

Service Review

BBC Local Radio

May 2012

| | |
|-----------------------------------|-----------|
| Background | 2 |
| Executive Summary | 3 |
| Main Report - Introduction | 8 |
| Review Scope | 8 |
| Methodology | 8 |
| Future strategy | 11 |
| Current performance | 15 |
| Quality | 15 |
| Reach | 18 |
| Impact | 27 |
| Value for Money | 43 |
| Annexes | 47 |

Background

The BBC Trust is the governing body of the BBC and it is our responsibility to get the best out of the BBC for licence fee payers. One of the ways we do this is by carrying out an in-depth review of each of the BBC's services at least once every five years. This time we have reviewed the BBC Local Radio service in England.

The Trust sets out what it expects of each service in a published service licence. Our review had three broad aims: first, to assess how well BBC Local Radio is performing against commitments set out in its licence; second, to consider the future direction of the service; and third, to determine whether amendments to the licence are required.

The service licence states:

BBC Local Radio should provide a primarily speech-based service of news, information and debate to urban and rural communities. Its speech output should be complemented by music and there should be a strong emphasis on interactivity and audience involvement. The target audience of BBC Local Radio should be listeners aged 50 and over, who are not well served elsewhere.

We carried out a public consultation between 6 October and 21 December 2011. This was run alongside a separate consultation on the Delivering Quality First (DQF) proposals. These proposals set out how the BBC intends to meet the constrained funding of the licence fee settlement agreed with the Government in 2010. We asked audiences to comment on the proposed budget cuts to Local Radio as part of DQF within both consultations.

We received a fairly large response to the consultation from the general public and from MPs and other stakeholders. The responses were largely unanimous in believing that the proposed cuts to Local Radio were too severe and would damage its core proposition. We considered these responses alongside audience research, engagement with the managing editors of most BBC stations and other evidence. This gave us a clear understanding of the service's strengths and weaknesses and has enabled us to consider the future strategy for Local Radio in the context of the wider DQF strategy for the BBC.

Additionally, the Trust has considered the BBC Executive's proposals for BBC Local Radio in the context of whether they might constitute a significant change to the BBC's UK Public Services and should be subjected to a Public Value Test (PVT). As part of our assessment, we invited Ofcom to provide us with their view on the potential impact of the proposed changes on the market. We have decided that the proposals do not represent a significant change to the UK public services and that they do not require a Public Value Test prior to approval¹.

¹ http://extdev.bbc.co.uk/bbctrust/our_work/strategy/supporting_evidence_final.shtml#significance

Executive Summary

BBC Local Radio is highly appreciated by its audience for providing distinctive local content. The stations are much-loved and act as a friend to many and a lifeline in local emergencies. BBC Local Radio plays an important role in reaching 1.3 million listeners who consume no other radio at all.

BBC Local Radio makes a strong contribution to delivering the BBC's public purposes amongst its audience. Its news programming is highly regarded by the audience and a vital part of the BBC's local provision. This quality local speech content, together with a focus on listener involvement and coverage of sports and local community events, makes the service highly distinctive within the UK's radio market.

We have considered carefully proposals for the future of BBC Local Radio as part of the BBC's overall cost-cutting and future strategy. The service must continue to provide a distinctive local offer for listeners and continue to improve quality while reaching some new listeners and reducing its costs.

BBC Local Radio is highly valued by its audience for providing distinctive, local content

The evidence we have gathered in this review shows that BBC Local Radio is highly appreciated by its audience. Listeners cite the quality of local news reporting, its coverage of sporting and community events, and the opportunity to participate as strengths of the service. They feel that it is a distinctive service in the BBC radio portfolio.

The audience rates the quality of the overall service highly, and our evidence suggests that the perceived quality of each individual station is strong. Despite this, some audiences told us that, at times, Local Radio's speech output tends towards lighter and non-local topics. As part of BBC Local Radio's commitment to providing high-quality local journalism, we have asked BBC management to ensure that all programmes have a local focus and seek to promote the BBC's public purposes.

There are no regular metrics for tracking audience perceptions of quality of individual stations and, as the BBC aims to deliver "quality first", we feel it is important for the BBC to track this, alongside reach and share. We have asked BBC management to look for ways to establish this measurement, subject to value for money considerations.

A sizeable audience of 7.2 million people in England tune in to BBC Local Radio each week

This equates to 17.3 per cent of adults in England. Within this, some 2.4 million people tune in to BBC Local Radio, but no other BBC station, and the service plays an important role in reaching around 1.3 million listeners who consume no other radio at all.

The majority of the audience to BBC Local Radio is over 50, which is the station's stated target audience. However, the service also appeals to a wider audience interested in local issues, so we have amended the service licence to reflect this as a secondary target audience.

Over recent years there has been a gradual decline in audiences to BBC Local Radio, although since a new strategy was implemented from the start of 2010 – involving a focus of resources on the key times of listening (breakfast and mid-morning) – there have been fairly consistent increases in audience. We welcome BBC management's aim to increase audiences to the station, although we agree that the focus should always be on the quality and distinctiveness of the service, and meeting the needs of under-served audiences over the age of 50.

Reach to the station is lower among black, Asian and minority ethnic audiences. While we accept that there are a number of factors affecting this, we believe that the BBC has an important responsibility to serve all audiences on its mainstream services, and therefore we will track trends in listening to BBC Local Radio amongst this audience.

BBC Local Radio's news programming is highly regarded by the audience and felt to be a vital part of the BBC's local provision

Listeners have told us that they depend on BBC Local Radio to keep them in touch with news from their area, and rate its provision of high-quality journalism very highly. Audiences note that the BBC's journalistic skill is a key element in delivering high-quality local news stories, and they praise the quality and professionalism of the coverage.

The service also plays an important role for listeners in local emergency situations by helping to keep audiences in touch with what is happening in their area. Many respondents to our consultation felt that this was one of the service's key strengths, and we have amended the service licence to ensure that individual stations can still broadcast in an emergency during shared network programming.

We also found that audiences value the opportunity BBC Local Radio provides to hold elected and unelected decision-makers to account. Listeners were positive about interviews with local decision-makers. There were, however, some suggestions of ways this could be improved, so we have asked BBC management to consider new ways to meet audience appetite for programming that enables a better understanding of local politics and decision-making.

Listener involvement with BBC Local Radio is highly valued

The majority of respondents to our public consultation comment that the service is very successful in encouraging participation and cite many examples of when this has added interest and enjoyment to programmes. Our research supported this, and found that the ability to hear other people's views is often more important to audiences than sharing their own views. We also found that audiences welcome the direct engagement their own station has with the community.

BBC Local Radio places local concerns at the centre of its output

Our evidence has shown that many audiences consider their station to be part of their community, and that audiences value the 'localism' of BBC Local Radio in many different ways.

BBC management notes the high value audiences place on local news, and we support BBC management's aim to strengthen localness during periods when the audience is largest – weekday breakfast and mid-mornings. This underpins our conclusion from the Delivering Quality First (DQF)² process that Local Radio must stay local for most of the time in order to continue to have impact and be distinctive. We have therefore approved a new breakfast opt-out from Radio Solent for West Dorset, as this is in line with BBC Local Radio's strategic focus on localness. We have also amended Local Radio's service licence to ensure that localness and the aim of reflecting local communities is central to the service.

Audiences have also told us that they highly appreciate the local sports output and see it as a key part of the BBC Local Radio offer. Respondents believe that the knowledge and enthusiasm of the presenters is one of the key elements in the success of their local stations. There was some concern that the DQF proposals to share programming would result in a reduction in the amount and quality of the Local Radio sports broadcasting. While some changes will occur to the scheduling of sports and there may be some cuts to volume, we see local sports news and coverage remaining an important part of Local Radio's offer.

Music and arts output on BBC Local Radio is valued

Most listeners consider that the variety of music on BBC Local Radio suits all tastes, ages and communities. They feel that having music alongside the news and speech content is a distinctive part of the service.

While we accept that there will be some overlap in music output between BBC Local Radio and other BBC stations, we would like music on BBC Local Radio to be as distinctive as possible in order to maximise choice for listeners. We have asked BBC management to develop a music policy that will underpin Local Radio's distinctiveness within the BBC radio portfolio.

BBC Local Radio plays an important role in the BBC's support for new and unsigned music via BBC Introducing. Our audience research found that there was demand across all age groups for programmes focusing on emerging local talent, although there was some lack of awareness that content of this nature was already available on BBC Local Radio.

BBC management has stated its continuing commitment to BBC Introducing and we think there is an opportunity for the BBC to raise awareness of this and any other programming which supports new local talent via more regular scheduling and cross-promotion.

² BBC Executive's proposals that set out how the BBC intends to meet the constrained funding of the licence fee settlement agreed with the Government in 2010.

The majority of BBC Local Radio listeners agree that the service represents good value for money

BBC Local Radio's current service licence budget is £112.5 million. Whilst this is a large budget in comparison with the BBC's radio stations for other nations, it covers the delivery of 39 individual stations.

In 2010-11, BBC Local Radio's total cost, including its allocation of BBC overheads, amounted to around 4.1 per cent of the total licence fee, which is equivalent to £5.97 per licence fee payer. Our audience research found that 89 per cent of Local Radio listeners felt this represented value for money.

The cost per user hour of the service was 3.2 pence in 2010/11, which was lower than the nations' radio stations but higher than the majority of the BBC's network stations, such as Radio 2. This has been consistent over the past three years and we think it represents reasonable value for money. BBC Local Radio is subject to a reduction in spending alongside all other BBC services.

We have approved a series of changes to Local Radio which are required as part of the BBC's overall cost-cutting

The BBC's licence fee settlement in 2010 is equivalent to a minimum reduction in funding of 16 per cent by 2016-17. This means that decisions need to be taken to find the savings required across all BBC services. As well as the public consultation on current performance of BBC Local Radio we ran for this review, we also consulted on the changes proposed by BBC management to BBC Local Radio as part of DQF.

The Trust published interim findings on DQF in January 2012, in which we asked BBC management to rethink a number of aspects of the proposed changes to BBC Local Radio. BBC management also commissioned an external review of efficiency in BBC Local Radio which reported to them at this time and enabled them to revise their proposals.

BBC Local Radio's costs have been considered alongside every other service as part of DQF in order to reduce budgets. In response to our analysis of the original proposals for savings, BBC management has halved the savings for BBC Local Radio from £15 million a year to around £8 million. Within this, the planned scope/content savings have been reduced from £8.5 million to just over £2.1 million. BBC management has projected that the impact of the scope and reinvestment changes will be to reduce the BBC Local Radio content spend by 0.3 per cent by 2016/17.

The revised proposals for BBC Local Radio consisted of the following changes:

- On weekday evenings (7pm–10pm) all stations will come together for a new all-England programme, with opt-outs for live sport and local news (as currently provided).
- Each local station should commence local broadcasting by 6am (rather than 5am). All stations will broadcast Radio 5 live from 1am until the start of their breakfast programme (already the case in most stations, but now BBC Newcastle and BBC London 94.9 will also broadcast Radio 5 live overnight).
- The locally split breakfast programmes within Devon, Three Counties, Wiltshire and Cambridgeshire will end.

We expect the changes we have approved for Local Radio to enable it to maintain its quality and distinctiveness

We are content that these revised proposals fit with the strategy we have set for the BBC as part of DQF, and are an appropriate way to make the savings required for the service. While the proposals require a change to the key characteristics of Local Radio, we have considered their impact and decided that they are not significant and do not require a Public Value Test³.

³ http://extdev.bbc.co.uk/bbctrust/our_work/strategy/supporting_evidence_final.shtml#significance

Main Report - Introduction

- 1 The BBC Trust is the governing body of the BBC and it is our responsibility to get the best out of the BBC for licence fee payers. One of the ways we do this is by carrying out an in-depth review of each of the BBC's services at least once every five years. This time we have reviewed BBC Local Radio.

Review Scope

- 2 We published the terms of reference for this review in October 2011. The high level questions we set out to consider are:
 - How well does this service perform against the terms of its service licence and the Quality, Reach, Impact and Value for money (QRIV) performance framework?
 - Is the future strategic direction for this service well-considered?
 - Should the service licence for this service be changed to improve performance or change the stations' future direction?
- 3 We have treated the following areas as out of scope of this review:
 - **Online provision.** Online output plays a part in the delivery of local output, with each station linked to a website providing local news and information. However, this part of the BBC's output is governed via the BBC Online service licence, which we review separately.
 - **Market impact.** Service reviews are intended to inform the Trust's duty in performance assessment and do not include a market impact assessment. If the review concluded that significant changes were required to any of the services under review, then the Public Value Test process would be initiated which would include a market impact assessment.
 - **Editorial standards and impartiality.** The Trust's Editorial Standards Committee considers editorial standards separately at a strategic level as part of its on-going work.

