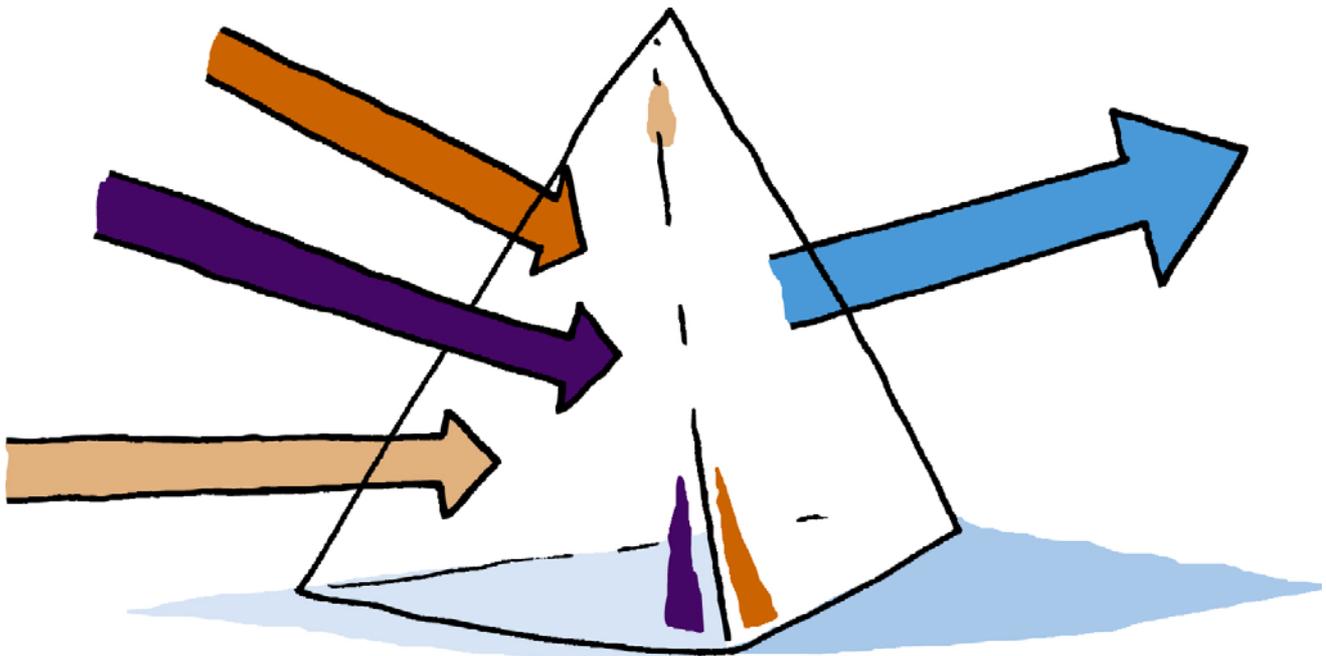


Service Review

BBC Radio 3, BBC Radio 4 & BBC Radio 7

February 2011



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Summary

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 BBC Radio 3, BBC Radio 4 and BBC Radio 7.

Radio 3 is intended to offer a mixture of music and cultural programming. Its core proposition is classical music and its speech-based programming should inform and educate the audience about music and culture. Radio 3 should also feature jazz, world music, drama, the arts and ideas, and religious programming. Radio 3 broadcasts throughout the UK on FM radio, DAB digital radio and other digital media.

Radio 4 is a mixed speech service, offering in-depth news and current affairs. It also offers a wide range of other speech output including drama, readings, comedy, factual and magazine programmes. The service should appeal to listeners seeking intelligent programmes in many genres which inform, educate and entertain. Radio 4 broadcasts throughout the UK on FM, Long Wave and Medium Wave radio, DAB digital radio and other digital media.

Radio 7 is a speech-based entertainment service and its schedule should include comedy, drama, stories, features, readings and programmes for children. Most output should come from the BBC archive, but the station should commission some original content, particularly of types of output rarely found on BBC Radio. Radio 7 is available on DAB digital radio and other digital media.

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 Radio 3, Radio 4 and Radio 7 are performing against commitments set out in these licences, second to consider the stations' future direction and third to determine whether amendments to the licences are required.

We carried out a public consultation over the summer of 2010 and received around 16,795 responses from licence fee payers. In addition, we received a number of responses from the radio industry and other stakeholder organisations. These responses, alongside our audience research, performance monitoring and financial analysis, have given us a clear understanding of these stations' strengths and weaknesses.

Conclusions

Our review has found that Radio 3, Radio 4 and Radio 7 are performing very well overall. They have passionate and loyal audiences who greatly appreciate the high-quality and distinctive programming on offer, and value the different ways in which these stations contribute to the BBC's public purposes. The biggest challenge for all three stations is gradually to extend their core appeal to audiences without jeopardising their distinctiveness.

Radio 3 is greatly valued by a relatively small but loyal audience who appreciate its intelligent, thoughtful and committed tone and content. Radio 3 contributes significantly to the BBC's public purposes through its focus on high-quality classical music and its breadth of output covering jazz, world music, arts and culture. Its continuing challenge is to develop a welcoming and accessible tone while maintaining its core commitment to high-quality and distinctive music and arts programming.

Radio 4 is considered by many of its listeners to be a 'national treasure' and to be at the heart of public service radio broadcasting. It is often the main point of contact with the BBC for its large and dedicated audience. Its scale and distinctive content ensure that it plays a major role in the overall delivery of the BBC's public purposes. We endorse Radio 4's strategy of broadening its core appeal where possible and believe that the station should continue to evolve in order to replenish its audience.

Radio 7 is highly regarded by a sizeable audience for a digital-only station, who value the light-hearted and nostalgic output. Audiences appreciate the opportunity to hear examples of the best of radio comedy and drama from the BBC archive. Radio 7 also plays an important role in promoting DAB. Awareness of Radio 7 is very low overall, however, and its dedicated children's programming is not serving audiences well.

In the course of the review, BBC management proposed a number of key strategic initiatives relating to these services:

- the development of part of its public service archive into what the BBC terms 'permanent collections'
- the repositioning of Radio 7 as Radio 4 Extra
- the development of the children's audio strategy, including the refocus of dedicated children's programming on Radio 7 to appeal more to families

We have examined BBC management's proposals in our review. As we believe that they will benefit licence fee payers, we approve them and will amend the service licences accordingly.

Key findings and actions

The key findings and actions from this review are set out below:

BBC Radio 3

Radio 3 offers very high-quality programming and is greatly appreciated by its audience

Evidence gathered in our public consultation, audience research and performance analysis indicates that Radio 3 offers content that is of very high quality and greatly appreciated by the audience. The focus on a distinctive range of classical music through a variety of programmes is at the heart of what Radio 3 does well. The station explores and celebrates music, arts and culture to a degree that sets it apart from other UK radio stations. Around 60 per cent of its audience are high approvers¹ and many programmes receive very high appreciation scores. As well as classical music, the station's commitment to jazz, world music, drama and arts is praised and audiences feel this is an important part of the station's distinctiveness.

The way in which the station packages and presents this music adds considerable value to the listener's experience. The audience admire the intelligent, thoughtful and passionate tone of Radio 3, its knowledgeable and informative presenters, and the station's high production values.

Radio 3 attracts a relatively small but loyal audience of around 2 million adults each week – less than any other BBC network radio station, and approximately a third of Classic FM's audience. Radio 3 reach, however, has been very consistent over the last five years whilst we note that Classic FM's reach has fallen by over 10 per cent during the same time period. Our analysis of listening behaviour shows that approximately 42 per cent of the Radio 3 audience also listen to Classic FM.² Evidence from our consultation, both from individuals and organisations, suggests that these stations are complementary in their propositions.

We have heard concerns that Radio 3's attempt to be more accessible has led to reductions in the levels of quality and distinctiveness

Over recent years, BBC management has made changes to the tone, content and schedule of Radio 3 in order to make the station more accessible and welcoming to potential listeners. Concerns have been raised by a small minority of individual respondents to our public consultation that these changes have resulted in the lowering of Radio 3's quality and distinctiveness. These concerns have been echoed by a number of organisations.

We acknowledge that the editorial policy pursued by BBC management has evolved the nature of programming in peak-time listening slots. However, we have found no

¹ Source: Pan BBC Tracking Survey 2009-10, 'high approvers' are those who give a score of 8 or more out of 10

² Source: RAJAR 2009-10

compelling evidence that this has resulted in a reduction of Radio 3's quality and distinctiveness. Both the approval levels for the station as a whole and the appreciation scores for individual programmes are either steady or improving. In addition, Radio 3 continues to demonstrate its commitment to high-quality music and arts through such features as its wide range of music; the broadcasting of full-length pieces; its focus on live performances and support of UK orchestras.

We believe Radio 3 should continue to look for ways to be more accessible and welcoming

Our research shows that there are some audiences who might appreciate the station's offer but who are discouraged from listening by their perception that it can at times be inaccessible and daunting. We believe there is some potential to extend the core audience by becoming more accessible and welcoming to these potential listeners – particularly at the key entry points of breakfast and drive time. Finding ways to encourage this audience will boost Radio 3's delivery of the public purposes.

While we support this approach, we do not regard the maximisation of reach as a primary goal for the station and recognise that the nature of Radio 3's output – so long as it remains true to its core values – means that there is a natural limit to its overall audience. The station's distinctiveness and exploration of a wide range of music, which we applaud, inevitably means that its overall appeal will be limited.

We are clear therefore that this broad strategy should not come at the cost of quality and distinctiveness, which would in any case alienate the current, loyal audience. We recognise that there is a difficult balance to be achieved here between becoming more accessible and welcoming on the one hand while remaining ambitious and challenging on the other, and we will continue to monitor the station's performance with this in mind.

Action 1 – Radio 3 should continue to look for ways to be more accessible and welcoming

We endorse the broad strategy of making Radio 3 more accessible and welcoming to potential listeners, particularly in the breakfast and drive-time slots. This strategy should not, however, reduce the high levels of quality and distinctiveness on Radio 3, nor alienate the core audience.

We require that BBC management assess the impact of this strategy and report this to this Trust as part of their regular performance reporting.

Radio 3 plays an important role in the BBC's overall responsibility to make classical, jazz and world music available to all licence fee payers

Radio 3 is the BBC's flagship service for making classical, jazz and world music available to licence fee payers. We note, however, that it is not the sole responsibility of Radio 3 to deliver the great works of classical music and other musical genres to all audiences. The BBC has an overall responsibility for this and there are many services with a role to play in achieving this ambition.

This is particularly the case because the nature of Radio 3 means that it struggles to reach certain audience groups, such as younger people, those from less well-off households, those living further away from London, and black and minority ethnic audiences. While we would welcome an increase in listening amongst these groups, other BBC services appeal much more strongly to them than Radio 3. Other services are more effective in reaching these audiences and therefore can complement Radio 3's delivery of this content. We believe that a coordinated approach can make more impact and note the success that the BBC has had with its poetry and opera seasons, even though these did not result in increases in listening to Radio 3 itself. We welcome the creation of the BBC classical music board which is chaired by the Controller of Radio 3 and helps coordinate this content across the BBC.

We have asked BBC management to consider how the BBC can best deliver classical, jazz and world music to as many licence fee payers as possible, and how Radio 3 should contribute to this overall ambition. In particular, BBC management should consider how this content can be made available and appealing to those audiences that Radio 3 significantly struggles to reach.

Action 2 – BBC management should consider how the BBC can best deliver classical, jazz and world music to all licence fee payers

They should set out how Radio 3 can best work alongside other BBC services and events to deliver this overall responsibility. In particular, BBC management should consider how the BBC can effectively make this content available and appealing to those audiences which Radio 3 struggles to reach.

