representing and serving the diverse communities of all of the UK's nations and regions, respectively.

In particular, we consider that our Radio Cymru 2 proposals will:

- Better serve audiences in Wales, in particular younger listeners (between ages 25 to 54), who are interested in listening to Welsh-language content in music and speech programming or are Welsh speakers and are less fluent in the language. Radio Cymru 2 will offer 50% Welsh-language music whilst Radio Cymru will continue to deliver 66% of its music programming in the Welsh language.
- Encourage wider take-up of the Welsh language and contribute towards the BBC's objective of providing content to a range of Welsh speakers, including those who are thinking of acquiring the language. The Welsh Government has committed to creating 1 million Welsh speakers and having 20% of the population speaking Welsh daily by 2050, which are widely supported policies. Radio Cymru 2's proposed extension aligns itself with other cultural developments in this field aimed at growing the number of Welsh speakers.
- Increase audience reach with a larger number of originated content that Radio Cymru 2 listeners will enjoy.
- Support the Welsh-language music recording industry. We will showcase more music from existing and emerging Welsh-language artists, which will improve their downstream sales and streams, and encourage listeners to attend their gigs.

¹⁰ [BBC Royal Charter](#), Article 5

¹¹ [BBC Royal Charter](#), Article 6

- Provide greater value for Welsh-speaking audiences. Listeners will have access to a larger volume of content, giving them greater choice in terms of differentiated Welsh-language programming.

5. Further details on the consultation

5.1 The Public Interest Test process

The Public Interest Test is a key component of the BBC's system of governance, which took effect in the current Charter and Agreement from April 2017.¹²

The Agreement gives the BBC's Board the responsibility, in the first instance, for considering the impact of certain planned changes to the BBC's UK public services.¹³ The BBC must consider whether any proposed changes to these activities are material.

The BBC may only materially change its UK public services¹⁴ where:

- a) It has carried out a Public Interest Test;
- b) The test is satisfied; and
- c) Ofcom has determined that the proposal can proceed.¹⁵

For the UK Public Services, the Agreement defines a material change as the launch of a new UK public service, or any change to a UK Public Service which may have a significant adverse impact on fair and effective competition.¹⁶

Below we set out the process.

5.1.1 The BBC part of the process

We consider it unlikely that the proposals to extend originated hours on Radio Cymru 2, as outlined in detail in Section 3 of this consultation document, will have a significant adverse impact on fair and effective competition as there is no commercial alternative. However given the increase in originated hours, Radio Cymru 2 will become a new UK Public Service. As such we are carrying out a Public Interest Test.

5.1.1.1 Consultation & Engagement with stakeholders

As part of the process the BBC has committed in its published Policy on Material Changes to seek feedback from interested parties when it is undertaking a Public Interest Test.¹⁷ As Ofcom notes in its Operating Framework, it is in third parties' interests to ensure that they raise concerns with the BBC when we are conducting our Public Interest Test and to draw attention to potential issues arising from the proposals

¹² [BBC Royal Charter](#) (Articles 12, 20, 37, 46 and 63) and [Framework Agreement](#) (Clauses 7-11 in relation to UK Public Services and 16-20 in relation to non-service activities)

¹³ [BBC Royal Charter](#), Article 20(4)

¹⁴ The BBC maintains and publishes [a list of the UK Public Services](#) in line with Schedule 1, Part 1 of the [Framework Agreement](#).

¹⁵ [BBC Framework Agreement](#), Clause 7(6)

¹⁶ [BBC Framework Agreement](#), Clause 7(7)

¹⁷ [Policy on material changes to the BBC's public service activities and commercial activities](#)

at this stage.¹⁸ This will allow potential issues to be taken into account by the BBC when it develops its final proposals.

The BBC welcomes the opportunity to discuss our proposals further with interested stakeholders. Specifically, the BBC will be engaging with a range of stakeholders including other commercial broadcasters, audience groups, Welsh-language bodies, and other policy makers in Wales.