Methodology

- 4 The review was carried out for the Trust by its independent advisers in the Trust Unit under the direction of the review's lead Trustee, Mehmuda Mian. We gathered evidence from a wide range of sources which are summarised below:
 - **Public consultation** – We used the service licence to develop a set of questions for public consultation. The consultation ran for 11 weeks from 6 October to 21 December 2011 and we received around 8,900 responses from licence fee payers. In addition we also received over 2,600 letters and emails. We also received 17 responses from stakeholder organisations; over 100 MP letters and

around 13,000 petition responses relating to the DQF proposals for Local Radio; a submission from the Trust's Audience Council in England; and 37 responses to a survey we carried out amongst BBC Local Radio managing editors. We also held a roundtable discussion with a group of stakeholders to explore journalism and the changes proposed to the role of BBC Local Radio as part of the DQF process.

- We also received a written submission from the BBC Executive board providing their view of the service and setting out its future plans.
- **Performance data analysis** – We analysed data using the BBC's QRIV performance framework, which considers four drivers of public value – quality, reach, impact and value for money. This framework is set out in Figure 1.

Figure 1: The BBC's Quality, Reach, Impact and Value for Money (QRIV) Performance Framework

Quality – Quality is measured in terms of audience perception of various aspects of the quality of programmes and stations.

Reach – The extent to which BBC services are used by the audience. In this report, unless otherwise stated, the reach of radio services is expressed as the percentage of the population who have listened for at least 5 consecutive minutes in an average week.

Impact – The extent to which BBC content delivers the BBC's public purposes. The purposes are set out in the BBC's Royal Charter and are as follows:

- **Sustaining Citizenship and Civil Society**
- **Promoting Education and Learning**
- **Stimulating Creativity and Cultural Excellence**
- **Reflecting the UK's Nations, Regions and Communities**
- **Bringing the UK to the World and the World to the UK**
- **Emerging Communications**

Value for Money – A consideration of performance (reach, quality and impact) alongside cost to provide a perspective on cost-effectiveness.

- We carried out our performance analysis using the following evidence sources:
 - Radio audience data from the Radio Joint Audience Research survey (RAJAR), based on around 110,000 diaries filled out each year. All RAJAR data quoted in this report is based on the full financial year 2010-11 for adults aged 15+ unless otherwise stated.
 - Online listening figures based on the BBC's server logs.

- Regular BBC audience surveys which measure audience perceptions, usage and awareness of content from the BBC and other providers.
 - Financial data taken from the BBC's Annual Report and management accounting system.
 - **Audience research** – The Trust carried out audience research to inform our thinking for this review and supplement the data we had available. We commissioned Jigsaw to undertake both quantitative and qualitative research. This helped inform us how well the service is delivering against the BBC's public purposes and helped explore audience perceptions of quality for the service. The quantitative element of this work was carried out in the same way as the BBC's annual purpose remit survey, and identified 'importance' and 'performance' scores for a number of statements relating to how effectively BBC Local Radio delivers the BBC's public purposes.
- We explored the issues raised during our review through discussion with senior management. BBC Trustees and senior BBC Trust Unit staff also visited 14⁴ BBC Local Radio stations to talk to staff.
- 5 As part of this review we have also reached conclusions on the proposals affecting BBC Local Radio as part of the DQF strategy. At the start of the BBC Local Radio review, the Trust launched a separate public consultation on the changes outlined in the Executive's DQF proposals. Given the simultaneous running of these two exercises, the consultation questions relating to the service in DQF were mirrored in the consultation for the service review.
 - 6 We have used the results from both consultations, along with other evidence gathered in this review, to reach conclusions on the proposals affecting these services. The Trust published its overall final conclusions on these proposals in May 2012.
 - 7 Further information about the Trust's approach to service reviews can be found on the BBC Trust website at bbc.co.uk/bbctrust.

⁴ BBC Local Radio stations visited during the review period were BBC Radio Merseyside; BBC Radio Bristol; BBC Radio Cumbria; BBC Guernsey; BBC Radio Lancashire; BBC Radio Leeds; BBC London 94.9; BBC Radio Norfolk; BBC Radio Stoke; BBC Sussex; BBC Three Counties Radio; BBC Radio Manchester; BBC Radio Berkshire; BBC WM

Future strategy

- 8 This report considers the future strategy for BBC Local Radio within the context of its current performance. We set out below the context for the changes that have been proposed to Local Radio.
- 9 In October 2010, the Government and the BBC agreed the funding for the BBC until 2017, with the licence fee being fixed at the current level of £145.50 for the next five years and the BBC assuming additional funding responsibilities, including an expanded partnership with Welsh Language Broadcaster S4C, support for new local television services, support for broadband roll-out and the World Service and BBC Monitoring.
- 10 BBC management developed the following set of proposals as part of a broader set of savings and other changes within the DQF strategy in order to deliver these savings:
 - To focus spend on peak-time programmes: breakfast, mid-morning and drivetime; sport and faith on Sunday mornings.
 - To increase levels of sharing programming in off-peak slots: weekday afternoons, Sunday afternoons and evenings.
 - On weekday afternoons most stations would share programming with their neighbouring stations, although a few, which serve a particularly distinct audience, would remain separate.
 - On weekday evenings between 7pm and 10pm, programming would be shared across England, with all stations coming together except when providing local sports commentaries.
 - At other off-peak periods programme sharing would occur at a variety of levels. Some would be akin to the regional television areas and during the late evening in a smaller number of macro regions.
 - All stations would broadcast Radio 5 live from 1am until the start of their breakfast programme.
 - A number of locally split breakfast programmes would end.
 - Within all shared programming, individual stations would continue to provide local news bulletins at present and would be able to leave the shared schedules in times of civil emergency or bad weather.
 - BBC London 94.9 would lose a number of off-peak programmes and reduce other spend to bring the station more in line with BBC Local Radio stations elsewhere.
- 11 In total, the proposals, combined with proposed efficiency savings mainly targeted at reducing the costs of local newsrooms, would have saved around £15 million of current expenditure.

- 12 We considered these proposals carefully and on the basis of a number of sources of evidence. The findings from our public consultation, audience research and other analysis showed us that local speech radio is an area of almost total market failure. It does, though, bring something unique and highly valued to its audience, many of whom tend not to use BBC services beyond television. The scale and impact of the cuts, although lower in financial terms than for many other parts of the BBC, seemed disproportionate to the value of these services to their audience.
- 13 For these reasons we reached a set of initial conclusions on BBC Local Radio which we published in January 2012⁵. Our overriding principle was that BBC Local Radio must stay local for most of the time to continue to have an impact and to stay distinctive. Specifically, we considered that the great majority of local stations should remain as local as they are now in the afternoons, and should be supported with sufficient journalistic resources to provide a high-quality local service. We also felt that Local Radio should continue to invest in more specialist and distinctive local content out of peak that is of particular value to its audience.
- 14 We informed the BBC Executive of our view that Local Radio must be appropriately resourced to do this, and that we expected a revised proposition to include a scaling back of the efficiency savings identified for local journalism to make sure that such local content is always distinctive and of high quality. We also asked for ways to be found to continue to protect more specialist and distinctive local content.
- 15 In response to this, the Executive has revised its proposals for Local Radio. The key points are:
- The original proposed savings have almost been halved from £15m a year to around £8m. Within this, the reductions allocated directly to scope and content have been reduced from £8.5m to around £2.1m.
 - Afternoon sharing will be limited to a very small number of stations, either where it already takes place or where there are strong editorial reasons for doing so.
 - Sport and other community output will be more protected than originally planned to ensure range and variety. There will be a number of editorial changes to how stations schedule minority output, with most of this output scheduled at weekends.
 - Cuts to on-the-ground journalists and reporters will be much lower, with additional efficiency savings targeted at reducing layers of management within local stations.

We are, however, approving a number of the original proposals:

- On weekday evenings (7pm–10pm) all stations will join together for a new all-England programme, with opt-outs for live sport and local news (as currently provided).
- Local broadcasting (apart from BBC London 94.9 and a small number of other stations where editorially relevant) should start by 6am rather than by 5am.

⁵ http://www.bbc.co.uk/bbctrust/assets/files/pdf/review_report_research/dqf/interim_findings.pdf

- All stations will broadcast Radio 5 live from 1am until the start of their breakfast programme (already the case on most stations, but now BBC Newcastle and BBC London 94.9 will also broadcast Radio 5 live overnight).
 - The locally split breakfast programmes within Devon, Three Counties, Wiltshire and Cambridgeshire will end.
 - As originally proposed, within all shared programming, individual stations would continue to provide local news bulletins, as at present, and would be able to opt-out of shared schedules in times of civil emergency or bad weather.
- 16 The new all-England programme between 7pm and 10pm on weekdays would be targeted at the same audience as current BBC Local Radio output. BBC management intends the show to have the following editorial characteristics:
- It will be speech-led (a minimum of 60 per cent).
 - Speech will cover the best of what BBC Local Radio has broadcast on a given day. There may be debates involving listeners about how the main subjects and talking points of the day have played out in different areas. Material and strands should reflect and debate local culture and arts, and stories should be told through the perspective of listeners and local communities; programmes should include live reports from different BBC Local Radio stations and areas.
 - Music will be based on the current Local Radio core playlist, with an increased bias towards music from past decades and reduced amounts of current music.
 - News and travel bulletins will remain local. The programme will go to breaking news where appropriate.
 - Local stations will opt-out for sports coverage and for major breaking stories.
- 17 As part of DQF, BBC management is considering that medium wave transmission could be closed where it does not add unique coverage. As more detailed work is required before assessing the extent to which this is possible, we have not yet taken a decision on this.
- 18 We have assessed the significance of the proposals and concluded that no Public Value Test is required before approval.
- 19 As part of our significance assessment, we invited Ofcom to provide the Trust with its view of the likely impact of these proposals on others. In deciding that these proposals are not significant, we have acknowledged Ofcom's concerns about whether the proposed programming changes for BBC Local Radio would lead to a potential loss of distinctiveness. We have set out our consideration of the points raised by Ofcom and the mitigations we have established which address some of these concerns. The detail of our assessment of significance is published separately on the BBC Trust website.⁶

⁶ http://extdev.bbc.co.uk/bbctrust/our_work/strategy/supporting_evidence_final.shtml#significance

Action 1 – Approval of future strategy for BBC Local Radio

We are content that the revised proposals from the Executive for the future strategy for BBC Local Radio address our principle that the service must stay local for most of the time to continue to have an impact and to stay distinctive.

We have considered the proposals for changes to BBC Local Radio from a regulatory point of view and we have concluded that they are not significant and do not require the Trust to carry out a Public Value Test.

Any changes to the proposals on which we based an assessment would need to be notified to us in order to ensure that they would not have affected our decision regarding regulatory handling.

The new strategy is operational immediately

- 20 In addition to these proposals, BBC management has suggested the introduction of a West Dorset opt-out from Radio Solent on each weekday from 7am–9am as an extension to the Saturday morning opt-out already in existence.
- 21 Dorset is relatively underserved by the BBC and other local providers. The county has no BBC Local Radio service and is at the fringes of the regional television areas. We agree with BBC management's belief that the proposal is in line with BBC Local Radio's strategic focus on localness at a county level in key parts of the day and on providing strong local journalism.
- 22 We are, therefore, approving this extension to the BBC Radio Solent service. Whilst this does not fully address the lack of county-wide coverage, it will improve the level of localness provided by the BBC at a county level in West Dorset.

Action 2 – Approval of new West Dorset opt-out

The service licence will be amended to include the West Dorset opt-out with immediate effect.

- 23 Whilst we are approving the new strategy to be operational immediately (including the West Dorset opt-out), implementation will be staggered throughout 2012–2013.

Current performance

Quality

BBC Local Radio is highly valued by its audience

- 24 Evidence gathered as part of this review indicates that audiences highly appreciate BBC Local Radio. Respondents to our public consultation are very positive about the service and our qualitative audience research indicates that the service is very highly valued by its listeners.

'We have a wonderful well-balanced radio station. They create a feeling of belonging to a community; they care about us and we in return care about them. Their concern for their listeners is genuine and heartfelt. Radio Merseyside is at the heart of our community and in the hearts of [its] listeners'
Radio Merseyside, 55-64 years

- 25 Respondents to our public consultation praise the quality and value of the service's local news reporting and its coverage of sporting and community events. The audience felt that BBC Local Radio serves the needs of and reflects the local community well. The opportunity to participate is also considered a valuable resource for connecting the community. In our qualitative audience research, BBC Local Radio is felt to be a high-quality and distinctive service, and is highly valued for its 'local focus'.
- 26 Audiences in our qualitative research cite a number of reasons for the stations' distinctiveness, including: their provision of local news and information; the high-quality presenters and content; their understanding of the local community; the friendly, 'down to earth' tone; coverage of local sports; and the inclusion of some music alongside speech content.
- 27 Results from our quantitative audience research indicate that the majority (72 per cent) of listeners would miss the service if it wasn't there, and 71 per cent feel that it has 'well-made, high-quality programmes'⁷.
- 28 In addition, the submission to this review from our Audience Council in England indicates that there is a great affection for the service, with a strong connection to the community, and the service is felt to provide distinctive, local content.