We have asked BBC management to report back on this by summer 2011.

Radio 3 is making a strong contribution to the delivery of the BBC's public purposes to its audience, although overall impact is limited by low reach figures

Radio 3's distinctive output, which covers a range of music and genres, makes a strong contribution to the delivery of the BBC's public purposes to its audience. Our research shows that listeners believe it is performing particularly well in delivering the Creativity and Culture, and Education and Learning purposes. Audiences recognise that the delivery of these purposes is an important part of the station's appeal and personality. Overall impact, however, is limited by its relatively small audience.

Audiences tell us that the range of Radio 3's offer is a strong asset and an important factor in its delivery of the purposes. However, some audiences do not feel that Radio 3 does enough to promote the full range of its programming. We have asked Radio 3 to consider how it can help make its proposition as clear as possible and help listeners navigate the range of music and arts programming on offer, as this will enable audiences to maximise the value they get from the station.

In the course of this review, BBC management has put forward two initiatives to increase the clarity and navigability of the Radio 3 proposition for audiences. First, they intend to

allow audiences to navigate online content by genre. We endorse this plan, as it should improve the audience experience and enable them to get more value from the station. Second, BBC management has raised the possibility of providing an opt-out DAB stream at the weekends for jazz, world music and special events. They believe this would benefit both those audiences who appreciate this programming, through the enhanced coverage, and those audiences who desire a purer classical proposition on the FM station. This proposal is dependent on the wider radio portfolio strategy and spectrum availability, and BBC management has not sought specific permission at this time. We will ask BBC management to consider this proposal in more detail when appropriate.

Action 3 – Radio 3 should consider how it can help audiences best navigate the wide range of content on offer

This consideration should take into account the role of the Radio 3 website, as well as cross promotion and marketing.

As part of this, we endorse Radio 3's plans to allow audiences to navigate online content by genre. We have also asked BBC management to consider in more detail the proposal for DAB opt outs when the dependencies with the wider radio portfolio strategy are resolved.

We have asked BBC management to report back by summer 2011.

Live music is a key element of the Radio 3 proposition, including performances by the BBC orchestras, BBC singers and events such as the BBC Proms

These are greatly valued by the audience and highlight Radio 3's commitment to live and specially recorded music, which accounts for 57 per cent of the output.³ This live content also plays an important role in making the station distinctive compared to other classical music providers. Although the BBC orchestras and BBC Proms are very highly appreciated by Radio 3 listeners, evidence suggests that some people who are aware of the BBC orchestras and BBC Proms do not readily associate them with Radio 3.⁴

We found that Radio 3 plays an important role in shaping the UK arts agenda, reflecting and interpreting current trends to its audience

This was recognised both by the audience and by members of the industry who felt that Radio 3 was an extremely important part of the UK arts environment. It is the biggest commissioner of classical music in the UK. In 2009-10, it commissioned 41 musical works. Five of these were jazz and a number were from first time composers. Radio 3 also has many partnerships with organisations across the UK, such as the Royal Opera House, which members of the industry valued highly.

³ Source: BBC management schedule information

⁴ Source: BBC Pulse 5 Minex Survey September 2010

Audiences consider the remaining public purposes to be less important for Radio 3

While Radio 3's commitment to broadcasting music and arts from around the world is highly appreciated by audiences, delivery of the other public purposes – Nations, Regions and Communities, Citizenship and Emerging Communications – is considered less important by audiences.

As part of its contribution to the Nations, Regions and Communities purpose the station's service licence states *through its interactive aspects, such as message boards, Radio 3 should facilitate the creation of communities of interest*. In 2010 BBC management took the decision to close the majority of its network radio message boards including Radio 3's. In order to satisfy ourselves that this overall requirement is being met we therefore asked BBC management for other evidence that they were fulfilling this requirement. They set out a number of interactive aspects through which Radio 3 does this, including blogs, online content and social media. Based on this activity and evidence from our review, we believe this requirement is being fulfilled despite the closure of the Radio 3 message boards.

Action 4 – We have amended the service licence to remove the example of message boards from Radio 3's commitment to facilitate communities of interest

In order to reflect the changing nature of technology and the different ways in which this requirement can be delivered, we have amended the service licence to remove the specific example of message boards from this requirement. This will allow Radio 3 to adapt and evolve its interactive aspects as necessary, while ensuring the overall commitment is fulfilled.

This amendment will be implemented immediately.

Overall, we found that Radio 3 represents value for money for licence fee payers

Radio 3's sizeable service licence budget of £39.2million combined with lower levels of listening than the BBC's other network stations means that it has the highest cost per listener hour of the main radio stations. This high cost is due to the expensive nature of much of its output – particularly live and specially recorded music.

The perceived value for money amongst the Radio 3 audience is good, however, The cost-effectiveness of the station is also enhanced by the many non-broadcast ways in which it contributes to the UK artistic and cultural scene.

Radio 3's support of the BBC's performing groups accounts for around 20 per cent of its service licence budget but only 7 per cent of its broadcast output. While consultations in the course of this review left us in no doubt of the importance of the performing groups, there are sometimes tensions between their priorities and those of Radio 3, for instance in the types of music covered or the start time of live performances. In the course of this review, BBC management has proposed a review of levels of output from the performing

groups. We welcome this approach and have asked BBC management to also consider whether the objectives of the performance groups can be more closely aligned with the broadcast needs of the BBC, and how performance against these objectives can be monitored.

Action 5 – BBC management should review the levels of broadcast output from the performing groups

To help maintain and strengthen the valuable contribution of the performing groups we have asked BBC management to also consider:

- whether the objectives of the performing groups can be more closely aligned with the broadcast needs of the BBC, and how performance against these objectives can be monitored;
- whether the performing groups can become more accountable and transparent in their operation.

We expect BBC management to set the terms of reference of this review by summer 2011.

BBC Radio 4

Radio 4 sets the standard for high-quality speech radio and is seen by many as a 'national treasure'

Evidence suggests that Radio 4 is a very high-quality and distinctive service that delivers intelligent speech radio to a passionate and engaged audience. Throughout our review, audiences were able to cite programming across the schedule that they felt exemplified radio of the highest quality.

Around 80 per cent of the Radio 4 audience have a high general impression of this station.⁵ This is higher than for any other BBC network radio station. In our research, audiences pointed to a number of key drivers for these high levels of approval including the passion and knowledge of the presenters; the range and depth of programming; extremely high production standards; and an intelligent and challenging tone.

We also recognise that Radio 4 has a very important and prominent role in promoting the overall reputation of the BBC. Many respondents, both to our public and to our stakeholder consultations, noted that Radio 4 acts as a flagship service within the BBC's portfolio.

⁵ Source: Pan BBC Tracking Survey 2009-10, approval measured as those who give a score of 8 or more out of 10

Radio 4 is the third largest station in the UK and has the highest level of listening

Some 10 million adults – around 20 per cent of the UK population – tune into Radio 4 each week, which is an increase of half a million listeners in five years. They also listen for around 12½ hours per week, longer than listeners to any other UK wide radio station.⁶ These high levels of listening combined with the very strong appreciation of Radio 4 indicate that there are substantial levels of engagement between the audience and the station. Many respondents to our public consultation commented on how important Radio 4 was to their daily routine and around 85 per cent of respondents claimed to have listened to the station for over 10 years.

Due to its size and scale, Radio 4 is an extremely important service in the BBC's radio portfolio and contributes to its overall reach. Nearly 3 million adults only listen to Radio 4 and do not tune in to any other BBC radio station.⁷

BBC management is keen to ensure the long-term health of the station

Despite the extremely strong performance of Radio 4 in recent years, BBC management has some concerns about long-term decline in reach to the 'replenisher' audience group. This term refers to those who may have an interest in speech radio, but tend to be slightly younger and lighter listeners than the Radio 4 core audience. Reach amongst this group has fallen from 30.4 per cent in 2003-04 to 26.6 per cent in 2009-10.⁸ Radio 4 wants to *seek ways to build loyalty amongst younger, lighter listeners to encourage them to stay longer with the station*⁹ and has outlined a number of specific initiatives to do this. We endorse Radio 4's strategy of appealing to the 35-54 year old replenisher audience as an important way to secure the station's strong reach and healthy listening in the future.

Action 6 – Radio 4 should continue to target the replenisher audience in order to secure the station's core audience in the future

The BBC Trust endorses this broad strategy and the specific initiatives set out by BBC management to appeal to the replenisher audience group. This strategy should not, however, impact adversely on the reach to or listening experience of Radio 4's current audience and monitoring this impact should be part of BBC management's assessment of performance.

We require BBC management to report on its progress against this strategy and on its impact on the current audience in its regular performance reporting to the Trust.

⁶ Source: RAJAR 2009-10

⁷ Source: RAJAR 2009-10

⁸ Source: RAJAR 2009-10 – In order to measure performance amongst the 'replenisher' audience group, we define them as adults aged 35-54, from ABC1 households

⁹ BBC management submission

Listening is higher amongst certain audience groups

Radio 4's strong overall reach means that it attracts large numbers of listeners across a range of audience groups, reflecting its service licence remit *to appeal to listeners seeking intelligent programmes in many genres which inform, educate and entertain*.

Our analysis shows, however, that listening does vary significantly amongst different audience groups. Radio 4's weekly reach is higher amongst older audiences, those from better-off households, those living in London and the south east, and white audiences.¹⁰ This partly reflects the difference in audience taste for speech radio, which tends to be higher amongst older, better-off audiences. We also note that the BBC has a broad portfolio of services with different remits that are intended to serve audiences in different ways. We would therefore, expect levels of listening to vary significantly amongst different audience groups.

We support Radio 4's aim to increase its appeal amongst different demographic groups

BBC management acknowledges the difficult challenges faced by Radio 4 in broadening its appeal and reach amongst different demographic groups, in particular audiences from different parts of the country and those from black and minority ethnic backgrounds. They have set out a number of initiatives to address these challenges, such as *being clearer and more consistent about the origin of non-London productions in promotions and continuity announcements* and *promoting the station among minority ethnic opinion formers through special content and marketing events*. We support their aim to close these gaps where possible and will monitor progress against it. As well as the initiatives set out in this report, we have asked BBC management to continue to consider how Radio 4 can appeal to these groups as this is likely to be an ongoing and evolving challenge for the station.

Action 7 – Radio 4 should aim to increase appeal amongst different demographic groups

We endorse the initiatives outlined by BBC management to increase the levels of listening amongst audiences from different parts of the UK, and those from black and minority ethnic backgrounds.

As this will be an ongoing and evolving challenge BBC management should continue to consider how the station can appeal to different audience groups and to take action where necessary.

We will monitor Radio 4's performance amongst different demographic groups and report on this in the BBC Annual Report.

¹⁰ Source: RAJAR 2009-10

Radio 4 is making a substantial contribution to delivery of the BBC's public purposes

The vast majority of Radio 4 programming represents core public service broadcasting. This, combined with the high levels of audience listening and engagement, indicates that Radio 4 is making a very significant contribution to delivery of the purposes and is playing a key role in the BBC's public service mission.

Its news and current affairs output is at the heart of the service and is highly valued by listeners

News and current affairs accounts for over 45 per cent of all output on Radio 4 and is very important to overall perceptions of the station.¹¹ Our research shows that audiences have extremely high expectations of Radio 4 when it comes to providing high-quality independent news and current affairs. The station is living up to and even surpassing these expectations in most cases.