5.1.1.2 Research and analysis

To inform the Public Interest Test, the BBC will use audience research and data, and carry out its own analysis into the public value generated by the proposal.

In order to assess the scale and likelihood of any adverse impact on fair and effective competition, we will consider responses to the consultation, industry data and audience research (where available), and economic analysis.

5.1.1.3 Decision by the BBC Board

To meet the criteria set out in the Public Interest Test, the BBC Board must be satisfied that the new initiative supports the BBC's mission; that it promotes its public purposes; that the BBC has taken reasonable steps to ensure that the change has no unnecessary adverse impact on fair and effective competition; and that the public value of the initiative justifies any impact on the competition. Where the BBC Board determines that the above elements of the Public Interest Test are satisfied, the BBC will publish a non-confidential version of the proposed change and refer it to Ofcom. The BBC aims to do so in autumn 2023.

5.1.2 *The Ofcom part of the process*

As the BBC's regulator, Ofcom will make the final determination on whether a material change can proceed or not. Within 6 weeks of the publication of the Public Interest Test submission, Ofcom is required to decide whether the change proposed by the BBC is material. If Ofcom decides that the proposed change is material, it will then conduct a Competition Assessment, or a shorter assessment, involving the following steps:

- Survey the opinions of stakeholders;
- Review the procedures the BBC has followed in carrying out its Public Interest Test, including whether the BBC has consulted with external stakeholders appropriately;
- Review the BBC's own assessment of the public value of the change;
- Assess the adverse impact of the proposed change on competition; and
- Assess whether the public value of the change justifies any adverse impact on competition.

At the conclusion of a BBC Competition Assessment, Ofcom can reach four types of determination:

¹⁸ [Assessing the impact of proposed changes to the BBC's public service activities: Ofcom's procedures and guidance](#), paragraph 4.17

- To send the proposal or elements of the proposal back to the BBC for reconsideration;
- To allow the change to proceed;
- To require modifications or conditions to be made before the change proceeds; or
- To find that the BBC may not proceed with the proposed change.

If Ofcom carry out a shorter assessment, Ofcom can reach two types of determination:

- To send the proposal or elements of the proposal back to the BBC for reconsideration; or
- To allow the change to proceed.

5.2 The BBC's consultation questions

This consultation runs for five weeks from 27 July 2023 to 31 August 2023.

This consultation sets out information about our planned extension for Radio Cymru 2. Our intention is to provide stakeholders with information sufficient to enable them to meaningfully engage with us as we finalise our proposals, which we will ultimately include within a Public Interest Test. While there remain areas of uncertainty at this stage of our process, we consider we have provided as much information as we can on our plans without publishing any information that may be commercially sensitive.

We are seeking views from all stakeholders, and in particular from industry, on our proposal for Radio Cymru 2 predominantly on the following questions:

Question 1: What do you think about the potential public value of our proposals for extending the number of originated hours for Radio Cymru 2, 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?

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

Question 3: What impact (positive or negative) do you think our proposal for an extended Radio Cymru 2 might have on fair and effective competition on commercial radio stations providing (a) other Welsh-language radio services, and (b) English-language radio services, i.e. local services in Wales or UK-wide stations?

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?

5.3 How to respond

We would be grateful if respondents could, wherever practical, respond to each question directly.

If you would like to respond to this consultation, please email your response to publicinterest.test@bbc.co.uk.

Please contact publicinterest.test@bbc.co.uk if you have any questions about this process, our consultation, or want to discuss these proposals further.

Please indicate in your response whether any or all of your response should be treated confidentially. We will use responses to inform our future work on the Public Interest Test. We may refer to responses, either in general terms or specific references, as part of the Public Interest Test, which we will publish. For confidential responses we may ask about how to include these in a Public Interest Test where relevant, as well as whether or not we can provide these to Ofcom on a confidential basis to help Ofcom with its assessment on materiality.

We are unable to consider comments relating to broader licence fee issues or comments relating to BBC programmes and content.