BBC Local Radio has a strong appreciation score and the majority of its listeners are 'high approvers' of the service

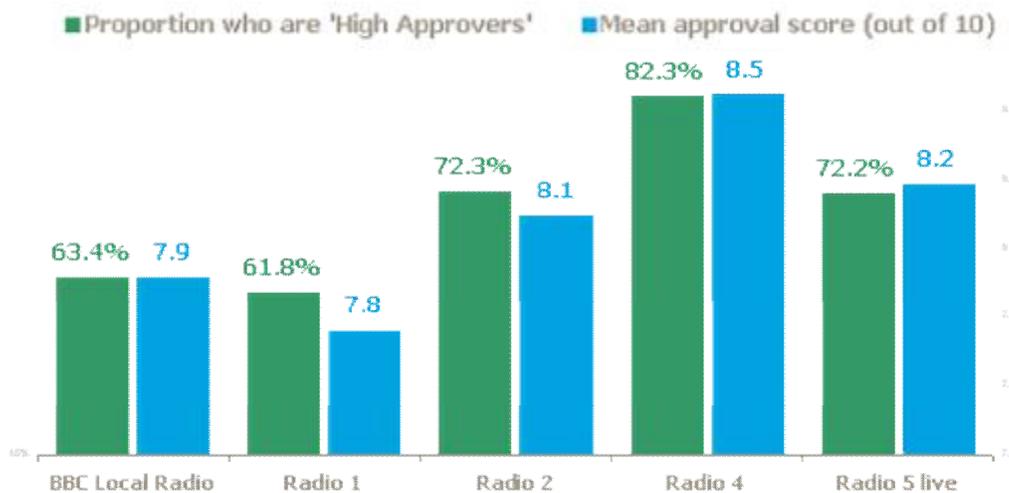
- 29 The BBC tracks quality of its services measured through perceptions of individual programmes, which then provides overall audience appreciation index (AI) scores by

⁷ Source: BBC Trust Audience Research. All adults who have listened to BBC Local Radio in the past month (1300)

service. In 2010-11 the average 'AI' for BBC Local Radio was 80.0, which was higher than Radio 1 and 5 live, but lower than Radio 2 and Radio 4⁸.

- 30 Some 63 per cent of listeners to BBC Local Radio are 'high approvers' and the mean 'overall impression' score is 7.9 out of 10⁹. These figures are higher than Radio 1, but lower than Radio 2, Radio 4 and 5 live, as shown in Figure 2.

Figure 2: Proportion of 'high approvers' and mean 'overall impression scores of BBC radio stations



Source: Brand and Reputation Tracker 2011, adults 16+ in England. Note different scales have been used for illustration.

- 31 Further to this, the BBC tracks audience impressions of 'high-quality' programmes. In 2010-11 some 82 per cent of listeners agreed that programming was of a high quality.¹⁰

Data for monitoring the quality of BBC Local Radio's individual stations is limited

- 32 Evidence we have gathered as part of this review, including our qualitative audience research and public consultation suggest that the perceived quality of each individual station is high. Although the number of responses we received as part of our public consultation for each station varied significantly, responses for each one indicate that they are highly valued and the audience's overall impression is favourable.
- 33 BBC management has a number of processes in place for sharing best practice between BBC Local Radio stations, including a range of training and development,

⁸ Source: AI (audience Appreciation Index) is measured using the BBC's Pulse survey (adults in England aged 16+).

Audiences are asked to rate programming out of 10 and this is aggregated into an index

⁹ Source: BBC Brand and Reputation Tracker 2011, adults 16+ in England. High approvers are those rating the service as 8 or more out of 10 for overall impression.

¹⁰ Source: BBC Pulse Survey 2010-11 (adults in England aged 16+). Respondents are asked to rate whether they agreed the programme they listened to was high quality.

regular conferences and Local Radio awards for showcasing the best content. We recognise that these processes are a positive way of helping to ensure that the quality of each station's output is high. However, although the BBC tracks audience impressions of BBC Local Radio as a whole, it is unable to reliably track on-going audience perceptions of quality for the 39 individual stations that make up the service. Data on individual programmes on each station is also not available: AIs for the whole service are available, but sample sizes are too small for individual programmes and stations in contrast to data which can be used by BBC network radio stations.

- 34 As the BBC aims to focus more on quality rather than audience reach and share, we believe it is important for BBC management to monitor audience perceptions of quality of BBC Local Radio at an individual station level – and, where possible, for individual programmes. While quantitative audience research may be too expensive to consider, we would like BBC management to explore ways in which quality can be objectively assessed. This may include formalised reporting of measures already in place (such as audience feedback) and introducing a programme of research to measure perceptions of stations in turn.

Action 3 – BBC Local Radio should seek to improve measurement of quality of individual stations

BBC management aims to maintain the quality of BBC Local Radio. However, robust measures of quality are not available at individual station level. Therefore, we will ask BBC management to explore ways to improve measurement of quality for the stations, subject to value-for-money considerations.

We will ask BBC management to report back on progress later in 2012.

We support the prioritisation of high-quality journalism and content with a clear local focus

- 35 Our audience research highlighted that one of the most important priorities for BBC Local Radio was its provision of high-quality journalism. Some 81 per cent of the audience agreed this was important for BBC Local Radio; 75 per cent agreed it performed well in this regard, resulting in a 6 point performance gap.
- 36 Whilst the majority of listeners are positive about the service and value its informal and friendly tone, a minority of the audience say that sometimes Local Radio speech output relies too often on lighter and non-local topics. While light-hearted content was appreciated alongside news, travel and weather, it was felt that the balance could sometimes tip too far in this direction.

'Talking about toppings on a bacon sandwich, how many phone-ins can you have on that? Especially when you consider some of the critical things happening here at the moment; the hospitals for example'. Radio Cumbria, 45-64 years.

- 37 As part of their submission to our consultation, Radio Centre, the commercial radio industry body, commissioned Radiomonitor to analyse BBC Local Radio output on a single day in November 2011. This concluded that BBC Local Radio is not always locally focused and Radio Centre calls for BBC Local Radio to increase its focus on news stories that have relevance for the communities within that broadcast area and to reduce 'soft' entertainment stories.
- 38 In their submission to the review, BBC management notes that the character of programming varies throughout the day and that, whilst some elements of topical local debate continue, afternoon output often features local culture and arts more prominently. We appreciate that Local Radio's speech output will vary through the day from all-speech, news/travel/weather-focused breakfast and drivetime shows to less news-focused speech in other parts of the day. However, we support a focus on local content, whether this is arts and culture or other local issues throughout the schedule, as we feel that BBC speech radio should always seek to deliver something of public value in order to meet audience expectations and maintain its distinctiveness in the market.
- 39 We believe that the virtue of maintaining local output throughout the day must be that each station can deliver speech with a truly local focus. Therefore, we expect all Local Radio shows to ensure that they approach news and other output with a local focus.

Action 4 – BBC Local Radio should ensure that all programming has a local focus and seeks to promote the public purposes

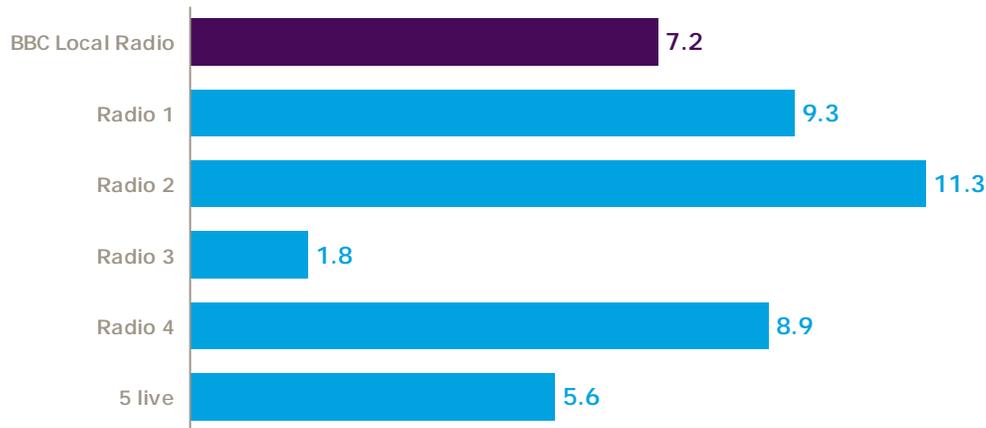
As part of the stations' commitment to providing high-quality local journalism, we will ask BBC management to ensure that all programmes have a local focus and seek to promote the BBC's public purposes.

We will ask BBC management to report back on progress in this area in a year's time.

Reach

BBC Local Radio is listened to by 7.2 million adults in England each week

- 40 In 2010-11 some 17.3 per cent of adults in England tuned into to BBC Local Radio each week, which equates to 7.2 million people. Compared with the audiences to the BBC's network radio stations in England, this is lower than Radio 1, Radio 2 and Radio 4, but higher than Radio 3 and 5 live, as illustrated in Figure 3.

Figure 3: Weekly reach (millions) for BBC radio stations in England

Source: RAJAR 2010-11, adults 15+ in BBC Local Radio transmission area

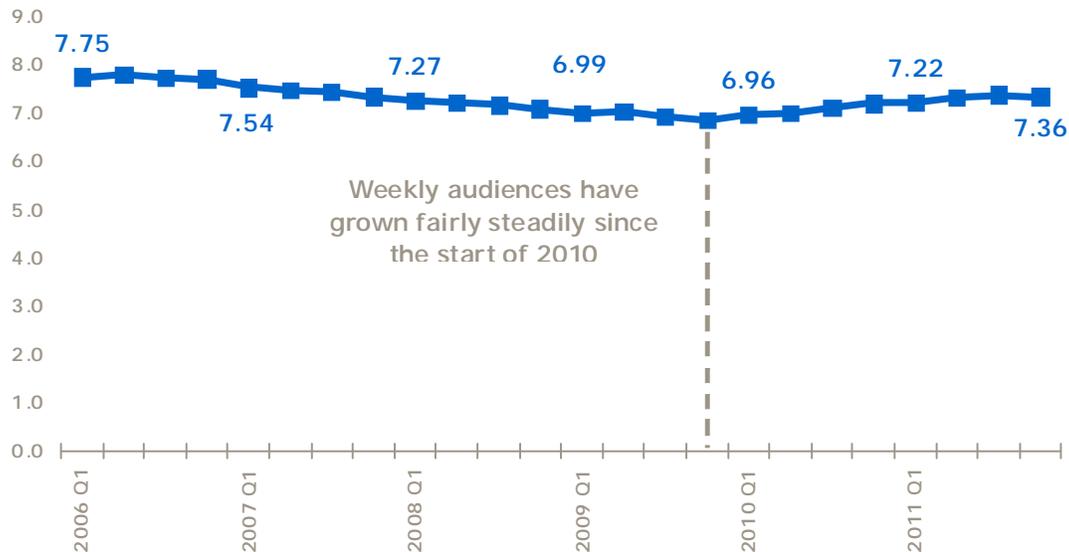
41 In addition, 2.4 million people listen to BBC Local Radio but no other BBC radio station, equating to around a third of the audience. Further to this, 1.3 million people (or 18 per cent of the audience) tune into BBC Local Radio but no other radio station (BBC or commercial)¹¹. We recognise the important role that BBC Local Radio plays in providing a service to a sizeable audience that would otherwise hear no radio.

Listening levels to BBC Local Radio have fallen over the last ten years, although a new strategy put in place in 2010 has helped reverse some of the decline

42 Listening levels to BBC Local Radio fell between 2006 and 2009. At the start of 2006 around 7.8 million adults in England listened each week; by the end of 2009 this had fallen to 6.9 million (a decline from reaching 19.5 per cent to 16.6 per cent of adults in England). Since 2010, however, there have been small but fairly consistent increases in audience, and by the final quarter of 2011 BBC Local Radio was listened to by some 7.4 million people each week. See Figure 4.

¹¹ Source: RAJAR 2010-11, adults 15+ in BBC Local Radio transmission area

Figure 4: Weekly reach (millions) for BBC Local Radio in England



Source: RAJAR, quarterly results shown to a 12 month weighting (adults 15+ in BBC Local Radio in England Transmission area)

- 43 Over a longer time period, listening levels to BBC Local Radio have fallen slightly further. In 2000-01, some 8 million adults in England (20.6 per cent) listened to BBC Local Radio each week, which by 2009-10 had fallen to 7 million (16.9 per cent), representing a decline of around 12 per cent¹². We recognise that trends in radio listening have changed during this time, and total audiences to BBC Radio have actually increased during this period.
- 44 In its submission to this review, BBC management has stated that it aims to 'meet a stretch reach target of 8m listeners in the next five years'. We are supportive of BBC management's aim to increase the audience to BBC Local Radio in England. However, as we state later in this report (paragraphs 54 to 60), the focus of attracting new listeners should always be on under-served listeners over the age of 50 and on those with a strong interest in local issues. We believe that this is a challenging target given the longer-term decline in listening.
- 45 It is important that meeting this target should never be at the expense of the primary objectives of delivering the best local journalism and maintaining the quality of the stations.