This content is critical to the station's overall performance. It attracts large audiences to Radio 4 and there are specific peaks in listening to key bulletins across the schedule. In particular, the *Today* programme's 6.7 million audience is a very important starting point for listening throughout the day.¹²

Given the importance of news and current affairs to the performance of Radio 4, it is vital the BBC News division and network management teams work well together. Our conversations with BBC management and the high reach, quality and impact of this programming suggest that they are. This will be further enhanced by the completion of the West One project which will see the BBC news teams and network management teams all located in Broadcasting House.

Radio 4 also contributes significantly to the creativity and culture and education and learning purposes

Evidence suggests that a wide range of content – both news and non-news – contributes to delivery of these purposes and generally meets audience expectations. Audiences are able to pick out a range of drama, comedy and factual programmes that demonstrate this.

We have found that audiences tend to be more positive towards the long-running established comedies than towards newer comedy programming on Radio 4. This is partly because appreciation of comedy is inherently subjective. We believe that comedy is an area where Radio 4 should take risks and promote fresh and new ideas. While we acknowledge that new comedy programmes may not always succeed we encourage Radio 4 to continue exploring new formats, ideas and talent.

In 2008-09 the definition of original documentaries on Radio 4 was changed to be more meaningful and include shorter documentary programmes that were previously uncounted. We have raised the minimum requirement in the service licence to reflect this redefinition.

¹¹ Source: BBC management schedule data

¹² Source: RAJAR, Monday – Saturday 2009-10

Action 8 – We have increased the minimum hours of original documentaries required in the Radio 4 service licence

From 2011-12 Radio 4 must broadcast at least 350 hours of original documentaries each year.

We have implemented this change immediately.

Audiences feel that Radio 4 is falling short of their expectations in delivering the Nations, Regions and Community purpose

Our research shows that while audiences think this purpose is less important than others for Radio 4 they also feel that it is not living up to their expectations, with particular gaps around providing programmes and content that caters for different regions. This research is corroborated by submissions from our Audience Councils who feel that performance against this purpose is variable.

We recognise that this is a challenge for the BBC overall. We believe that Radio 4's ambitions to increase listening and engagement with audiences that are further away from London will help address these gaps to some extent.

BBC management should consider Radio 4's role in sports coverage

Radio 4's long-wave service regularly covers test match cricket which is highly appreciated by audiences. During this review, UTV, the operator of TalkSport radio, expressed concern that the Radio 4 service licence is not sufficiently clear in relation to the station's role in sports coverage. We accept this and believe that it is appropriate for the service licence to provide more clarity regarding Radio 4's role regarding sport. We have therefore asked BBC management to consider what role Radio 4 has in this area, and how it fits within the BBC radio's overall provision of sports coverage. We will then amend the service licence as necessary.

Action 9 – BBC management should consider Radio 4's role in sports coverage

This consideration should take into account Radio 4's role within BBC radio's overall sports coverage.

We have asked BBC management to respond by summer 2011.

Audiences rate Radio 4 very highly for its delivery of the global purpose

They are particularly positive about its coverage of international news events. Respondents to our consultation and research raised some concerns, however, that Radio 4's international coverage was too focused on America compared with Europe or the rest of the world. We have asked BBC management to address these concerns.

Action 10 – Radio 4 should consider the balance of its international coverage

Radio 4 should address audience concerns about the imbalance of its international coverage in favour of America compared with Europe and the rest of the world.

We have asked BBC management to respond to these concerns by summer 2011.

We found that Radio 4 is playing a strong role in promoting new technologies

While the majority of its listening remains on the analogue platforms, DAB radio has become an important platform for Radio 4. Twenty-seven per cent of listening on Radio 4 is via the DAB platform – much higher than the UK radio average of 15 per cent.¹³ In terms of absolute volume, this means that Radio 4 has the highest amount of DAB listening compared with any other UK station.

Radio 4 also encourages audiences to try new technologies through its on-demand and podcast offerings, and these have higher levels of take-up than any other BBC station.

Radio 4 is the most expensive BBC radio service but represents excellent value for money overall

Radio 4's current service licence budget of nearly £91.3million is nearly double that of the next most expensive BBC radio station. As with Radio 3, this high cost is due to the distinctive nature of much of its content – particularly its high-quality journalism and originated drama and comedy. Very strong performance in terms of reach, quality and impact, however, means that it is cost-effective.

BBC Radio 7

We have found that Radio 7 is much loved by its audience

Evidence from our research and public consultation shows that the audience has a great deal of affection for Radio 7. Listeners greatly value the opportunity to hear archive BBC radio content, which they say is enjoyable, engaging and light-hearted. Some cherish the opportunity to listen again to this archive content, while others are discovering classic content for the first time.

Despite the high audience overlap between Radio 7 and Radio 4, audiences identify a marked difference in tone between these two stations and associate Radio 7 with

¹³ Source: RAJAR Q1 2010

escapism, nostalgia and entertainment, compared with more factual and topical associations of Radio 4.

Radio 7 has been a successful digital station despite having the lowest awareness of any BBC network station

Since Radio 7 launched in 2003, weekly reach has grown considerably to around 925,000 in 2009-10,¹⁴ and just recently broke the 1 million barrier. This performance is particularly strong given that at 17 per cent awareness of Radio 7 is the lowest of all BBC network stations and has been steady at around that level for several years.¹⁵

Radio 7 makes a strong contribution to delivery of the Creativity and Culture purpose – principally through its comedy and drama

Despite the vast majority of Radio 7 output being archive content, audiences perceive it positively as 'yesterday's creativity.' In addition, they feel that the nature and packaging of Radio 7 is in itself creative and makes the station very distinctive compared with other BBC and commercial radio.

The station only broadcasts a small amount of non-archive programming – the vast majority of which is children's radio. Only around 47 hours per year are UK originated comedy, drama and readings. It is difficult to measure the performance and impact of these originations due to low levels of broadcast output and relatively low listening. However, our consultation suggests that audiences most readily associate Radio 7 with comedy and the station has helped nurture talent in this area. We believe that Radio 7 can build on and develop this reputation for comedy programming.

The dedicated children's output on Radio 7 has very low levels of listening and is not contributing to the education and learning purpose as set out in the service licence

The service licence states that Radio 7 should be the home of children's radio and the station broadcasts around 4 hours of dedicated content per day. However, our analysis shows that this only reaches a very small number of children each week. In fact, more children actually listen to other parts of the schedule than to content specifically designed for them.¹⁶ In addition, this programming results in significant dips in listening throughout the schedule and some of the audience have told us that it does not sit well on a primarily adult network.

Some of the audience do, however, recognise the contribution that Radio 7 makes to children's listening, particularly as an alternative to television. They think that many of the readings and adaptations (both bespoke for children and other content) contribute to children's formal and informal education.

We discuss children's audio strategy in the section on key strategy initiatives which follows.

¹⁴ Source: RAJAR 2009-10

¹⁵ Source: Pan BBC Tracking Survey

¹⁶ Source: RAJAR 2009-10, note that small sample sizes so indicative only

Key Strategy Initiatives

BBC archive – Permanent Collections

In the course of this review, BBC management has proposed to develop part of the archive offering into permanent collections

Radio 3 and Radio 4 currently make a small amount of content permanently available on their programme websites. They would like to increase the amount of archive content available to approximately 420 hours per year for Radio 3 and 1,000 hours per year for Radio 4. They propose to focus these collections on knowledge, culture and arts programming and they will look to curate these permanent collections in ways that complement and support the linear broadcast service.

This archive content will be programming that has little or no commercial value, and will be subject to relevant rights approvals and windowing policies.

We believe that these permanent collections will aid the delivery of the BBC's public purposes

The programming that BBC management wants to curate in these permanent collections is high-quality, distinctive and reflects the public purposes. We endorse BBC management's ambition to increase the delivery of the purposes through increasing opportunities to hear this programming. It will be important, therefore, to make audiences aware of these collections and we support BBC management's plans to link these to high-profile linear broadcast seasons where possible.

These proposals involve relatively low costs, primarily relating to the rights, which will be contained within the service licence budget.

We approve the proposals for the permanent collections for Radio 3 and Radio 4. This will require a number of changes to the key characteristics of the service licences. We have assessed the significance of these changes against the criteria in clause 25 of the BBC Agreement and concluded that they are not significant. This assessment is set out in the Trust's decision on BBC's Permanent Collections for Radio 3, Radio 4 and BBC Four, which can be found on our website.

Action 11 – We approve BBC management's proposals for the permanent collections for Radio 3 and Radio 4

These proposals will increase the amount of archive programming made permanently available on the Radio 3 and Radio 4 programme sites. This programming will focus on knowledge, culture and arts, and will be curated in permanent collections that will complement and support the linear broadcast service.

These proposals require a number of changes to the service licences which are set out in annex 1.

These changes have been implemented immediately.

Radio 4 Extra

In the course of this review, BBC management has proposed to reposition Radio 7 as Radio 4 Extra

This proposal has three elements:

- closer editorial ties with Radio 4
- doubling the level of cross promotion
- rebranding the station as Radio 4 Extra

Overall, this proposal is intended to increase the reach and appeal of the service. BBC management also believes it will promote DAB listening. We endorse these ambitions.

We received a mixed response to this proposal in our consultation

Although we were not able to provide a significant amount of detail, we asked the public for their initial thoughts on this proposal. Overall, there was a fairly even balance between those who were positive and those who were negative about the proposal. This split applies both to responses from the public and those from organisations.

We recognise the value of closer editorial ties with Radio 4 and welcome the commitment to increase the levels of cross promotion

On the whole, we believe that these two aspects of the proposal will help to encourage audiences to sample Radio 7. These proposals are particularly likely to encourage the large proportion of the Radio 4 audience who currently neither listen to, nor are aware of Radio 7.

The specific rebrand from Radio 7 to Radio 4 Extra is primarily a matter for BBC management. Although the first two aspects of this strategy – the closer editorial ties with Radio 4 and the doubling of cross promotion – do not necessarily require Radio 7 to be rebranded as Radio 4 Extra, BBC management are confident that this will be far more effective in helping to build awareness of the station.

We endorse BBC management's proposal to reposition Radio 7 as Radio 4 Extra but will protect the current elements of Radio 7 that audiences particularly value

After considering the available evidence we endorse BBC management's proposal to reposition Radio 7 as Radio 4 Extra. Other than renaming the service, this proposal does not require any changes to the service licence. The title of the service is not considered a key characteristic of the service licence. Therefore, this change does not carry the presumption of a public value test. In addition, BBC management's fair trading assessment has concluded that this proposal is unlikely to have any significant negative impacts on competition.

However, our review has found that audiences greatly appreciate the content, style and tone of Radio 7 and cherish the opportunity to hear classic BBC radio comedy and drama. They also identify and appreciate the difference in listening experience between Radio 7 and Radio 4. In order to protect this, we have strengthened the service licence so that Radio 7's weekly commitment to comedy and drama is increased, and ensured that no more than 15 per cent of Radio 4 Extra output across the year is Radio 4 catch-up programming. These amendments to the service licence are set out in annex 1.

We will monitor closely the effectiveness of this strategy, and have asked that BBC management reports this to the Trust on a regular basis. In doing so, we have asked them to assess what impact this change has had on the current Radio 4 and Radio 7 audiences in order to monitor how much disruption there has been.

Action 12 – We endorse BBC management's proposal to reposition Radio 7 as Radio 4 Extra

This change will involve:

- closer editorial ties with Radio 4
- doubling the level of cross promotion
- rebranding the station as Radio 4 Extra.

Other than the change in title, BBC management's proposals do not require any changes to the service licence.

In order to protect the elements of Radio 7 that audiences particularly value, we have, however, made changes to the service licence that will:

- increase the minimum hours of comedy each week from 50 to 55;
- increase the minimum hours of drama each week from 50 to 55;
- ensure that no more than 15 per cent of output across the year is Radio 4 catch-up programming.

We have asked BBC management to report the effectiveness of this strategy to the Trust on a regular basis. In particular, this reporting should monitor the impact on the current Radio 7 and Radio 4 audiences.

Children's Audio Strategy

The BBC has found it challenging to serve children through radio

Our review of services for children in 2009 found that awareness and reach of content for children was very low. Since that point BBC management has reviewed how the BBC might best serve children through radio. Their strategy has three elements:

- a focus on family-friendly content for older children on Radio 4 Extra with a reduction in the overall volume of required hours from 1400 to 350 per annum;

- creation of CBeebies pre-school audio available for download from the CBeebies website;
- commercial release of children's radio archive for secondary broadcast by third parties.

We regret that our evidence shows that the BBC's attempt to serve children through dedicated programming on Radio 7 is not successful

Despite a variety of attempts made by the BBC, the current children's radio programming is not performing well across the reach, quality, impact and value for money framework. It is also detrimental to the performance of the station overall and does not sit well on a primarily adult network.

We believe that the proposals for a family-friendly slot on Radio 7 have the potential to strengthen the BBC's provision of speech radio for older children

BBC management believes that their proposal to reduce the overall hours of children's programming from 1400 to 350 and refocus it on family-friendly content will result in a stronger speech service for children. They believe that this content will attract larger audiences – both children and adults – and delivery of public value will be enhanced.

We believe that this proposal acknowledges both the dynamics of the how children listen to the radio and the fact that, as a station primarily aimed at adults, the content has to appeal effectively to both children and adults. We feel that the family-focused programming has the potential to increase listening, and hence the delivery of the public purposes, and approve it accordingly.

The BBC faces a much more difficult challenge to serve younger children through radio

Younger children, those aged 6 and under, are a vital audience for the BBC and one that the BBC has found much more challenging to cater for on the radio. Based on our understanding and analysis of listening behaviour, we doubt that programming aimed at young children can sit comfortably on a primarily adult network.

To serve young children, BBC management plans to create CBeebies audio content available for download

Our analysis suggests that there may be some potential appeal amongst audiences for this content available for download. This way of accessing content is likely to be more relevant and useful to parents and carers than listening to a linear radio broadcast.

Therefore, we approve BBC management's proposal to create CBeebies audio content available for download from the CBeebies website.

Both these proposals will require some promotion to make audiences aware of them. BBC management states that there will be a website highlighting the family-friendly content available. There will also be cross promotion for the CBeebies radio content from other CBeebies areas. While we welcome these initiatives we think that as much as possible

should be done to promote this content and have asked BBC management to consider how best to do this more extensively.

We support BBC management's decision to prioritise the release of children's archive radio content to third parties

We are pleased that BBC management has set up a framework to allow commercial release of children's radio archive for secondary broadcast by third parties. This should enable negotiations with Fun Kids radio and other providers of children's audio programmes to be concluded speedily.

We believe that there is significant value in working with third parties and making children's archive content available for rebroadcast. This is particularly the case in areas such as children's radio where there is little provision in the market overall and where the BBC has found it increasingly difficult to serve younger children on its broad appeal services.

These proposals require a number changes to the service licences

We have set out the specific details of these amendments in annex 1. As these are amendments to the key characteristics of the service licences, they carry the presumption that the Trust considers applying a public value test. We have assessed their significance against the criteria in Clause 25 of the BBC Agreement and have concluded that these changes are not significant and therefore do not require the application of a public value test. This assessment is set out in the Trust's decision in the BBC's Strategy for Children's Audio, which can be found on our website.

Action 13 – We approve BBC management's strategy for children's audio

This proposal involves:

- a focus on family-friendly content for older children on Radio 7, and a reduction in the required hours from 1400 to 350
- creation of CBeebies pre-school audio available for download from the CBeebies website
- commercial release of children's radio archive for secondary broadcast by third parties.

We have amended the Radio 7 and CBeebies service licences accordingly.

In order to ensure that audiences are aware of both the family-focused strand and the CBeebies pre-school audio content available for download from the CBeebies website, we have asked BBC management to consider what they can do to build awareness.

We require BBC management to monitor the performance of this strategy and report this regularly as part of their overall assessment of Radio 4 Extra. In doing so, BBC management must consider how to track children's listening effectively given the changes to the RAJAR methodology.

Main Report

- 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 Radio 3, BBC Radio 4 and BBC Radio 7

Review Scope

- 2 We published the terms of reference for this review when it was launched in June 2010. The high level questions we set out to consider are:
 - **How well are these services performing against the terms of their service licence and the Reach, Quality, Impact and Value for money performance framework?**
 - **What is the future strategic direction for these services?**
 - **Should the service licences for these services be changed?**
- 3 We have treated the following areas as out of our scope:
 - **Editorial controls** – The Audio & Music division undertook a major review of its editorial compliance following editorial lapses in October 2008. That review has significantly strengthened the editorial control of the BBC radio services and has been independently verified by Trust.
 - **Editorial standards and impartiality** – The Trust looks to its Editorial Standards Committee to consider editorial standards issues at a strategic level as part of its ongoing work.
 - **Out of London and Independent Supply** – The BBC Executive board has recently reviewed out of London supply to the network radio stations. In addition, the Trust has recently assessed the independent supply quota for network radio.
 - **BBC Proms and BBC Performing Groups** – These will be considered in so far as they impact on the services under review. The BBC Proms and the BBC's performing groups will not, however, be subject to a full performance review as part of this process

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, David Liddiment. We gathered evidence from a wide range of sources which are summarised below:
 - **Public consultation** – We used the service licences to develop a set of questions for public consultation. The consultation ran for 12 weeks from 3 June-26 August 2010 and we received around 16,500 responses from licence fee payers, organisations and the Trust's Audience Councils in England, Northern

Ireland, Scotland and Wales. These Councils are chaired by the BBC Trust member for that nation and have links with various local communities in their area. The Councils organise events and activities to advise the Trust on how well the BBC is serving licence fee payers in different parts of the UK. In addition we received formal submissions from the BBC Executive board with regard to each service.

- **Performance data analysis** – We analysed data using the BBC's RQIV performance framework which considers four drivers of public value – reach, quality, impact and value for money. This framework is set out in Figure 1

Figure 1: The BBC's RQIV Performance Framework

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.

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

Impact – The extent to which BBC content creates public value by delivering 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**

The Trust conducts an annual purpose remit survey to assess the delivery of the purposes. In this we ask respondents for their views on the importance they attach to the purpose priorities and on the BBC's current effectiveness in delivering them. Where the importance is higher than the performance, we label this a performance gap.

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 26,000 weekly listening diaries filled out each quarter. All RAJAR data quoted in this report is based on the full financial year 2009-10 for adults aged 15+ unless otherwise stated

- online usage 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 Optimisa Research to undertake a qualitative and quantitative piece of research. This helped inform us as to how well these services were delivering against the BBC's public purposes and helped explore and define audience perceptions of quality for each of these services. The quantitative element of this work was conducted in the same way as the BBC's annual purpose remit survey to allow us to draw broad comparisons where relevant. The 'importance' and 'performance' scores for each purpose statement for Radio 3 and Radio 4 are set out in annexes to this report.
 - **Interviews** – We explored the issues raised during our review through interviews with people within the BBC, as well as through stakeholder and interest group engagement.
- 5 Further information about the Trust's approach to service reviews can be found on the BBC Trust website at www.bbc.co.uk/bbctrust.

Report Structure

- 6 The main body of this report will consider the performance of each service in turn. Where we think action is required to improve performance or shape the future direction of the services, this is noted by highlighted actions. The final section of this report considers a number of key strategic initiatives that have been proposed by BBC management in the course of this review.

BBC Radio 3

Radio 3 is greatly valued by a relatively small but loyal audience who appreciate its intelligent, thoughtful and committed tone and content. Radio 3 contributes significantly to the BBC's public purposes through its focus on high-quality classical music and its breadth of output covering jazz, world music, arts and culture. Its continuing challenge is to develop a welcoming and accessible tone while maintaining its core commitment to high-quality and distinctive music and arts programming

Quality

Radio 3 offers high-quality and distinctive content

- 7 Evidence gathered during this review shows that the audience considers Radio 3 to be high-quality and distinctive compared both with commercial competitors and with other BBC services. The vast majority of respondents to our public consultation were very positive about Radio 3 and believed it was of very high quality. The station explores and celebrates music, arts and culture and this is a vital element of its distinctiveness. Respondents cited the range of outstanding music – primarily classical, but also jazz and world music – as a key driver of this perception.
- 8 Around 60 per cent of listeners to the station are high approvers.¹⁷ While this is slightly lower than the average for BBC network radio, this figure has increased consistently over the last five years. BBC audience surveys also reveal a high appreciation for many Radio 3 programmes. In 2009-10, programmes on Radio 3 had an average appreciation index (AI) of 81. This is higher than the average for BBC radio, which is 79, although slightly lower than Classic FM's at 83.¹⁸
- 9 Our audience research also considered quality perceptions of Radio 3. Around half of the respondents gave the station a score of 8 or more out of 10, and only 1 per cent felt that the quality of Radio 3 was poor (giving a score of 3 or less out of 10). This research found that the high quality perceptions of Radio 3 were based on:
 - **Music** – demonstrated by a deep understanding and appreciation of classical music;
 - **Informative style** – reflected by the depth of information and history about music often delivered by the presenters and the perception that a lot of research had been put into the output;

¹⁷ Source: Pan BBC Tracking Survey 2009-10, 'high approvers' are those who give a score of 8 or more out of 10

¹⁸ Source: AI (audience Appreciation Index) is measured using the BBC's Pulse survey. Audiences are asked to rate programming out of 10 and this is aggregated into an index out of 100.

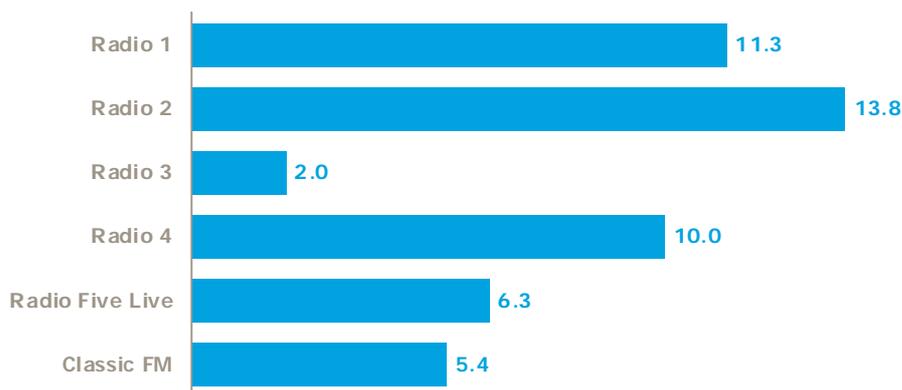
- **Tone** – evident in the intelligent and enthusiastic tone of the station. The presenters were seen as passionate and thoughtful;
- **Production** – quality radio production was demonstrated by the clarity of the sound and smooth production as well as the overall ‘package’ – the branding and feel of Radio 3 - which was seen as modern and full of character.

Reach

Radio 3 attracts a relatively low but loyal audience

- 10 Each week in 2009-10 Radio 3 reached around 2 million adults, approximately 3.9 per cent of the UK adult population.¹⁹ This is significantly lower than any other BBC network radio station and also much lower than Classic FM, the main commercial radio provider of classical music, as set out in Figure 2.