Hours per listener to BBC Local Radio are high, although they have declined over the last few years

- 46 Alongside the decline in reach, the average 'time spent' with the station per listener has fallen. In 2006-07 the average listener to BBC Local Radio tuned in for around 11 hours per week. By 2010-11 this had fallen to 9.6 hours per week, representing a loss of around 13 per cent. This level, however, remains higher than many of the

¹² Source: RAJAR, adults 15+ in BBC Local Radio transmission area

- BBC's other stations, and indicates the strong levels of engagement that listeners have with BBC Local Radio¹³.
- 47 There are a number of factors that have affected the 'time spent' with the station. During this period of decline there has also been a reduction in overall radio listening hours. Although this has fallen by a lower 5 per cent during the same period, reach to BBC Local Radio has also declined slightly more amongst older listeners (as explored further below) who typically tune in for longer than average.
- 48 Linked to this is the share of listening to BBC Local Radio, which has fallen. In 2006-07 the service accounted for around 9.8 per cent of all radio listening hours in England; by 2010-11 it had fallen to 8.2 per cent. At the same time, the BBC's overall share of radio listening has remained relatively stable, at around 55 per cent¹⁴.
- 49 We have looked at BBC Local Radio's listening across the schedule to identify where the decline in reach may have come from. Compared with 2006-07 there have been losses in audience across most parts of the schedule, including both weekday and weekend content.
- 50 As with most radio stations, reach to BBC Local Radio is driven by listening during peak hours. Some 53 per cent of the audience tune in to the weekday breakfast programming¹⁵.

Reach and volume of listening to BBC Local Radio vary significantly by station

- 51 Across the 39 stations that make up BBC Local Radio in England, there is a large amount of variation in the stations' audiences. Stations in rural areas tend to be higher reaching, while those in more urban areas are generally lower reaching, and this can be due to increased competition and more choice for audiences from commercial radio providers. However, this trend is not followed in all areas, as some stations in urban areas have higher than average reach levels.
- 52 Among the stations with the highest reach levels (measured in terms of the proportion of adults listening within the station's transmission area) are BBC Radio Jersey (reach of 39 per cent), BBC Radio Guernsey (37 per cent) BBC Radio Cumbria (36 per cent) and BBC Radio Cornwall (33 per cent)¹⁶. Figure 5 illustrates the reach to BBC Local Radio stations.
- 53 Some stations in urban areas, such as BBC London 94.9, BBC WM (Birmingham and the Black Country) and BBC Manchester, are lower reaching by percentage of the adult population, although, due to the high populations in the areas that they serve, the actual number of people listening tends to be higher. For example, although BBC London 94.9 is the lowest reaching station in terms of the proportion of adults tuning in within the station's transmission area, the actual number of listeners is by

¹³ Source: RAJAR, adults 15+ in BBC Local Radio transmission area

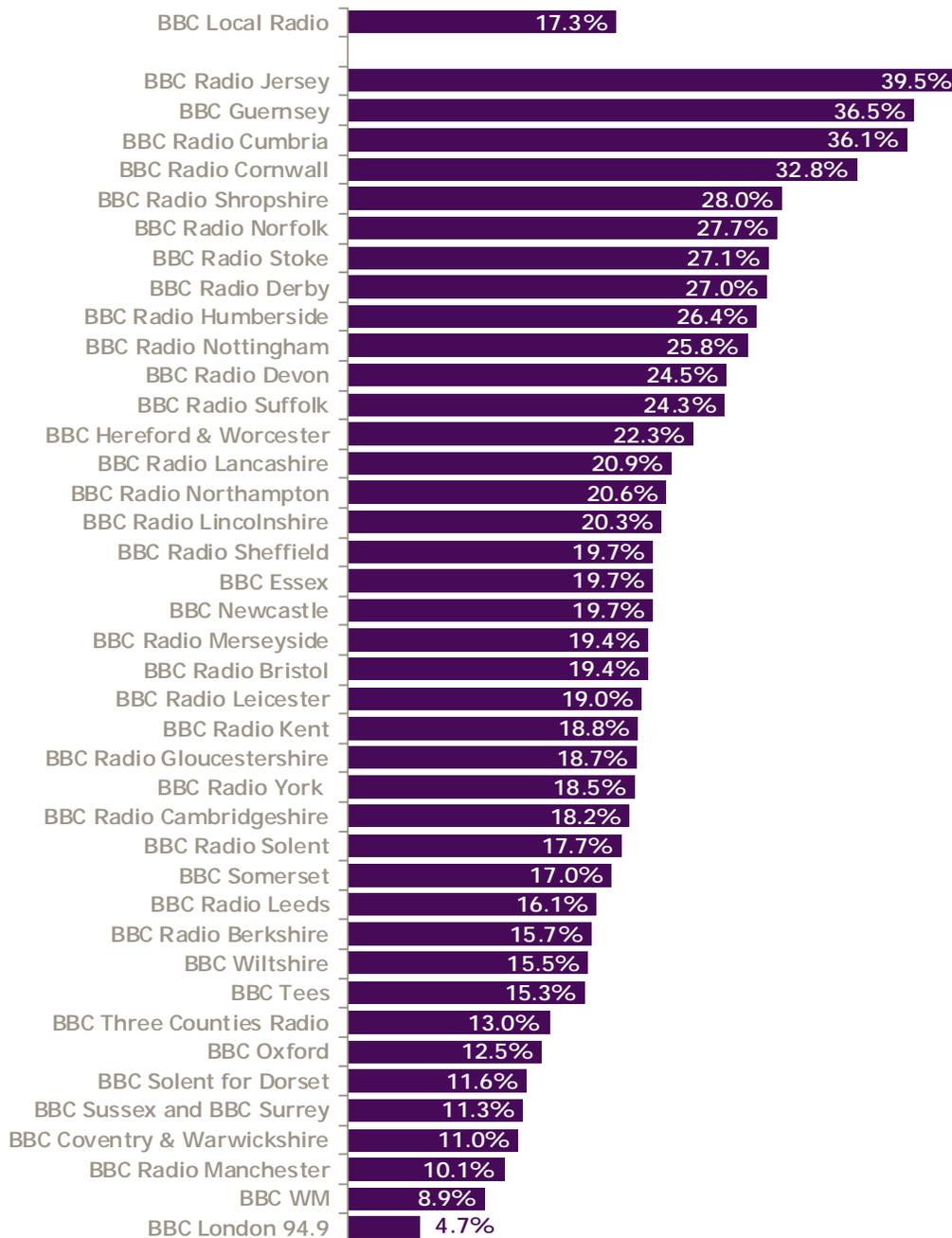
¹⁴ Source: RAJAR, adults 15+ in BBC Local Radio transmission area

¹⁵ Source: RAJAR 2010-11, adults 15+ in BBC Local Radio transmission area

¹⁶ Source: RAJAR 2010-11, adults 15+ in individual BBC Local Radio stations transmission areas

far the highest of all the BBC Local Radio stations – some 520,000 people tuned in each week in 2010-11. This is followed by BBC Radio Merseyside (314,000 weekly listeners) then BBC Radio Newcastle (280,000).

Figure 5: Reach (per cent) to BBC Local Radio stations



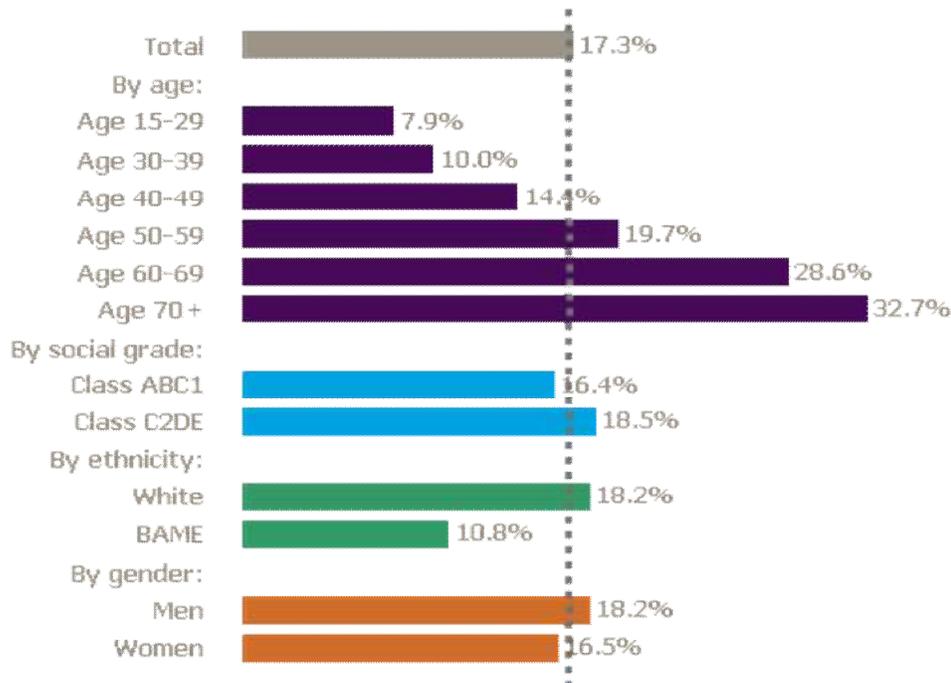
Source: RAJAR 2010-11, adults 15+ in BBC Local Radio transmission areas

BBC Local Radio's remit is to appeal to listeners aged 50 and over

- 54 The service licence for BBC Local Radio states that *the target audience should be listeners aged 50 and over, who are not well-served elsewhere.*
- 55 Reach to BBC Local Radio is higher amongst over 50s. Illustrated in Figure 6 is the reach to BBC Local Radio by demographic, which shows that in 2010-11 some 20

per cent of 50-59 year olds listened each week, while a greater 29 per cent of 60-69 year olds listened and 33 per cent of over 70s. The median age of listener stood at 59 in 2010-11.

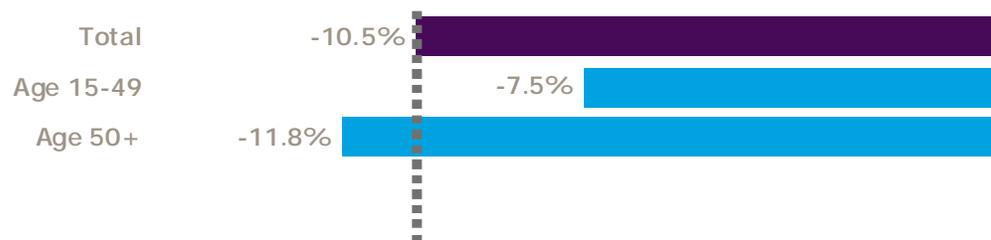
Figure 6: Weekly reach (per cent) to BBC Local Radio by demographic group



Source: RAJAR 2010-11, adults 15+ in BBC Local Radio transmission area

56 As highlighted above, overall reach to BBC Local Radio has fallen in recent years, and fell by around 11 per cent between 2006-07 and 2009-10. This decline in reach has been slightly higher amongst over 50 year olds – 12 per cent, compared to 8 per cent for under 50s. Despite these changes, reach remained significantly higher amongst older audiences. These changes in reach by age group are shown in Figure 7.

Figure 7: Percentage change in BBC Local Radio weekly reach by age group between 2006-07 and 2009-10



Source: RAJAR 2006-07 to 2010-11, adults 15+ in BBC Local Radio transmission area

57 In its submission to the review, BBC management attributes the recent growth in reach since 2009 to a direct response to its analysis, which identified the decline in listening amongst over 55s. It found that this demographic has the highest interest

in localness and listens most during breakfast and mid-morning. Accordingly, it has concentrated resources on these parts of the day and on focusing on the local impact of big news stories. BBC management states that this has driven up audiences and that it expects this trend to continue. From 2009 to 2011, reach has increased by around 4 per cent for adults aged 50 and over, although it has also grown among most age groups¹⁷.

- 58 Since 2009, reach to BBC Local Radio has increased to both the breakfast and mid-morning slots. Audiences have grown from 3.6 million to 3.8 million at weekday breakfast, and from 3.3 million to 3.5 million at mid-morning from 2009 to 2011¹⁸. Although these are fairly small increases, they follow a longer period of decline.