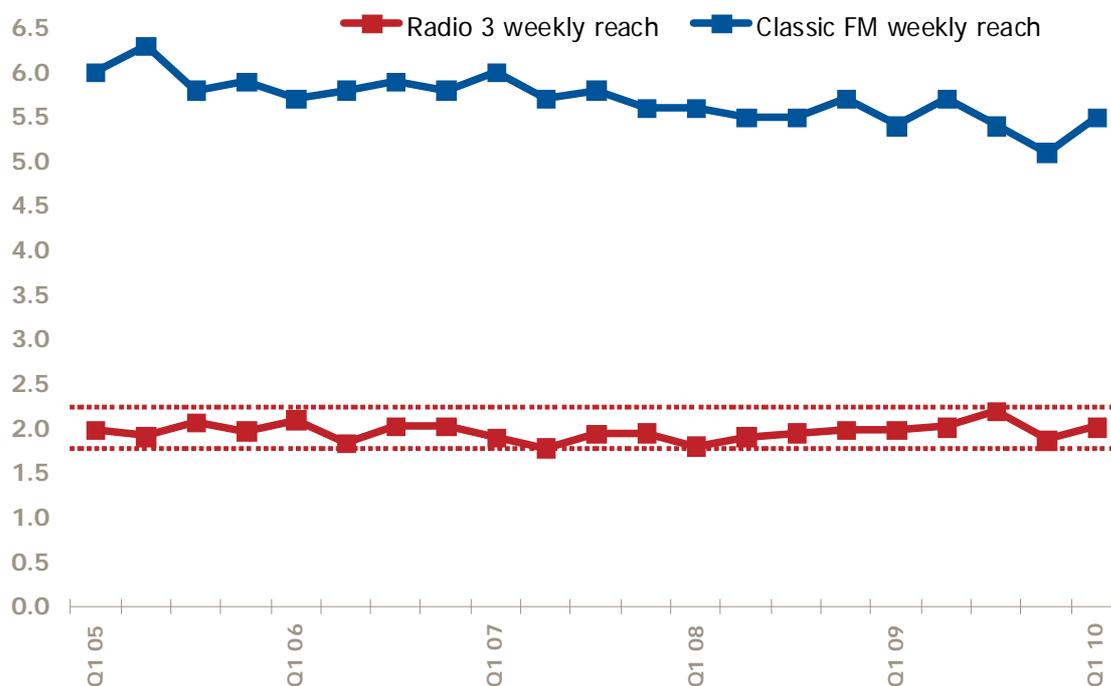
Figure 2: Weekly reach (millions) for BBC network radio stations and Classic FM



Source: RAJAR 2009-10

- 11 Radio 3's reach has been very stable over the last five years. While there are some slight variations each quarter, Radio 3 consistently attracts between 1.8 million and 2.2 million listeners each week. This contrasts with the declining reach of Classic FM, which has fallen by over 10 per cent over the same time period, and suggests that maintaining overall reach can be considered to be a positive performance. This is shown in Figure 3.

¹⁹ Source: RAJAR 2009-10

Figure 3: Quarterly reach for Radio 3 and Classic FM

Source: RAJAR

- 12 We also note that the performance of Radio 3 is in line with similarly focused stations across Europe. According to European Broadcasting Union figures from 2007, Radio 3 achieves an audience share that is average for stations with a similar emphasis, that of classical music, live performance, context and interpretation, and cultural insights. This is a positive indicator for Radio 3 as most European countries do not have a strong commercial provider of classical music such as Classic FM.
- 13 The average Radio 3 listener tunes in for just over 6 hours each week, less than for any other BBC network radio station. However, listening hours for Radio 3 have been stable over a five-year period in contrast to long term reductions in listening hours for BBC network radio and radio overall.²⁰
- 14 Due to the relative size of Radio 3, the majority of its audience consume many other BBC services. Nearly 9 out of every 10 Radio 3 listeners also listen to one of the other BBC radio stations, leaving around 200,000 adults who only listen to Radio 3. In comparison, Radio 1 has the highest level of unique reach with just less than half of listeners tuning into another BBC radio station. The Radio 3 audience is effectively a subset of a much larger Radio 4 audience. Our analysis of listening behaviour shows that 1.5 million out of Radio 3's 2 million audience also listen to Radio 4.²¹

Radio 3 and Classic FM have largely complementary audiences

- 15 There is some cross-over between the Radio 3 and Classic FM audiences. Around 843,000 adults listen to both stations. This group of listeners represents around 16 per cent of

²⁰ Source: RAJAR, 2005-06 – 2009-10

²¹ Source: RAJAR 2009-10

Classic FM's audience. The level of audience cross-over has been stable with little change between 2002-03 and 2009-10. Over the same period, the reach of Classic FM has fallen by over 1 million listeners.²² This suggests that Radio 3 is not proving to be an alternative for Classic FM listeners and is not a cause of its declining listening figures.

- 16 In its submission to this review, RadioCentre supports this view by noting that *to date, Radio 3 and Classic FM have largely fulfilled complementary and symbiotic roles*. They have however, raised some concerns regarding their perception that Radio 3's audience proposition is becoming more like that of Classic FM, which we have considered below.

We have heard concerns that Radio 3's attempts to be more accessible have led to reductions in the levels of quality and distinctiveness

- 17 Over recent years, BBC management has made changes to the tone, content and schedule of Radio 3 in order to make the station more accessible and welcoming to potential listeners, particularly in peak-time slots (breakfast and drive time) as these are the key entry points for potential listeners.
- 18 In its submission to this review RadioCentre states that certain elements of the Radio 3 schedule point to an increasing popularisation of the service and indicate a dilution of its core public service output. They believe that this is occurring particularly in Radio 3's breakfast and drive-time programming. Similar views were expressed by the Friends of Radio 3 listener group, the Voice of the Listener and Viewer organisation and the Incorporated Society of Musicians. In addition, a very small minority of respondents to our public consultation suggested that Radio 3 was not as good as it used to be and that there had been a reduction in quality. However, the vast majority of respondents did not raise this concern.
- 19 We acknowledge that the editorial policy that BBC management has pursued in recent years – to develop a more welcoming and accessible tone in the peak-time listening slots – has changed the nature of the programmes during these hours. We believe that this has been a legitimate attempt to appeal to potential listeners and has helped to maintain reach and listening in challenging circumstances. However, we accept that, for a small minority of Radio 3's audience, the changes that have been made to the Radio 3 breakfast and drive-time programmes may not be welcome or appreciated.
- 20 We have found no compelling evidence in our review that the quality of Radio 3 output is diminishing, or that these changes have alienated the core audience or reduced the delivery of public value in any way. As outlined earlier, overall quality indicators remain very high. Specific analysis of the Radio 3 breakfast programme shows that audience appreciation scores have actually risen steadily since it rebranded from *Morning on Three* to *Breakfast* in 2007. Listening levels to this programme fell slightly following this rebranding but have since recovered. We also note that Radio 3 continues to demonstrate its commitment to high-quality music and arts in a number of ways. This includes its wide range of music; broadcasting of full-length pieces; focus on live performances and support of UK orchestras.

²² Source: RAJAR 2009-10

Our research shows that some listeners can find the tone of Radio 3 inaccessible at times

- 21 While Radio 3's intellectual and exploratory nature is a strength for much of its audience, our research shows that some listeners feel that Radio 3 can sound slightly heavy and inaccessible at times. This is particularly evident amongst lighter listeners, who see the station as being aimed more exclusively at music connoisseurs. Submissions from our Audience Councils also suggested that while Radio 3's challenging and distinctive nature was a clear asset, there were times when the station could sound elitist.
- 22 We believe that there remains a widespread interest in high-quality classical, jazz and world music as evidenced by healthy attendances to live concerts. Responses to our consultation, submissions from our Audience Councils and our conversations with members of the industry also suggested that there was a clear appetite for the content that Radio 3 provides.
- 23 Given these factors, we believe that Radio 3 does have some potential to continue to increase its appeal by becoming more welcoming and accessible – particularly in key entry points such as breakfast and drive time.

We believe that Radio 3 should continue to look for ways to be more accessible and welcoming

- 24 We endorse Radio 3's broad strategy to look for ways to be more accessible and welcoming. In their submission to this review, BBC management stated their intention to continue with this approach in order to encourage sampling amongst audiences. We believe there is some potential to extend the core audience to those who might appreciate the station's distinctive and challenging offer but who are discouraged from listening by their perception that it can at times be inaccessible and daunting. Developing a welcoming tone, particularly in the breakfast and drive-time slots, will encourage these potential listeners to sample the high-quality programming on offer which will in turn increase Radio 3's delivery of the public purposes.
- 25 While we support this approach, however, we do not regard the maximisation of reach as a primary goal for the station. We recognise that the nature of Radio 3's output – so long as it remains true to its core values – means that there is a natural limit to its overall audience size. The station's distinctiveness and exploration of a wide range of challenging music, which we applaud, inevitably means there will be a limit to its overall appeal. Radio 3's key measures of success remain how well it delivers high-quality music and arts, as well as protecting the important cultural role it plays in the UK arts environment.
- 26 We are aware that there are ways in which Radio 3 could more actively target new listeners. In particular, it could pursue a far more populist approach by abandoning its commitment to a wide range of challenging music, or by playing much shorter excerpts of orchestral pieces. However, such an approach would significantly jeopardise and damage those elements that make Radio 3 distinctive and highly valued. Such a strategy would not be welcomed by either audiences or industry.

We are clear that this broad strategy should not come at the cost of quality and distinctiveness

- 27 These are at the heart of Radio 3 and will continue to be the most important attributes for the station. While we would welcome increases in listening amongst those audiences who may currently be put off by their perceptions of Radio 3 as inaccessible, the station should in no way compromise its core commitment to high-quality music and arts. In any case, a reduction in quality and distinctiveness would be counterproductive as it would alienate the current, loyal audience.
- 28 We recognise that there is a delicate balance for Radio 3 to achieve between becoming more accessible and welcoming on one hand while remaining ambitious and challenging on the other. We will continue to monitor the station's performance with this mind.

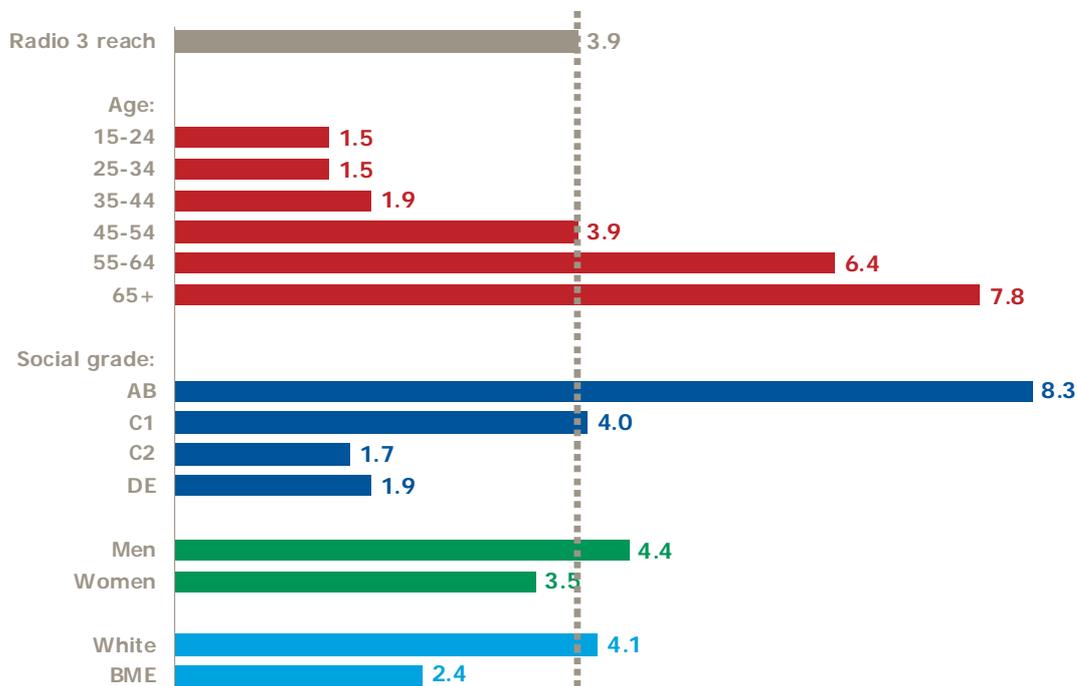
Action 1 – Radio 3 should continue to look for ways to be more accessible and welcoming

We endorse the broad strategy of making Radio 3 more accessible and welcoming to potential listeners, particularly in the breakfast and drive-time slots. This strategy should not, however, reduce the high levels of quality and distinctiveness on Radio 3, nor alienate the core audience.