BBC Local Radio also appeals to some younger audiences

- 59 As shown in Figure 6, BBC Local Radio also appeals to some listeners under the age of 50. In 2010-11, some 10.5 per cent of adults aged 15-49 tuned in to BBC Local Radio each week¹⁹.
- 60 In line with its remit, we believe that BBC Local Radio should focus on serving its target audience of over 50s. However, particular parts of its local content will appeal to those of any age with a strong interest in local issues and we recognise that this is a valid secondary target audience for the stations.

¹⁷ Source: RAJAR, adults 15+ in BBC Local Radio transmission area

¹⁸ Source: RAJAR, adults 15+ in BBC Local Radio transmission area

¹⁹ Source: RAJAR 2010-11, adults 15+ in BBC Local Radio transmission area

Action 5 – We will amend the stated target audience in the service licence to include all those interested in local issues.

Local radio does not just appeal to the over 50s, although this is by far its largest listener group and should remain so. Plans to grow reach should be focused amongst the target audience of over 50s.

We are approving an extension to the target audience in order to reflect better the aims of Local Radio. The change is not intended to lead to any change in the service's main editorial or music policies (the latter of which will still be aimed at over 50s).

We will therefore amend BBC Local Radio's remit to:

"The target audience should be mainly listeners aged 50 and over, although may appeal to all audiences interested in local issues".

The service licence will be amended immediately.

BBC Local Radio performs well amongst less well-off adults, but Black and Minority Ethnic audiences are less likely to listen

- 61 Reach to BBC Local Radio is higher amongst listeners from C2DE households, as 19 per cent listen each week – higher than the average 16 per cent for adults in ABC1 households, as shown in Figure 6. BBC Radio as a whole has lower reach amongst C2DEs (at 59 per cent), compared with 74 per cent for ABC1 adults. Around 62% of BBC Local Radio's 'unique audience' (i.e. those that listen to no other BBC radio station) are from C2DE households²⁰.
- 62 Listening to the station is fairly evenly split between male and female listeners, with reach levels of 18 per cent and 17 per cent respectively²¹.
- 63 Reach is, however, lower amongst Black, Asian and Minority Ethnic (BAME) audiences. Some 11 per cent of BAME audiences listen each week, compared with 18 per cent of white audiences. The total audience to BBC Local Radio is made up of 7 per cent BAME listeners, which is just lower than all BBC Radio (8 per cent), and also lower than for all radio, at 10 per cent²².
- 64 We recognise that there are a number of factors affecting this lower reach, including BAME audiences making up a lower proportion of the population among adults aged 50 and over (who are typically more likely to listen to Local Radio), as well as a higher proportion of over 50 BAME listeners who may not have English as their first language. BBC Local Radio also tends to have higher audience share in rural areas, where the number of BAME listeners may be lower.

²⁰ Source: RAJAR 2010-11, adults 15+ in BBC Local Radio transmission area

²¹ Source: RAJAR 2010-11, adults 15+ in BBC Local Radio transmission area

²² Source: RAJAR 2010-11, adults 15+ in BBC Local Radio transmission area

- 65 According to the RAJAR survey, BAME audiences account for 4 per cent of the over 50 population in England, compared to 11 per cent of the total adult population in England. However, comparing performance amongst the over 50s, reach to BAME listeners is still much lower at 12 per cent than to white listeners at 28 per cent²³. BBC Local Radio has a responsibility to serve a broad range of listeners over 50, so we will ask management to look for ways to address this disparity, and we will track the audience profile to the service.
- 66 Under the DQF strategy, some speech and music output specifically made for minority audiences will be removed from Local Radio, although news aimed at minority communities will remain.
- 67 In order to mitigate some of the reduction in volume of minority programming, BBC Local Radio will collaborate more with BBC Asian Network in order that both stations serve British Asian audiences better. Plans include scheduling of programmes for British Asian audiences by BBC Local Radio stations at times that are logical against Asian Network schedule and some content-sharing, co-presenting and greater cooperation around local Mela events and BBC Introducing. There will also be more targeted cross-promotion from Local Radio to Asian Network language and music programmes and from Asian Network to Local Radio for relevant journalism.

Action 6 – BBC Local Radio should seek to reach a broad range of listeners over 50

We believe that Local Radio has a responsibility to serve a broad audience of over 50s with its mainstream programming, and we would like to see some decrease in the disparity between white and BAME listening figures.

We will assess performance in this area in one year's time and periodically thereafter.

Impact

BBC Local Radio should make a significant contribution to the BBC's citizenship, nations, regions and communities, and cultural purposes

- 68 The BBC Local Radio service licence sets out the ways in which the service should contribute to the BBC's public purposes. While BBC Local Radio should make a contribution to each of the six public purposes, its most important priorities relate to: the citizenship purpose, through its news programming; the nations, regions and communities purpose, through its inherent localness and sports programming; and the culture and creativity purpose, through its music and focus on local arts. At a

²³ Source: RAJAR 2010-11, adults 15+ in BBC Local Radio transmission area

high level, our audience research indicates that audiences agree with these broad priorities.

- 69 There are two quantitative commitments in the BBC Local Radio service licence, which are reported on annually. Table 1 shows that BBC Local Radio has met these requirements in 2010-11.

Table 1: BBC Local Radio service licence conditions

| Purpose | Commitment | 2010-11 |
|--|---|----------------------------------|
| Sustaining Citizenship and Civil Society | Each BBC Local Radio station should broadcast an average of at least 60% speech content in core hours and 100% at the breakfast peak each year. | 73% 6am to 6pm 100% breakfast |
| Stimulating Creativity and Cultural Excellence | Each BBC Local Radio station should broadcast at least 85 hours of original, locally-made programming each week | 85+ ²⁴ |

Source: BBC annual figures 2010-11

Sustaining Citizenship and Civil Society

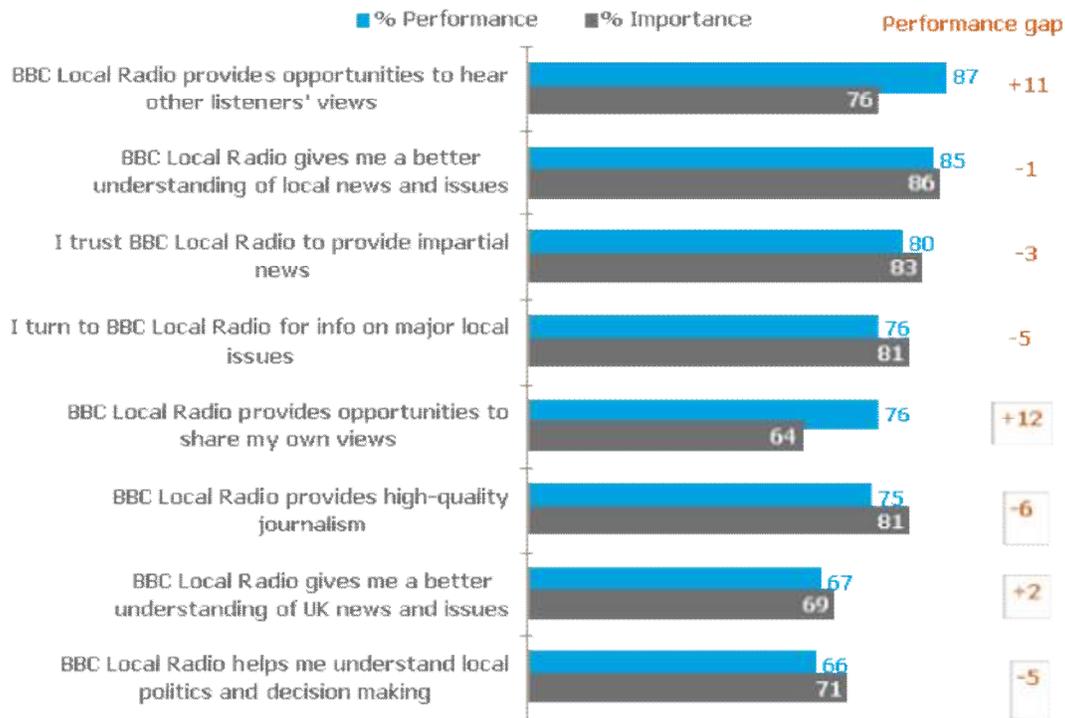
BBC Local Radio's news programming is highly regarded by the audience and felt to be a vital part of the BBC's local provision

- 70 The BBC Local Radio service licence sets out that it should make a very important contribution to this purpose amongst its audience by providing constantly updated, accurate, impartial and independent news and information. Our evidence from the public consultation and audience research shows us that, on the whole, audiences believe that Local Radio is meeting these aims.
- 71 Audiences depend on Local Radio to keep them in touch with news from their area. Audience Council England notes that in some areas near regional boundaries that are served by more than one BBC regional television service, and with the only other local media being a weekly newspaper, audiences say that Local Radio is the only provider of daily local news.
- 72 Figure 8 shows how important the provision of high-quality journalism is by Local Radio. 81 per cent of respondents to our quantitative research believe it is important and an even greater proportion – 86 per cent – think it is important that Local Radio gives them a better understanding of local news and issues.
- 73 Respondents to our consultation believe that the BBC's journalistic expertise and experience is a key element in delivering high-quality local news. They praise the

²⁴ Only Jersey (at 84.1 hours) fell slightly short. Lincoln's new sharing arrangement piloting with BBC Humberside saw a slight imbalance for Lincoln, but both stations combined exceeded 170 hours.

quality and professionalism of the news coverage and comment that presenters understand the area in which they broadcast and are, therefore, able to bring local insight to news stories.

Figure 8: Performance and importance scores for citizenship priorities



Source: BBC Trust Audience Research. All adults who have listened to BBC Local Radio in the past month (1300)

- 74 Our research shows there still exists a small performance gap of -6 for Local Radio providing high-quality journalism (the difference between the percentage of respondents believing it to be important and the percentage believing the service performs well in this respect). However, due to the positive way in which audiences spoke about journalism on BBC Local Radio in both our qualitative research and consultation, we believe that this gap is probably related to high audience expectations of the BBC in this area rather than any significant performance issues.
- 75 The qualitative research also helps to explain the small performance gap evident on 'turning to Local Radio for information on major local issues'. Some respondents prefer to use more than one media source to receive local information, although some held the view that BBC Local Radio was not always brave enough to choose contentious issues or provoke a debate.

They won't touch anything like the hospitals issue. If they did that for one day, with each presenter putting forward people's views, then lines would be jammed. The phones would be ringing off the hooks because people want to talk about it and they haven't got a voice.' Cumbria 65+ years

- 76 We welcome BBC management's prioritisation of strong, quality journalism in its breakfast and mid-morning schedules. Development programmes for staff (including presenters, producers, reporters and news readers) working on the breakfast and mid-morning shows have taken place across the network in order to share best practice, create a shared vision across BBC Local Radio and, ultimately, to ensure that the quality of journalism improves during these key parts of the day. Already there has been an increase in reach during breakfast and mid-morning (as outlined in paragraph 58) and station staff have reported an increase in calls, emails and texts to the station at these times.

BBC Local Radio plays an important role for listeners in local emergency situations

- 77 The role Local Radio plays in keeping audiences in touch with what is happening in their area assumes an even greater importance in times of crisis, such as severe weather. Many respondents to our consultation felt that one of the main strengths of BBC Local Radio is the reporting of events and updates of information during local emergencies. This was attributed to the presence of reporters 'on the ground'.
- 78 Audiences value the ability of local stations to provide sustained extended news services at times of crisis. Respondents to the consultation felt that BBC Local Radio has the ability and flexibility to report on issues and stories as they are developing. They gave many specific examples of how valuable this coverage is to the local community, such as the coverage on BBC Manchester and Radio Leicester during the riots in the summer of 2011. In November 2011, BBC Radio Somerset was able to extend its broadcast into the night to report on a major M5 crash, as was BBC Hereford and Worcester during the 2007 floods to provide vital updates. The support of BBC Local Radio stations to the BBC's regional and network radio and TV reporters when covering a major news story is essential in terms of local knowledge and understanding audience needs.

'During the dreadful floods that York has encountered it was entirely due to Radio York that kept on air all night to alert the population who were cut off from normal daily life and deliver information from the police and rescue workers. What would have taken its place?' BBC Radio York 55-64 years.

- 79 Respondents to our public consultations expressed some concern that the ability of Local Radio to react and respond as quickly as it currently can to local emergencies would be compromised by increased sharing across the network. As other media have moved to a more regional and national model, the role of the BBC to cover local news stories and emergencies becomes ever more important. While most of the original plans for sharing have now been cancelled, there will be a weekday shared network programme between 7pm and 10pm. However, BBC management has stated that each station will retain the resource and ability to switch to local output in order to cover emergency situations.

Action 7 – Local Radio stations must be able to opt out of the All England evening show in the event of local emergencies

Our approval of the new All England show is contingent on each station retaining the ability to cover local emergency situations when necessary.

Immediate change to the service licence.