We require that BBC management assess the impact of this strategy and report this to this Trust, as part of their regular performance reporting.

Radio 3 reach is higher amongst older and better-off audiences

- 29 As shown by Figure 4, the majority of listeners to Radio 3 are aged over 55 and come from better-off households. Reach is more than double the UK adult average amongst these groups and four times higher than amongst younger adults and those from less well-off backgrounds. In addition, reach is much lower amongst black and minority ethnic audiences than for white audiences. These differences in listening are evident across all three radio stations being reviewed and represent significant challenges for the BBC overall.

Figure 4: Weekly reach for Radio 3 by audience demographic (% of UK adults)

Source: RAJAR 2009-10

- 30 Listening to Radio 3 also varies significantly by nation and region. The areas with the highest reach are those in the south and south east of the UK. In contrast, the devolved nations, along with the midlands and the north of England all have much lower reach. Similar geographic patterns are seen for other audience measures such as share and listening hours. While these patterns are linked to the variations in age and prosperity across the nations and regions, those do not fully explain the lower reach. We have analysed the levels of listening to Radio 3 taking them into account and found that there are still significant differences in reach across the country.
- 31 To some extent, the performance of Radio 3 amongst different demographic groups reflects a difference in taste. For instance, younger audiences and those from less well-off households are more likely to be interested in other types of music. Similarly, there is a relatively higher attendance at classical music venues in the south and south east than there is in other parts of the country.
- 32 In their submissions to this review, the BBC Trust Audience Councils considered the national and regional variation in Radio 3 listening. They felt that there was a strong appetite for high-quality music and arts amongst audiences across the nations and regions of the UK which, to a large extent, Radio 3 fulfilled. However, they believed that there was some scope to increase reach and appeal in the nations and regions as, despite some of the efforts of the network, a perception persisted that the tone, style and output was often metropolitan. Although the Councils believed there could be better reflection of the nations and regions in the broadcast content, they generally pointed to other levers which could help increase performance, such as marketing, cross promotion and live events. The Councils also noted that Radio 3 performance should not be seen in isolation from that of the rest of the BBC portfolio and recognised that interests in individual services would naturally vary between different communities and audience groups.

While Radio 3 is the BBC's classical music flagship, other BBC services have a role to play in making great music accessible to audiences

- 33 We believe that the BBC has a responsibility for making classical, jazz and world music, as well as other arts and cultural content, available and appealing to all licence fee payers. In fulfilling this responsibility, Radio 3 has a prominent role as it is the BBC's flagship channel in many of these areas. As well as the programmes it broadcasts, Radio 3 has an equally important cultural role in promoting and celebrating this music across the UK. Audiences and stakeholders recognise this.
- 34 The service licence for Radio 3 states that it should *appeal to listeners of any age seeking to expand their cultural horizons through engagement with the world of music and arts*. Whilst our analysis shows that Radio 3 struggles to reach certain audiences we note that there are other services within the BBC's portfolio – across both television and radio – that also have an important role in making great music and arts accessible to a wide audience.
- 35 The scale and appeal of many BBC services are much greater than those of Radio 3, particularly amongst certain demographic groups, and may therefore be effective in complementing Radio 3's delivery of this content. We believe that a coordinated approach can make more impact and note the success that the BBC has had with its poetry and opera seasons. In addition, a number of organisations felt that Radio 3 could more effectively reach these audiences when working in conjunction with other BBC services.

To help promote classical music across the BBC portfolio, BBC management has recently established a classical music board

- 36 This is chaired by the Controller of Radio 3 and has responsibility for developing and creating cross-platform ideas that will promote this programming across the BBC. The classical music board has representatives from various parts of the BBC who provide classical music output for television, radio, interactive services and the Proms, as well as representatives from marketing, communications and audiences. We believe that this is a good example of coordination across divisions and services that has resulted in highly regarded cross-platform programming such as the opera season. We welcome this development and encourage BBC management to adopt a portfolio approach when considering how best to deliver classical, jazz and world music to all licence fee payers.

Action 2 – BBC management should consider how the BBC can best deliver classical, jazz and world music to all licence fee payers

They should set out how Radio 3 can best work alongside other BBC services and events to deliver this overall responsibility. In particular, BBC management should consider how the BBC can effectively make this content available and appealing to those audiences which Radio 3 struggles to reach.

We have asked BBC management to report back on this by summer 2011.

Radio 3 has a high proportion of DAB listening

- 37 In the first quarter of 2010, 26.6 per cent of the listening to Radio 3 was via the DAB radio platform. This is higher than for any other network radio station, reflecting the strong use of DAB radios amongst Radio 3's audience. In contrast, only 3.5 per cent of listening was via digital television and around 2.6 per cent was via the internet,²³ lower than the average proportion of listening via these platforms. Again, this is largely due to the demographic breakdown of its audience.
- 38 Radio 3's website has low usage with around 50,000 unique browsers each week.²⁴ This is the lowest of all BBC network radio websites. Similarly, usage of the station's podcasts is also lower than for the other BBC stations at around 91,000 downloads per month.²⁵ Due to the high music content on Radio 3, there are far fewer podcasts available.

Impact

Radio 3 is making a significant contribution to delivery of the BBC public purposes to its audience

- 39 Radio 3's high quality and distinctive output contributes significantly to the delivery of the BBC's public purposes. As illustrated by Figure 5 the service performs particularly strongly for the Education and Creativity purposes. However, Radio 3's overall contribution is limited given its relatively low reach. Therefore, Radio 3's ambition to appeal to a broader audience should help to increase the delivery of the purposes.

Figure 5: Audience ranking of public purposes for Radio 3



Source: Optimisa Audience Research

²³ Source: RAJAR, Q1 2010

²⁴ Source: SAGE/iStats Q1 2010

²⁵ Source: BBC server logs Q1 2010

Radio 3 is meeting its service licence commitments

- 40 Radio 3 is required to make a contribution to the BBC's public purposes by meeting a number of output requirements as specified in its service licence. Table 1 shows that Radio 3 met all of these requirements in 2009-10.

Table 1: Radio 3's performance against its service licence commitments

Purpose	Commitment	2009-10
Stimulating Creativity and Cultural Excellence	Ensure that at least 50% of the station's music output will consist of live or specially recorded music each year	57%
	Broadcast at least 500 live or specially recorded performances each year	569
	Commission at least 30 new musical works each year	39
	Broadcast at least 35 new drama productions each year	43
	Contribute to BBC Radio's commitment to commission at least 10% of eligible programmes from independent producers	16%
Promoting Education and Learning	Broadcast at least 30 new documentaries on arts and cultural topics each year	49
Reflecting the UK's Nations, Regions and Communities	Ensure that at least 40% of relevant spend is incurred outside the M25 area each year	44%

Source: BBC annual figures 2009-10

Stimulating Creativity and Cultural Excellence

High-quality classical music is at the heart of Radio 3

- 41 Radio 3's contribution to delivering this purpose is driven by the high-quality classical music that it broadcasts throughout the schedule. Our evidence suggests that audiences are very positive about the wide range of high-quality classical musical and see this as key to the station's appeal.
- 42 Our research shows that the provision of this music is fundamental to perceptions of Radio 3. Eighty-eight per cent of respondents agreed that it was important that *BBC Radio 3 helps me enjoy my interest in music*. Audiences ranked this statement higher than any other in our research, indicating how critical this is. Eighty-four per cent of the audience

stated that it performed well against this statement. Our qualitative research sessions revealed that audiences felt that the inherent creativity and quality of the music was important, along with the emphasis that the station placed on the musical output. This is further enhanced by the passion and enthusiasm conveyed by the presenters and the production.

- 43 Overall, western classical music accounts for 84 per cent of Radio 3's output.²⁶ Audiences were able to cite many programmes throughout the schedule that provide high-quality classical music. Many of these attract both sizeable listening figures and strong appreciation amongst the audience, including *Composer of the Week* (440,000 weekly reach), *Classical Collection* (616,000) and *In Tune* (548,000).²⁷

Audiences appreciate the range of music on Radio 3

- 44 In general, the repertoire is unlike that played by other providers of classical music, reflecting Radio 3's remit to provide the audience with a wide range of high-quality and distinctive pieces. Other broadcasters, such as Classic FM, focus on more popular classical music which is likely to result in higher ratings and advertising revenue. In our consultation, audiences were able to identify the differences in repertoire between the two stations. This different approach was also noted by a number of organisations in responses to our consultation.
- 45 Other types of content also feature in the Radio 3 schedule alongside the mainstay of classical music. These include arts programming (5 per cent of output), jazz (4 per cent), world music (3 per cent), religion (1 per cent), drama (1 per cent) and news (1 per cent).²⁸
- 46 The majority of respondents to our public consultation and those that we spoke to in our research appreciated the range and variety of genres broadcast. Even some of those listeners who had no interest in jazz or world music felt that these genres had a valid place in the schedule and that this mix added to the overall appeal of the station.
- 47 Programmes featuring these genres tend to attract smaller audiences than the classical music output partly because they are generally scheduled in off-peak slots. Key examples are *Night Waves* (222,000), *Late Junction* (149,000), *Jazz on 3* (75,000) and *World on 3* (65,000).²⁹ Although this output appeals to smaller, niche audiences, evidence from our consultation, audience research and Audience Councils showed that it was highly valued amongst those who did listen for being high-quality and distinctive. The in-depth focus afforded by Radio 3 often allows this content to be more challenging and creative than on other BBC networks.
- 48 In their submission, RadioCentre stated that Radio 3 was broadcasting its most distinctive content – jazz, world music and speech – off peak, while maintaining more popular output during the day. They felt it was critical that Radio 3 maintained its distinctiveness across its full schedule. Given the range of high quality music and speech output across the schedule, we believe that Radio 3 is distinctive in both peak and off- peak slots, and do

²⁶ Source: Radio 3 schedule 2009-10

²⁷ Source: RAJAR 2009-10

²⁸ Source: Radio 3 schedule 2009-10

²⁹ Source: RAJAR 2009-10

not see any compelling evidence to the contrary. In addition, we do not feel that audiences would benefit from scheduling these non-classical genres in peak slots. Our audience research tells us that the range, mix and scheduling is about right. Moving jazz or world music into peak-time would be unlikely to bring additional audiences to this content, but would significantly disrupt the listening of the majority of the audience who enjoy classical music.