Audiences value the opportunity to hold local decision-makers to account

- 80 The BBC has invested in local political journalism in recent years with the addition of a dedicated political reporter in 29 stations; it is intended to extend this to all stations as part of DQF reinvestment. All stations run regular 'holding to account' phone-in programmes, where listeners have the opportunity to question decision-makers in the local area. Other initiatives are in place on an ad hoc local basis to help audiences understand the challenges, issues and process of local politics.
- 81 Respondents to our consultation are positive about interviews with local decision-makers, referring to specific presenters who they feel are particularly adept at conducting difficult interviews. They particularly appreciate the presenters acting as the 'voice of the people' and putting forward a wide range of views in order to challenge the interviewee.
- 82 Audience Council England also found holding decision-makers to account to be an essential role for Local Radio. They noted that Local Radio is in a unique position to deliver more enquiring and investigative local journalism at a time when local newspapers are being forced to cut back.
- 83 However, our audience research still shows that there is a small performance gap (-5) in the delivery of this purpose. Participants in our qualitative research did not feel particularly well informed about local politics and there was certainly an appetite for learning more, with Local Radio playing a useful role. Whilst the desired content mentioned by respondents is already covered to varying extents on Local Radio – discussion of big local issues such as roads, parking, employment and hospitals, phone-in 'surgeries' with MPs or council leaders and the championing of local causes – our research suggests that it is not fully acknowledged by listeners.
- 84 Some respondents to our consultation asked for a wider range of officials to be questioned, pointing to a tendency to focus on high-profile people rather than more local public figures. Audience Council England also found that audiences would like more robust questioning of local decision-makers.

Action 8 – BBC management should consider how to meet audience appetite for programming on local politics and decision-making and seek more credit for current programming

Political reporters and programmes seeking to hold local decision-makers to account are very important components of Local Radio's journalism.

While there is considerable audience appreciation for this output, there is more to be done in terms of making an impact and raising audience awareness of it.

As a response to findings from our research and consultation, management is already in the process of re-branding programming which holds decision-makers to account across the network.

We will ask BBC management to report back on progress in implementing these measures later this year.

Listener involvement is an important element of Local Radio

85 The Local Radio service licence states that the service should 'frequently offer listeners opportunities to contribute to the output and take an active part in their local communities'. Whilst 64 per cent of our quantitative research respondents believe it to be important that Local Radio provides opportunities to share their own views, a much larger 76 per cent believes the service does this well.

86 Our research also showed that the ability to hear other people's views is more important to audiences than sharing their own views. Figure 8 shows that 87 per cent of the audience believe Local Radio performs well in providing the opportunity to hear other listeners' views, the highest of all attributes surveyed. Audiences said that, more than anything else, hearing the views of 'people like them' gives the service its local flavour.

'Local Radio listeners share all sorts of information and stories. It is also a perfect way to get help and advice from others who share your local area. Only Local Radio can give this wonderful link'. Three Counties 45-54 years

87 The majority of respondents to our consultation also comment that BBC Local Radio is very successful in encouraging participation and cite many examples of when it has added interest and enjoyment to discussion programmes. Participation plays many roles for audiences and is a unique feature of BBC Local Radio. It provides the ability to share common stories and interests, is a source of entertainment and information, a means of support for individuals, and is also a way of connecting the community.

88 Respondents to our consultation wrote with great affection about how the style of presentation and participation adds to their station's sense of community. The role of

Local Radio as a companion to many listeners cannot be underestimated, and many consider the presenters and regular contributors to be friends. Audience Council England found listeners who describe the service as 'a lifeline' to the outside world. For many people, particularly those who may be more isolated in the community, Local Radio has a role in giving them the opportunity to feel that they can participate in local matters. We consider this to be central to the public value listeners receive from the service.

Audiences welcome direct engagement with their station in the community

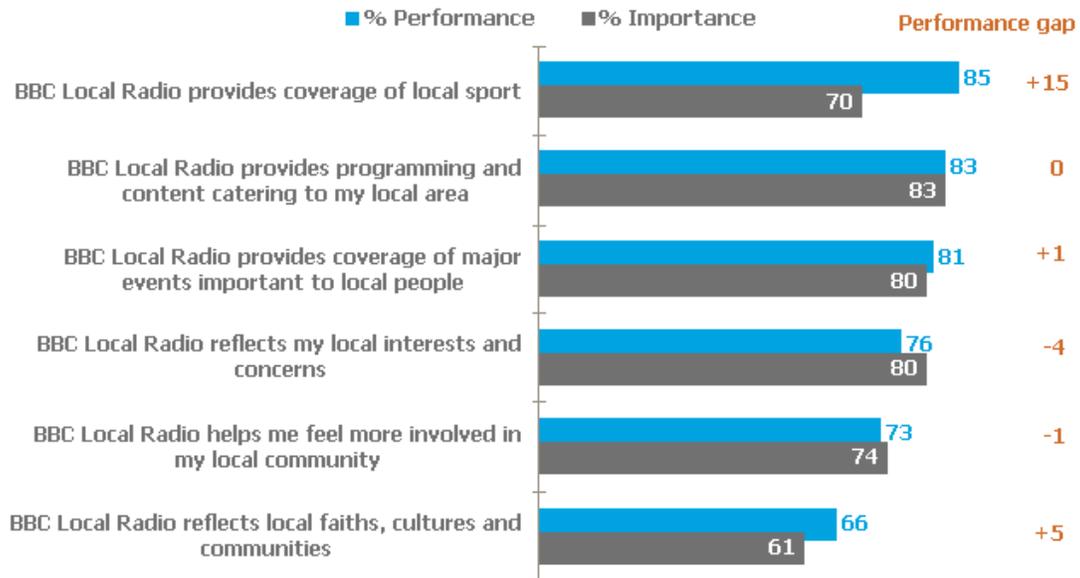
- 89 The presence of BBC Local Radio in the community also featured strongly in our research and consultation. Respondents to our research perceived it to be very important that listeners be given as many opportunities as possible to take part in community activities, whether related to arts and culture, sport or charity events. Respondents to the consultation gave many examples of occasions when local radio has been successful in encouraging participation in theatre, music, sports and local events that they wouldn't have otherwise known about.
- 90 Many consultation respondents also praised BBC Local Radio's coverage and attendance at local events. Those unable to attend could still feel part of the event and those able to attend welcomed the opportunity for direct engagement with the station and its presenters.

Reflecting the UK, its Nations, Regions and Communities

Local Radio places local and community concerns at the centre of its output

- 91 Due to the contraction of commercial local media in many areas of England, the local speech service offered by BBC Local Radio occupies a unique place in the market. As Figure 9 shows, audiences in our quantitative research place very high importance on Local Radio providing content that caters to their local area; an equal amount (83 per cent) agree that this is done well.

Figure 9: Performance and importance scores for nations, regions & communities priorities



Source: BBC Trust Audience Research. All adults who have listened to BBC Local Radio in the past month (1300)

- 92 Many respondents to our consultation consider their Local Radio station to be part of the community. Presenters, producers and reporters are seen to be knowledgeable and passionate about the areas they serve, with the interests of the local community and its listeners at heart.
- 93 Our research found that audiences value 'localism' in many different ways. Apart from the reliance on local news, weather, travel and emergency information, Local Radio was felt to make an important contribution in the way it conveys local life, from reporting on current topical issues to the provision of historical perspectives. One respondent likened it to 'a local bulletin board'.
- 94 BBC management notes the high value audiences place on 'localness' and its many dimensions, including local news and information, accountability for local decision-makers, the consequences of and perspectives on national and international events, and local culture.
- 95 The level of 'localness' of BBC Local Radio is generally at a county level, and for this reason we have agreed to BBC management's scope savings proposals to end the breakfast opt-out programmes within Devon, Three Counties, Wiltshire and Cambridgeshire. We have also agreed to the categorisation of BBC Somerset as a station in its own right, rather than as an opt-out from BBC Bristol; the service licence annex has been amended accordingly.

Action 9 – We will amend the service licence to clarify that localness is central

When we asked BBC management for reduced cuts to the Local Radio budget as part of their Delivering Quality First strategy, our overriding principle was that local radio must stay local for most of the time to continue to have an impact and to remain distinctive.

Therefore, the BBC Local Radio service licence will be amended so that its commitment to localness will be clearer. 'Local appeal' has been added as a characteristic of the programmes in the 'overview of aims and objectives'.

The service licence will be amended immediately

Minority community output will be focused on specialist news and current affairs in the future

- 96 Where BBC Local Radio stations serve diverse communities and faiths, our consultation found that the majority of respondents considered their needs to be well catered for through a range of programming. This positive view was mirrored in our research findings, although respondents felt that BBC Local Radio needed to be mindful of ensuring that full cultural diversity is reflected.

'(I would expect them to) reflect and be aware of the diversity of London and take up local issues or reflect local issues in their programming.' BBC London 94.9 45-64 years.

- 97 Local Radio currently broadcasts 106 hours of programmes to minority communities each week; 33 of these hours are broadcast on medium wave in Sheffield, Three Counties and Lancashire. As part of the DQF strategy, networking the early evening programming would mean only 55 hours²⁵ would be retained, which would concentrate on specialist news and current affairs (rather than language and music genres) relevant to minority communities. We have approved this reduction on the understanding that Local Radio's output of journalism for minority audiences would increase.

Audiences highly appreciate the sports output and see it as a key part of the Local Radio offer

- 98 The majority of respondents to our public consultation believe that BBC Local Radio fulfils its commitments to sport very well. There was praise for the range of sport offered, with the feeling that each station reflects the sports relevant to its own area very well. In addition, respondents suggest that the knowledge and enthusiasm of the presenters for their local sports teams is a key element in the success of the station.

²⁵ Estimate (BBC management Delivering Quality First proposals)

- 99 Respondents also welcome the prominence given to local teams and events that are unlikely to receive coverage elsewhere, particularly those teams in lower sports leagues and minority sports. Local Radio's coverage can bring sport to life for those listening at home, and the accessibility of its coverage is highly valued by those who would not ordinarily be able to attend sporting events.
- 100 From those less interested in sport, however, we heard that there is too much sport on Local Radio – in particular, too much emphasis on football.
- 101 Our audience research indicates that, while there are some polarised views as to the importance of sports coverage on BBC Local Radio, amongst those interested in sport, the station is felt to perform very well. The perceived performance of BBC Local Radio in delivering sport is significantly higher than its importance to listeners (a positive performance gap of +15). Its coverage of football in particular is praised.
- 102 There was some concern amongst respondents to our public consultation that the proposals to share programming across a number of stations would result in a reduction in the amount and quality of the sports broadcasting. In particular, respondents were concerned about shared football commentaries and the loss of partisan views, a lessening of coverage of lower and non-league football clubs, reduction in 'ball by ball' coverage of county cricket, loss of minority sports output and less coverage of rugby league matches.
- 103 As part of the BBC's DQF strategy, the networking of the early evening Local Radio schedule means that some general sports output will be lost (although there would be more sport phone-ins between 6pm and 7pm) and specialist sport would be rescheduled elsewhere (weekends). During the networked hours of 7pm–10pm, stations will be able to 'opt out' of the all England programme in order to provide live sports commentaries.
- 104 Several organisational responses²⁶ to our consultation focused on Local Radio's role in providing sports coverage and were particularly concerned about the impact of DQF on this part of the schedule. They note the importance of sport on Local Radio in bringing local communities together, promoting less mainstream sport and driving participation.
- 105 We are mindful that despite changes to scheduling of some sports output on weekday evenings, sports should remain an important part of BBC Local Radio's offer. Therefore, we will ask BBC management to ensure that this content is discoverable by audiences, many of whom may be lighter listeners to the service and join specifically for sporting events. We also ask that management safeguards some coverage of minority sports appropriate to each area against any further funding constraints.

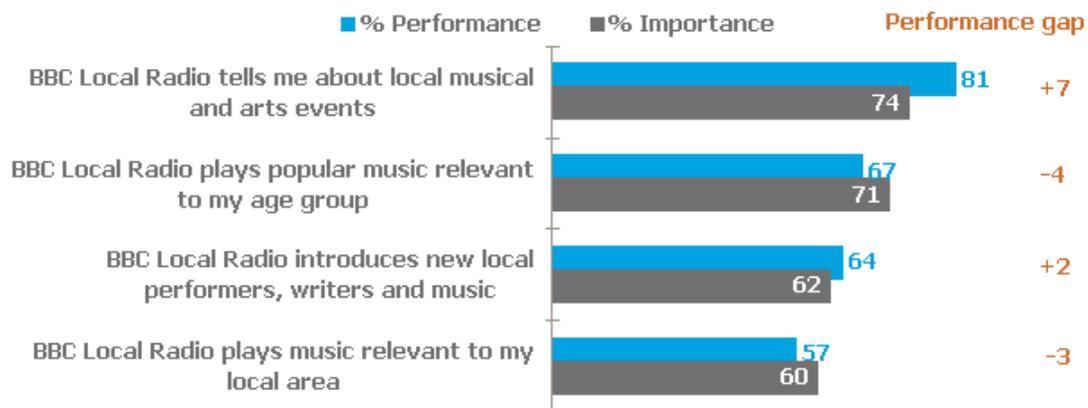
²⁶ Sport and Recreation Alliance; The FA; Rugby Football Union; England and Wales Cricket Board; Lawn Tennis Association; Wigan Rugby League Club; The Rugby Football League; Sport England; Premiership Rugby; All-Party Parliamentary Rugby League Group.

Stimulating Creativity and Cultural Excellence

Music and arts output on BBC Local Radio is highly valued by the audience

- 106 BBC Local Radio’s output in core hours consists of around 73 per cent speech and 27 per cent music²⁷. Off peak, on average, 40 per cent of the schedule is music. This ranges from specialist music programming such as BBC Introducing, which showcases unsigned musicians, to shows that include music more generally as part of a speech/music mix – these occur outside of the breakfast and drivetime slots, which are wholly speech.
- 107 Results from our audience research and public consultation indicate that the audience feels BBC Local Radio offers a good range of music. The stations are valued for offering opportunities to new and emerging artists, and for promoting and supporting local arts and events.
- 108 As seen in Figure 10, Local Radio’s music-related priorities are less important to listeners than those related to news and local content. Speech content is the main reason for listening to BBC Local Radio, but many listeners, particularly older regular listeners, actively enjoy the music. The slight performance gap on ‘Local Radio plays popular music relevant to my age group’ can be attributed to younger respondents outside the target age group (under 45 years) who would welcome some modernisation. We therefore do not feel that BBC management should consider this gap to be significant.

Figure 10: Performance and importance scores for creative and culture priorities



Source: BBC Trust Audience Research. All adults who have listened to BBC Local Radio in the past month (1300)

- 109 Most respondents to our consultation considered that the variety of music offered on BBC Local Radio suits all tastes, ages and communities. Some noticed that stations played music relevant to their local area by established local artists and groups as well as emerging talent.

²⁷ Source BBC Annual Reports: 2010/11 actuals.

- 110 A handful of respondents to our consultation felt that the range of music on Local Radio could be more extensive and that the daytime music is too 'middle of the road' and similar to that which can be found elsewhere on the BBC or commercial radio stations. These respondents would like to hear more specialist genres, such as jazz, folk, country or classical music. These views were also given by the Audience Council England.
- 111 We are mindful of the enjoyment that many listeners get from the music played on their Local Radio station alongside the speech output. We also accept that some minor overlap in the playlists between BBC Local Radio and other BBC stations, such as Radio 2, is acceptable in locally presented programmes where the music is not core content. However, we believe that more could be done to make the general music on Local Radio as distinctive as possible within the BBC portfolio by, for example, drawing on the richness of music in each locality, or finding other ways in which the overlap with other stations (particularly Radio 2, which serves a similar age group) can be minimised.

Action 10 – BBC management should develop a music policy that ensures Local Radio's distinctiveness within the BBC radio portfolio

We are asking BBC management to draw on the BBC's popular music expertise to develop a music policy that complements other BBC radio stations and seeks to offer something distinct, whilst acknowledging the likely musical tastes of its audience.

This policy may allow variation to reflect local tastes, heritage, traditions and topicality, and so be more distinctive to Local Radio.

We will ask BBC management to report back on progress in this area later this year.

- 112 The proposed All England networked evening programme will impact upon Local Radio's specialist music output. Currently, 24 local stations normally have no specialist output in the evenings. These stations tend to broadcast music mostly from the core playlist (as across daytime), but in some cases will play a slightly broader range of music at this time. The other stations play specialist music, with a bias towards popular music from the 50s, 60s and 70s on some of them. Just over ten per cent of the less distinctive music on weekday evenings would be cut. However, BBC management plans to retain some of the most distinctive music, such as locally rooted music genres not catered for elsewhere on the BBC.

Local Radio plays an important role in the BBC's support for new and unsigned music

- 113 Our audience research found that there was a demand across all age groups for programmes focusing on emerging local talent, although there was generally a lack

- of awareness about such content already available on BBC Local Radio. Respondents to our consultation also referred positively to the valuable opportunity Local Radio gives to new talent, with some mentioning BBC Introducing as a unique opportunity for new talent not available on any other media. Respondents mentioned how Local Radio has introduced them to artists they would otherwise not have heard about, with examples ranging from Amy Winehouse first being heard on BBC London 94.9 to local singers showcasing their talents live at Christmas on BBC Northampton.
- 114 The Music Industry Development Association (MIDA)'s submission to the consultation notes that BBC Introducing and BBC Local Radio have always been supportive of new talent across the UK. It notes how vital BBC Introducing is in supporting artists at a grass roots level, which in turn supports the growth of the UK music industry and so contributes to the UK economy.
- 115 BBC management has stated its continuing commitment to new music. Therefore, following the introduction of the networked evening programme on weekdays, some stations will see the BBC Introducing programme moved to other parts of the schedule. As part of the schedule changes following DOF, management plan to broadcast programming that supports new talent at a common time across the network. We think that this creates an opportunity to signpost this important output better and gain more impact from it.

Action 11 – BBC management should raise awareness of BBC Introducing and other programming that supports new talent

We support BBC management's strategy to protect its programming that supports new musical talent in the UK. As our research showed that audience awareness of programming such as BBC Introducing was low, we will ask BBC management to ensure that all Local Radio stations work together as part of a pan-BBC approach to promote content such as BBC Introducing to relevant audiences in order to achieve impact.

We will ask BBC management to report back on progress later this year.

BBC Local Radio's arts and culture could provide some more support to less mainstream events

- 116 Our research found that audiences perceive local arts and cultural events to be very important to BBC Local Radio, and performance was rated highly in this regard. Many respondents to our consultation mentioned the support Local Radio gives to local arts, promoting events that would otherwise have no publicity and informing audiences of events of which they would otherwise be unaware.
- 117 However, Audience Council England found that some listeners perceive arts and cultural events coverage to be difficult to find in the output, particularly in peak hours. Those who consider delivery of this part of the schedule to be achieved 'fairly well', still consider that the balance is tipped in favour of big, prestigious events at

the expense of smaller amateur events. They found a general desire for Local Radio to cover more plays, festivals, shows and concerts taking place in smaller venues. Findings from our qualitative research concur with this, suggesting that some greater emphasis could be placed on less mainstream local events.

Local Radio is an important training ground for new UK talent

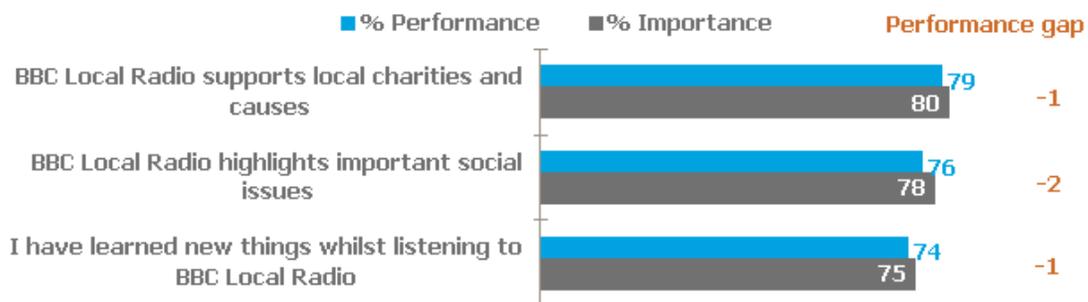
- 118 In their submission to our consultation, Radio Centre notes that BBC Local Radio has an important role in educating new journalists and producers. BBC Local Radio has long been a training ground for journalists and producers who go on to work in regional, national and international media.
- 119 Off-peak schedules are often used as the training ground for staff. As a response to our consultation, managing editors have noted the threat that reductions in local training budgets coupled with changes to off-peak schedules proposed by DQF would pose to their ability to find and nurture the widest possible range of talent.
- 120 We recognise the importance of Local Radio in nurturing new journalists and production staff, and, in line with the service licence, BBC Local Radio should continue to take advantage of its structure to develop new talent.

Promoting Education and Learning

Local Radio engages its audience in pan-BBC learning and social action campaigns

121 As shown in Figure 11, evidence from our quantitative audience research suggests that the service is performing roughly in line with expectations in this respect: while 75 per cent believe that it is important that they have learned new things whilst listening to Local Radio, 74 per cent agree that it performs well in this respect.

Figure 11: Performance and importance scores for education priorities



Source: BBC Trust Audience Research. All adults who have listened to BBC Local Radio in the past month (1300)

122 More important for audiences is the focus on social issues affecting the local area (78 per cent believe this to be important) and the support of local charities and causes (80 per cent rate this as important). Audience Council England found that audiences valued Local Radio's work on charitable appeals in terms of keeping them

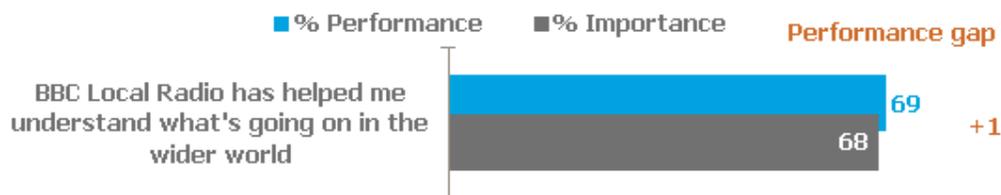
informed of important local issues and allowing them to feel they were making a difference by contributing.

Bringing the world to the UK and the UK to the world

International news has a role on Local Radio, although it is not its primary goal

123 As illustrated in Figure 12, around 69 per cent of the audience think it is important for BBC Local Radio to help them understand what's going on in the wider world. Therefore, coverage of international news by Local Radio is of similar importance to the coverage of wider UK news and issues; it is considerably less important than the provision of local news, as would be expected.

Figure 12: Performance and importance scores for global priorities



Source: BBC Trust Audience Research. All adults who have listened to BBC Local Radio in the past month (1300)

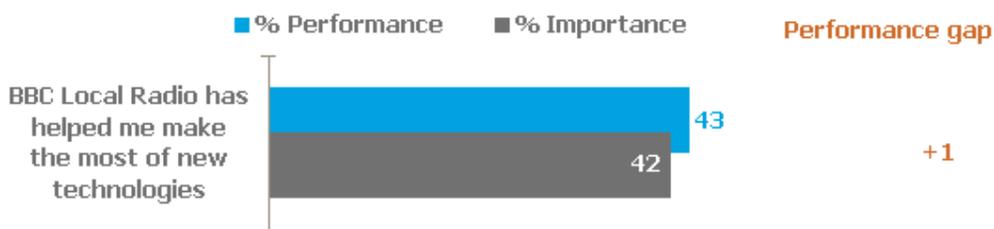
- 124 Audience Council England found that listeners appreciate Local Radio giving them a better understanding of international news by, for example, taking a local angle on the war in Afghanistan – keeping in touch with overseas-based regiments and covering homecoming parades were cited as instances of this.
- 125 A small number of respondents to our consultation felt that there can be too much emphasis on international (as well as regional and national) news stories which can also be found on other media. The Radio Centre also believes that it is not the responsibility of local radio to provide news on international matters unless the issue is specifically relevant to that local community.
- 126 However, our research tells us that, as well as emphasising international stories with a specific local relevance and giving international stories a localised slant, there is also a role for Local Radio to flag major breaking international stories. This can then act as a signpost to more in-depth coverage on other BBC or commercial services.
- 127 We also note that many listeners to Local Radio do not listen to any other BBC or commercial radio stations, so it is important that Local Radio covers the main international stories within its news output.

Emerging Communications

Audiences do not have high expectations of Local Radio in this area

As illustrated in Figure 13, around 42 per cent of the audience think it is important for BBC Local Radio to help them make the most of new technology. This was the least important score of all the statements from our audience research. In addition, audience expectations are being met for this purpose, with some 43 per cent agreeing that it is performing well²⁸.

Figure 13: Performance and importance scores for emerging communication priorities



Source: BBC Trust Audience Research. All adults who have listened to BBC Local Radio in the past month (1300)

A fairly low proportion of listening to BBC Local Radio is via a digital platform

128 In the final quarter of 2011, some 16 per cent of listening to BBC Local Radio was via a digital platform –lower than the BBC’s network stations, which ranged from 21 per cent (Radio 1) to 40 per cent (5 live)²⁹. We note, however, that comparisons in listening should be made with caution, as only 26 of the 39 stations are currently available on DAB, with the roll out of local DAB transmission not complete. As BBC Local Radio is not available on satellite, cable or Freeview, DAB still accounts for the majority of the station’s digital listening, with 12 per cent of all listening to BBC Local Radio via DAB.