- 49 While the extensive range and depth of Radio 3's programming is an asset, it does present some challenges to the station when it comes to providing a clear and simple proposition to the audience. Our research found that some audiences were not aware of the full range of programming. For instance, those who appreciated jazz and world music did not think that enough was done to make audiences aware of this content. In contrast, some audiences wanted a proposition that was purely focused on classical music, and considered other types of programming to be interruptions to this. Some of the submissions from our Audience Councils also raised this concern. They recognised the strength and value of Radio 3's range of programming but noted that some audiences had experienced difficulty finding music other than classical.
- 50 We have asked Radio 3 to consider how it can make its proposition as clear as possible as this will enable audiences to maximise the value they get from the station. It will be particularly helpful for lighter and new listeners to understand what they can get from Radio 3 and where the easiest points of entry are. This consideration should include the role of the Radio 3 website in helping audiences find programming, as well as cross promotion and marketing.

Radio 3 has set out a number of ways of helping audiences navigate the range of content

- 51 In their submission, BBC management set out their plan to allow audiences to navigate online content by genre. This refers to content that is already available in the iPlayer window and provides direct access to genres which will assist navigation and encourage exploration for those less familiar with the schedule. We believe that this initiative will help audiences to navigate the service better and get more value from Radio 3.
- 52 Radio 3 also raise the possibility of providing an opt-out DAB stream at the weekends for jazz, world music and special events such as the Free Thinking festival. BBC management believes that providing this service would benefit those audiences who particularly enjoy this programming, through offering enhanced and longer coverage. They also believe that this would allow Radio 3 to strengthen the core classical proposition at the weekend, and generally make the broad range of content offered easier to navigate. BBC management acknowledges that significant dependencies exist with regard to the wider radio portfolio strategy and spectrum allocation, and have therefore not sought specific permission for this change at this time.
- 53 Broadly, we support the ambition to make the Radio 3 proposition as clear and easy to navigate as possible. However, given that BBC management are not requesting formal permission for opt-out DAB streams and that there are implications for the wider radio portfolio strategy, we cannot fully assess this proposal at present. We have asked BBC management to consider this proposition in more detail when the dependencies with the wider radio portfolio strategy have been resolved.

Action 3 – Radio 3 should consider how it can help audiences best navigate the wide range of content on offer

This consideration should take into account the role of the Radio 3 website, as well as cross promotion and marketing.

As part of this, we endorse Radio 3's plans to allow audiences to navigate online content by genre. We have also asked BBC management to consider in more detail the proposal for DAB opt-outs when the dependencies with the wider radio portfolio strategy are resolved.

We have asked BBC management to report back by summer 2011.

Radio 3's commitment to live and specially recorded music is very important to audiences

54 In 2009-10, 57 per cent of Radio 3's output was live or specially recorded music. This is comfortably higher than its service licence requirement of 50 per cent and has risen steadily from 52 per cent in 2006-07. In a typical year, Radio 3 broadcasts the following:

- 250 broadcasts of BBC originated concerts³⁰
- 360 broadcasts of concerts from the BBC performing groups³¹
- 460 broadcasts of concerts originating outside the BBC³²

This output is made possible by Radio 3's maintenance of a range of broadcasting relationships with the BBC orchestras, other UK and international orchestras, festivals and music venues, as well as the European Broadcasting Union.

55 Audiences greatly value this live and specially recorded content. Our research showed a significant level of expectation on Radio 3 to deliver a mixture of live and recorded music and that overall, Radio 3 is meeting this expectation. Radio 3's focus on live and specially recorded music also makes it very distinctive from other providers of classical music. This was also recognised in a number of responses to our consultation from organisations and in the submissions from our Audience Councils.

³⁰ This includes non-BBC performing groups Proms, as well as around 80 co-productions; repeats have been excluded. All figures have been rounded.

³¹ Concerts given by BBC orchestras in 2008 totalled 348, which include work for Radio 2 and a limited amount of repetition while touring; the figure has been adjusted to account for Concert Orchestra work for Radio 2, making a Radio 3 total of 319. The BBC Singers additionally account for around 40 concerts. Around 115 of these performing group productions took place in studios.

³² This includes Radio 3 broadcasts of independent orchestras, concert series and festivals, and a notional 125 concerts sourced from the EBU exchange; this figure does not include the 2,190 hours of night-time broadcasting which come from the same source (representing roughly 1,450 concert events)

The BBC's performing groups are an integral part of Radio 3

- 56 The BBC performing groups consist of the five BBC orchestras and the BBC Singers. The Ulster Orchestra also receives an output guarantee to support its existence as the only symphony orchestra in Northern Ireland, although it is not directly run by the BBC. The performing groups are a vital part of the Radio 3 offering although they are not covered by its service licence. In addition, the Controller of Radio 3 has managerial responsibility for the groups based in London and Manchester, as well as artistic responsibility for the groups in Wales and Scotland.
- 57 The performing groups make an important contribution to Radio 3's output. In 2009-10, Radio 3 broadcast 562 hours of content from the performing groups – around 7 per cent of all output. They also have an extremely important role in the annual BBC Proms festival. Attendance at their concerts was over 400,000 in 2009-10 and they reached nearly 100,000 people in their outreach and educational work.
- 58 Respondents to our consultation and research told us that they appreciated performances by the BBC orchestras and BBC Singers – both those that are broadcast and those that they attend live. These are seen to be professional, high-quality, and to provide pleasure to a great number of people and are a valuable resource. The BBC Proms was particularly highly praised in our consultation and research. While Radio 3 is the primary supporter of the performing groups and the home of the BBC Proms, however, some audiences do not readily associate this activity with Radio 3. After this year's BBC Proms festival, we placed some questions on a regular BBC audience survey to assess the association of the Proms with BBC services. Only 18 per cent of adults associated them with Radio 3.³³ Even amongst those people who listen to classical music on the radio, only around a third associated the BBC Proms with Radio 3.
- 59 We believe that a proportion of this audience who enjoy events such as the BBC Proms or performances from the BBC orchestras, but who do not associate them with Radio 3, might actually appreciate the wide range of content available on Radio 3. However, as identified earlier in our report, they may find the linear broadcast version of Radio 3 inaccessible or daunting. Our conversations with BBC management have highlighted the importance of events such as the BBC Proms as important opportunities to welcome potential listeners to Radio 3.

Radio 3 plays an important role in shaping the UK arts agenda, reflecting and interpreting current trends to its audience

- 60 The service licence requires that Radio 3 *play a part in shaping the UK arts agenda, reflecting and interpreting current trends to its audience*. As part of our review we invited a range of stakeholders to discuss this requirement. Overall they felt that Radio 3 played an extremely important role in the UK arts and music sector. Of particular importance was Radio 3's emphasis on commissioning new musical works. In 2009-10, there were 41 commissions, 5 of which were jazz and a number of which were from first time composers. This is well in excess of Radio 3's service licence commitment and stakeholders were keen for this to continue. They also noted the importance of Radio 3's

³³ Source: BBC Pulse, 5 Minex Survey September 2010, 982 respondents

partnerships with other organisations, such as the Royal Opera House and independent orchestras, as well as the responsibility that this important role incurs.

- 61 Audiences also recognise Radio 3's role in the UK arts agenda. Seventy-six per cent of respondents to our research agreed that *Radio 3 plays a part in shaping the UK arts agenda*. This exceeds audience expectations. They highlighted the broadcast content, the support and promotion of UK orchestras, and Radio 3's coverage of events such as the Proms and the London Jazz festival as clear examples of this.

Radio 3's dramas are high-quality but lack audience impact

- 62 In 2009-10, Radio 3 broadcast 43 newly originated dramas, well in excess of its service licence requirements. These were mostly broadcast in the 90 minute slot on Sunday – *Drama on 3* – which has a weekly reach of around 96,000.³⁴ These low listening figures partly explain the lack of awareness and impact of Radio 3 drama in our research and public consultation. However, when audiences do experience the drama on Radio 3, they are often very positive towards it. Those respondents to our consultation who were aware of Radio 3's drama programming felt that it was high-quality and would like to hear more dramas and plays if possible.
- 63 Stakeholders had a range of views on Radio 3's drama output. Several noted that Radio 3's drama slots were important in allowing content and formats to be explored in more depth and in different ways than they might otherwise be on Radio 4. The Voice of the Listener and Viewer welcomed the experimentation and range of drama on Radio 3 while the Writers Guild stated their concern that the BBC radio's cutting edge drama was being marginalised on Radio 3 compared with more populist drama on Radio 4, and raised the possibility of this content being repeated on Radio 4. In contrast, a number of submissions from music-based organisations such as the Incorporated Society of Musicians felt that Radio 3 should be a purely music station and that drama should be solely on Radio 4.
- 64 We believe that drama does have a place on Radio 3 as it allows for a different range of drama than is broadcast on Radio 4. In particular, its longer, regular slot enables writers and directors to do things that they might not otherwise. We would encourage BBC management to ensure that its drama proposition is coordinated and cross promoted across Radio 3 and Radio 4 so that maximum impact can be achieved.

Promoting Education and Learning

Audiences are constantly exploring and learning about music through Radio 3

- 65 In our research, 75 per cent of respondents agreed that they had *learnt new things while enjoying programmes on Radio 3*. The types of information that respondents felt they had learned include:

- new pieces of music and new interpretations of pieces

³⁴ Source: RAJAR 2009-10

- history of music and musicians
- deeper understanding of the background of composers/artists

This informal learning took place across the schedule and included the range of genres – both music and speech – broadcast by Radio 3. This suggests that overall, Radio 3 delivers strongly on this public purpose.

Radio 3 has an important role to play in educating new audiences

- 66 As set out in the service licence, Radio 3 is required *to build appreciation of music and culture by offering accessible information, including material helpful to people with little knowledge of classical music*. We know, however, that this is a challenge as audiences, particularly those with less knowledge of classical music, sometimes see Radio 3 as inaccessible.
- 67 Respondents to our public consultation have differing opinions on Radio 3's delivery of this requirement. Some respondents were positive and believed that the station helped educate audiences with little classical music knowledge. Other respondents felt that it was inappropriate to have such a requirement in the service licence, given Radio 3's commitment to challenging and exploratory work which, by definition, hinders the capacity to educate those with little existing knowledge. Equally, some respondents thought that other providers of classical music were better placed to introduce audiences to this genre, or that Radio 3 was too high brow and elitist to help those with little knowledge of classical music.
- 68 We believe that it is important that Radio 3 continues to attempt to build appreciation of music and culture amongst audiences with little classical music knowledge. Radio 3's ambition to increase accessibility and encourage lighter listeners will go some way towards achieving this. However, other services within the BBC portfolio should also play a role in meeting this requirement, and are potentially better placed to do so, given their size, scale and broader audience.

Reflecting the UK, its Nations, Regions and Communities

Radio 3 undertakes a range of activity to reflect the UK nations, regions and communities

- 69 As required by its service licence, over 40 per cent of Radio 3's budget is spent outside of the M25 ring. The BBC orchestras in Manchester, Cardiff and Glasgow all have an important role to play in their geographic areas and their output is an important part of the Radio 3 proposition. In addition, Radio 3 features content from a variety of festivals across the UK.³⁵ Evidence from our public consultation and Audience Councils shows that this activity is recognised and valued by audiences across the UK.

³⁵ In 2009, Radio 3 covered the following festivals: Aldeburgh, Bath, Bath Mozart Fest, Belfast, Brighton Early Music, Cheltenham, City of London, Clondeboye, Dartington, East Neuk, Edinburgh, FiddleFest, Gower, Gregynog, Hay-on-Wye, Huddersfield, Lake District Summer Music, Lower Machen, Lufthansa, Malvern, Mananan, Presteigne, Spitalfields, St. David's, Tetbury, Three Choirs, Two Moors, Wimbledon, York Early Music.