129 The great majority of local radio listeners in our quantitative research were accessing their BBC Local Radio station on analogue radio (79 per cent), whereas the use of other technologies was relatively low (27 per cent for DAB digital radio, 9 per cent for internet, 8 per cent for digital TV and 4 per cent for mobiles).

Local Radio can encourage take up of technology and services amongst an older audience

130 All BBC Local Radio stations aim to encourage their listeners to trial and get used to using new technologies. Local Radio has taken a leading role in providing public information around digital television switchover, with expert advice, key date information and roadshows from county fairs and city centres.

²⁸ These priority statements also relate to the citizenship purpose of promoting digital media literacy.

²⁹ Source: RAJAR Q4 2011, adults 15+ in BBC Local Radio transmission area

- 131 Local Radio stations have also been involved in encouraging media literacy through BBC Learning's 'First Click' campaign, which aims to help people in the UK who do not currently use the internet to get online. Stations have hosted internet sessions for listeners at their studios or, where available, in their open centres. Promotion of the internet primarily to the over 50s has also been achieved through partnerships with the library service and the 'Give an Hour' project. Local stations also run their own initiatives, and the ability to personally connect with audiences and encourage take up of digital media in this way is unique to Local Radio within the BBC portfolio.

Value for Money

The majority of BBC Local Radio listeners agree that the service represents good value for money

- 132 Assessing value for money involves looking at the relationship between cost and performance. We do this in a number of ways.
- 133 Audience perceptions of value for money amongst listeners to BBC Local Radio are fairly high. Based on the 2010-11 financial statements, BBC Local Radio's total cost, including its allocation of BBC overheads, amounted to around 4.1 per cent of the total licence fee, which is equivalent to £5.97 per licence fee payer. As part of our audience research, we asked a representative sample of listeners whether they felt this represented value for money. The great majority, some 89 per cent, agreed that it did.
- 134 Table 2 shows the cost per listener hour for BBC Local Radio between 2007-08 and 2010-11. This measure draws on cost and usage data to arrive at the average cost for every hour that the audience spend listening to the station.

Table 2: BBC Local Radio's cost per listener hour

| | 2007-08 Pence | 2008-09 Pence | 2009-10 Pence | 2010-11 Pence |
|------------------------|------------------|------------------|------------------|------------------|
| Cost per listener hour | 3.0 | 2.9 | 3.2 | 3.2 |

Source: BBC Annual Reports

Note: Prior to 2007-08 cost data becomes less comparable due to changes in the way the BBC accounts for costs.

- 135 The cost per user hour of the channel was 3.2 pence in 2010/11, which was lower than the nations radio stations: Radio Scotland (7.8p), Radio Wales (5.9p), Radio Ulster/Foyle (4.3p). It was, however, higher than the majority of the network stations, such as Radio 2 (0.5p), Radio 5 live (2.1p) and Radio 4 (1.4p). Value for money on BBC Local Radio has broadly been maintained over the past three years.

BBC Local Radio's budget has risen slightly over the last three years

- 136 BBC Local Radio operates appropriate standard budgetary control procedures. The annual budget is presented within a larger BBC English Regions budget to BBC News Group management for approval. Editorial objectives are agreed alongside that between the Director of News and the Controller of English Regions. The financial position is reviewed monthly by production accountants working with editors and the whole is reviewed by finance partners and included in monthly management accounts signed off by the Finance Director of News. The overall results are agreed within the corporate funding packs produced by the Finance Centre in Cardiff and reported monthly to the Executive Board and quarterly to the Corporate Centre.
- 137 BBC Local Radio's current service licence budget is £112.5 million. By way of comparison, Radio Scotland has a budget of £23m, Radio Wales £14.6m and Radio Ulster/Foyle £15.9m; but Local Radio has to fund the delivery of 39 stations.
- 138 The Trust monitors annual expenditure against these budgets and any over- or under-spend of more than 10 per cent requires the Trust's approval. Table 3 shows that Local Radio has stayed within the budgetary limit set by its service licence over the last three years.

Table 32: BBC Local Radio expenditure against service licence budget 2008-09 to 2010-11

| | 2008-09 (£000s) | 2009-10 (£000s) | 2010-11 (£000s) |
|--|--------------------|--------------------|--------------------|
| Service licence budget | 107,500 | 107,500 | 111,000 |
| Cost of transmission (Local Radio) | | | |
| Controlled by station (1) | 67,973 | 68,232 | 69,336 |
| Overheads, partially controlled by station(2) | 21,562 | 21,602 | 22,002 |
| Non-controllable (3) | 6,457 | 7,763 | 8,800 |
| Restructuring | 10 | 6 | 16 |
| News (4) | 1,537 | 1,430 | 1,519 |
| Sport (4) | 0,351 | 0,418 | 0,426 |
| Total Transmission spend | 97,891 | 99,451 | 102,098 |
| Programme Related (allocation from network) | | | |
| News - newsgathering (5) | 2,764 | 2,473 | 4,404 |
| Sport – newsgathering (5) | 0,025 | 0,020 | 0,024 |
| Copyright | 7,594 | 8,177 | 8,126 |
| Helpline | 0,107 | 0,122 | 0,083 |
| | 10,490 | 10,243 | 12,637 |
| Total expenditure | 108,381 | 110,280 | 114,734 |
| Variation (per cent) | 0.82 | 2.6 | 3.4 |

Source: BBC annual reports and management controls

- (1) Includes fixed and variable staff costs; artists and contributors; sports rights; other
- (2) IT controllable, property non-controllable
- (3) Under recovery by Group
- (4) Specific costs in news and sports that are considered to relate more directly to local radio e.g. GNS in network news.
- (5) Allocations from network news and sport for activities carried out across all licences for the BBC, allocated depending on where news content is considered to have been gathered and delivered.

BBC Local Radio budgets will be reduced following the latest licence fee settlement

- 139 BBC Local Radio's costs have been considered alongside every other service as part of a BBC-wide review (DOF) to reduce budgets following the latest licence fee settlement.
- 140 There will be two types of budget reductions for Local Radio (and other BBC services): efficiency savings and cuts to output ("scope" savings). In order to consider the impact of the proposed efficiency savings, in February 2012, BBC management commissioned an external review of value for money from radio consultant John Myers³⁰. The purpose of this review was to examine the organisation and working practices of the current Local Radio output and to investigate where efficiencies could be found which would not impact on-air performance. The review was published by BBC management in January 2012.
- 141 John Myers' recommendations covered three areas:
- Increased productivity savings: cuts to staff budgets of £150,000 in 35 stations and £50,000 in five smaller stations. The introduction of a simplified management structure within each station and shared managing editors across stations.
 - The potential for longer-term savings through central costs. This included: a contract-only system for talent and reviewing sickness levels and salary levels and structures; a review of the process of sports rights negotiations; an assessment of services that could be better managed locally; and an upgrade of technology and facilities, with studios that are fit for purpose.
 - In terms of scope savings, he recommended that the BBC should: protect the diversity of Local Radio output in order to maintain listeners; continue to invest in local programming in peak hours and weekends; maintain specialist programming; invest in a distinctive shared evening programme and retain early morning savings.
- 142 If BBC management had implemented these recommendations, scope savings would have reduced from £8.5 million to £2.6 million and planned productivity savings would have increased from £4.1 million to £6.3 million. Future savings resulting from the central costs review would, over time, take the total savings to £14 million, just below the £15 million proposed through DOF.

³⁰ http://downloads.bbc.co.uk/aboutthebbc/insidethebbc/howwework/reports/pdf/bbclocalradio_myers.pdf

- 143 However, BBC management did not accept all the recommendations and was keen to avoid any possible impact on quality of journalism, either in Local Radio or in other parts of BBC News, which will rely increasingly on local journalists. For example, whilst BBC management is committed to simplifying the management structure within each station, it believes that sharing managing editors across stations would impact on quality and not be in the best interests of audiences. The Trust supports this viewpoint.
- 144 As a response to both the Trust's interim conclusions on DQF³¹ and the Myers review, BBC management revised its scope and productivity plans. The original proposed savings halved from £15 million a year to around £8 million. Within this, scope cuts were reduced from £8.5 million to around £2.1 million.
- 145 As part of BBC management's commitment not to reduce spend for on-the-ground newsgathering and reporting, reductions in the number of journalists will fall from around 150 to nearer 50. The revised proposals reduced cash savings for each station from nearly 20 per cent to under 11 per cent (with the exception of BBC London 94.9). In addition, there will also be targeted help for the largest stations to invest in peak-time programming or distinctive output.
- 146 Savings resulting from evening sharing and removal of the early morning and remaining overnight broadcasts will be maintained, alongside productivity savings from station sound, broadcast assistants and non-news gathering journalists. BBC management also intend to retain Myers' recommendation to make savings in management layers, but adopt a varied approach to implementation on a station-by-station basis. They will also explore the potential for longer-term additional savings via centralised sports rights negotiations.
- 147 BBC management has projected that the impact of the scope and reinvestment changes proposed by the DQF strategy will be to reduce the BBC Local Radio content spend by 0.3 per cent or £0.4 million by 2016/17.³²

³¹ http://www.bbc.co.uk/bbctrust/assets/files/pdf/review_report_research/dqf/interim_findings.pdf

³² Projections do not include efficiency savings.

Annexes

1. Summary of service licence amendments

This annex sets out the relevant sections of the BBC Local Radio service licence that we will be amending as a result of this report.

| Service Licence section | Amendment |
|---|---|
| 1. Remit* | 'Urban and rural' have been removed and replaced with 'local communities'. |
| 1. Remit* | The target audience is now stated as 'The target audience should be mainly listeners aged 50 and over, although may appeal to all audiences interested in local issues'. |
| 2. Scope* | Each station should broadcast 'between 05:00 hrs and midnight on weekdays' has been replaced with 'between 06:00 hrs and midnight on weekdays'. |
| 4. Overview of aims and objectives* | 'Local appeal' has been included in the characteristics of the programmes. |
| 5.2. Reflecting the UK's nations, regions and communities | 'Where they exist, local minority audiences should be catered for' has been amended to 'All stations should aim to serve local minority audiences'. |
| 5.2. Reflecting the UK's nations, regions and communities | <p>'Each BBC Local Radio station should broadcast at least 85 hours of original, locally-made programming each week'. To this statement the following footnote has been added: 'Programming shared with neighbouring stations broadcast between 06:00 and 19:00 can be included in the total. Exceptions to this condition are included in annex II'.</p> <p>Annex II exceptions:</p> <p>BBC Radio Jersey should broadcast at least 80 hours of original, locally-made programming each week.</p> <p>BBC Radio Guernsey should broadcast at least 80 hours of original, locally-made programming each week.</p> <p>BBC Radio Somerset should broadcast at least 70 hours of original, locally-made programming each</p> |

| | |
|--|--|
| | week. |
| 5.2 Reflecting the UK's nations, regions and communities | <p>'In addition to local programming, each station may also share some programming with local BBC stations in nearby areas and may simulcast BBC network radio overnight' has been amended to 'In addition to local programming, each station may also share some programming with local BBC stations in nearby areas and there may be a single network programme each weekday. They may also simulcast BBC network radio overnight'.</p> <p>A footnote has been added to the network programme which states that 'During the network programme, each station should retain the ability to cover local emergency situations when necessary'.</p> |
| 6.2. Annex II | Individual station annexes have been replaced with a table to show the key coverage requirements and any simple variations. |
| 6.2. Annex II | BBC Somerset has been added to the list of BBC Local Radio stations, separate from BBC Bristol. |
| 6.2. Annex II | 'The only exception to this is that it provides programming for the local African Caribbean communities at off-peak times' has been removed from the BBC Leicester annex. |
| 6.2. Annex II | 'The only addition to this is that it provides at least 500 hours of output each year aimed at the local Asian population' has been removed from the BBC Lancashire annex. |
| 6.2 Annex II | 'It should provide a part-time speech-based opt-out for Peterborough and the Fens including news, current affairs, local information, discussion and debate' has been removed from the BBC Cambridgeshire annex. |
| 6.2 Annex II | 'It should provide a part-time speech-based opt-out for Plymouth including news, current affairs, local information, discussion and debate' has been removed from the BBC Devon annex. |

| | |
|--------------|--|
| 6.2 Annex II | 'It should provide a part-time speech-based opt-out for Milton Keynes including news, current affairs, local information, discussion and debate' has been removed from the BBC Three Counties annex. |
| 6.2 Annex II | 'It should provide a part-time speech-based opt-out for Swindon including news, current affairs, local information, discussion and debate' has been removed from the Radio Wiltshire annex. |
| 6.2 Annex II | 'It should provide a part-time, speech-based opt-out for West Dorset including news, current affairs, local information, discussion and debate' has been added to the Radio Solent annex. |

*These are changes to part 1 of the service licence (key characteristics). However, these are changes to clarify the station's commitments, rather than any changes to the service itself. For this reason we would not assess the significance of these changes.