- 70 Audiences think that there is room for improvement, however, with regard to the nations and regions aspect of this purpose. Our research shows that although some audiences recognise where output is from, there is an overall perception that Radio 3 has a metropolitan bias. These sentiments are reflected by the stronger listening figures for London and the south of England, as set out in paragraphs 30 to 32. However, delivery against this purpose is considered less important by the audience. While they would welcome improvement, it is not as important to them as Radio 3 delivering high-quality and distinctive content. Evidence from our Audience Councils supports this. While they see some room for improvement in delivery against this purpose, they are clear that the priority for Radio 3 remains its exploration of high-quality music and arts. Overall, we believe that Radio 3 is contributing to the UK nations, regions and communities purposes, as evidenced by the variety of activity it undertakes across the UK. However, it faces an ongoing challenge in changing audience perceptions regarding its metropolitan focus.
- 71 Religious programming also plays a part in delivering this purpose. *Choral Evensong* is broadcast twice weekly and audiences for this programme remain stable at around 209,000 per week.³⁶

Radio 3's message boards were closed in 2010

- 72 Radio 3's service licence states that *through its interactive aspects, such as message boards, Radio 3 should facilitate the creation of communities of interest*. Radio 3 has previously fulfilled this requirement via a number of interactive aspects, one of which has been its message boards which were located on the Radio 3 website. However, in 2010 BBC management took the decision to close the majority of its network radio message boards. Principally, they believed that the message boards were not delivering good value for audiences and did not justify their investment in terms of support and moderation, particularly as use of the internet has now developed to give users new routes for exploring and sharing their ideas and passions.
- 73 We note that observance of the general requirement is the key service licence compliance issue, rather than the specifics of how it is fulfilled. Further to their formal submission, we asked BBC management to provide additional evidence that they are fulfilling this overall requirement. They have set out a range of activities in which Radio 3 contributes to this requirement, including:
- providing access to on-demand programmes and music
 - publishing a regular blog around station themes which can be re-quoted and linked to from elsewhere
 - providing specialist content online that allows audience groups to explore their passion and develop their practical skills
 - establishing a Radio 3 presence on both Facebook and Twitter
 - providing online coverage of a variety of events to help bring audiences together
 - providing podcasts such as the specialist classical chart podcast

³⁶ Source: RAJAR 2009-10

- 74 Evidence from our review shows that these aspects of the Radio 3 offer are a low priority for audiences in comparison with Radio 3's focus on providing high-quality and distinctive music and arts. Where audiences do utilise these interactive aspects, they are generally positive towards them.
- 75 Based on the range of activity undertaken by Radio 3 and the evidence in our review, we believe that this requirement can be adequately fulfilled without message boards. We will therefore amend the service licence in order to remove this specific example of how this requirement should be delivered. This will mean that, while the overall requirement will be maintained, Radio 3 will have the operational freedom to adapt and evolve as necessary in order to deliver it.

Action 4 – We have amended the service licence to remove the example of message boards from Radio 3's commitment to facilitate communities of interest

In order to reflect the changing nature of technology and the different ways in which this requirement can be delivered, we have amended the service licence to remove the specific example of message boards from this requirement. This will allow Radio 3 to adapt and evolve its interactive aspects as necessary, while ensuring the overall commitment is fulfilled.

This amendment will be implemented immediately.

Bringing the UK to the World and the World to the UK

Radio 3 makes a strong contribution to this purpose

- 76 Radio 3's contribution to this purpose is primarily through enabling audiences from the UK to experience music from around the world. Radio 3 categorises its commitment to this in three ways:
- classical music in the western tradition – this forms the majority of Radio 3's output;
 - world music – as featured in a limited range of programming;
 - the world of arts and ideas – speech programmes such as *Night Waves* and *The Essay* often focus on the international perspective.
- 77 Our evidence suggests that the audience listens to and strongly appreciates the range of classical music in the western tradition. World music and the world of arts and ideas are heard by far smaller niche audiences but are also highly appreciated. Overall, audiences feel that this purpose is strongly associated with Radio 3's commitment to creativity and delivering a wide range of musical genres.
- 78 We note that Radio 3 also works with the European Broadcasting Union to offer its programming internationally as well as receive recordings from other public service broadcasters.

Sustaining Citizenship and Civil Society

Radio 3 has very limited requirements in contributing to this purpose

- 79 The station broadcasts news bulletins throughout the schedule. Evidence from our public consultation and audience research suggests that most audiences value these brief bulletins but would not welcome any further intrusion. Given the significant overlap, most Radio 3 audiences are aware that they can listen to Radio 4 to get this content should they wish.

Emerging Communications

Radio 3's contribution to this purpose is mixed

- 80 Over a quarter of the listening to Radio 3 is via the DAB platform.³⁷ This is the highest of any BBC network radio station and shows it is contributing to the BBC's overall promotion of DAB.
- 81 As already outlined in the 'reach' section of this report, however, Radio 3's other methods of communication with the audience are less successful. This refers to the relatively low usage of its website, podcasts and other methods of listening when compared to other BBC radio stations.
- 82 Our evidence suggests that there are mixed attitudes towards this part of the Radio 3 proposition. Respondents to the public consultation were generally positive about the website, although not everybody used it. Even fewer respondents used the podcasts, but those that did tended to be very positive about them. In our research, audiences did not prioritise this part of the Radio 3 proposition. There tended to be some confusion over the station's online offerings, driven by a general lack of awareness and usage. Where they were used, audiences appreciated the ability to listen in different ways.
- 83 As part of BBC management's work to understand how they can best help audiences navigate the full range of Radio 3's offering, we expect Radio 3 to promote and raise awareness of the different ways in which Radio 3 content can be experienced.

Radio 3 has outlined a number of initiatives to encourage audiences to use different platforms

- 84 In October 2010, Radio 3 launched a six month trial of a specialist classical music chart podcast. This podcast supports the section of Radio 3's *Breakfast* programme that is devoted to highlights of the specialist classical chart and gives greater prominence to lesser-known performers and performances. In addition, this podcast is intended to encourage audiences to use new technologies. The trial will assess the podcast's success in this and also consider any impact on the commercial sector. We welcome this trial and look forward to its results.

³⁷ Source: RAJAR Q1 2010

- 85 As part of this review, BBC management has proposed to develop its public service archive into a 'permanent collection'. This will draw primarily on archive content from Radio 3 along with Radio 4 and BBC Four. This is considered in the final section of our report.

Value for Money

In 2009-10 Radio 3 breached its service licence budget

- 86 Radio 3's service licence budget in 2010-11 is £39.2million. We monitor annual expenditure against these budgets and any over- or under-spend of more than 10 per cent requires the Trust's approval. Table 2 shows that Radio 3 stayed within the budgetary tolerance in 2007-08 and 2008-09.
- 87 In 2009-10 the service breached its 10 per cent tolerance limit with expenditure at 12 per cent over the service licence budget. BBC management reported that Radio 3 was likely to do this in the third quarter of the financial year, and explained that the primary reason for this breach was the refinement of cost allocations which resulted in significant non-content costs (which are not covered by the service licence budget) being re-classified as content costs (which are). The impact of these refinements was felt across the network radio services, but the impact on Radio 3 was particularly pronounced due to its support of the BBC performing groups and BBC Proms. We note that while there was a breach of the Radio 3 service licence budget, there was no increase in expenditure overall as corresponding reductions were seen in other categories which are not regulated by the service licence budgets. In the following financial year, BBC management re-forecast the Radio 3 service licence budget to better reflect these allocations and cost pressures. In addition, as part of the wider strategy review, we commissioned an independent report on service budgetary oversight and cost base allocation. One of the aims of this report was to evaluate critically the current service licence budgetary regime and identify any proposals for how this might be improved. More information on the resulting report is available on the BBC Trust website.
- 88 In 2009-10 the direct cost of Radio 3's programming was £33.0million. The remaining service licence budget is not directly controlled by the Radio 3 management team and includes costs for news, royalties, copyright etc.

Table 2: Radio 3 expenditure compared with the station's service licence budget for 2007-08 to 2009-10

	2007-08 (£000s)	2008-09 (£000s)	2009-10 (£000s)
Direct programme making expenditure (i)	31,435	32,416	32,953
Centrally allocated programme related expenditure (ii)	6,052	7,572	7,869
Total content expenditure (iii)	37,487	39,988	40,822
<i>Service licence budget</i>	<i>37,000</i>	<i>36,600</i>	<i>36,600</i>
Total content expenditure (iii)	37,487	39,988	40,822
Distribution (iv)	4,700	4,100	4,700
Infrastructure / support (v)	7,300	8,300	8,500
Total	49,400	51,100	54,000

Source: BBC annual reports and management controls

(i) expenditure controlled by the Radio 3 management team

(ii) this includes programme related expenditure not controlled by the Radio 3 management team such as newsgathering, royalties, copyright etc

(iii) this expenditure is monitored against the service licence budget

(iv) Radio 3's share of broadcast transmission costs

(v) Radio 3's share of non programme related specific overheads such as property, technology, finance etc.

Radio 3 is meeting its efficiency savings targets

- 89 Between 2007-08 and 2012-13 Radio 3 is expected to deliver cumulative continuous improvement savings amounting to £8million and is on course to deliver this. The BBC expects these efficiencies to be performance neutral. Our analysis of quality, reach and impact as set out earlier in this report suggests that these efficiency savings are not currently affecting the performance of the service.
- 90 In 2009, the BBC Trust published a study into radio efficiency undertaken by the National Audit Office. This study set out a number of ways in which the BBC could improve the value for money of its radio services. This included better internal benchmarking, evaluating its efficiency plans, promoting best practice and undertaking benchmarking with commercial radio stations. The BBC has made progress against most of these recommendations and Radio 3 has played a role in this. For instance, Radio 3's classical music board helps promote and coordinate good practice regarding cost efficiency. However, there has been a delay in undertaking benchmarking with the commercial sector. We continue to be in discussion with BBC management and RadioCentre about how best to implement this and we will continue to monitor progress against this recommendation.

The vast majority of Radio 3's budget is spent on music programming

- 91 Around £24.9million of the £32.3million budget controlled by the Radio 3 management team was spent on music programming in 2009-10, reflecting the station's core commitment to this genre. In addition, a large proportion of centrally-allocated programme expenditure is also related to music programme production. As established in

our review this output drives listening and perceptions of Radio 3 and therefore legitimately accounts for the majority of the budget.

- 92 After music programming, the highest level of expenditure is on arts output, at £2.7million and drama, at £1.2million. The relative levels of expenditure on different genres have been very stable over the last three years.

A large proportion of Radio 3's service licence budget is allocated to the BBC performing groups and BBC Proms

- 93 In 2009-10 Radio 3 spent £7.9million of its service licence budget on the BBC performing groups.³⁸ This was allocated across the orchestras and choruses and is linked roughly, although not entirely, to the levels of output broadcast on the network. In total however, the performing groups account for around 20 per cent of the Radio 3 service budget but only 7 per cent of all broadcast hours.³⁹
- 94 A number of organisations commented on the BBC performing groups in their submissions. They generally recognised their high-quality output and the important role that they played for Radio 3, the BBC overall and UK classical musical environment. Given their funding mechanism, they also felt that it was important the performing groups offered more challenging and distinctive work than other commercial orchestras. A number of responses from organisations also argued that the performing groups were not as accountable as they should be, given that their budgets sit across a number of BBC divisions and services.
- 95 As set out earlier in our review, the performing groups are an integral part of Radio 3 and make a very important contribution to delivery of the BBC's public purposes. Our review has found, however, that there are sometimes tensions between the priorities of the performing groups and the priorities of the broadcast output of Radio 3. For instance, due to the practicalities of rehearsing programmes and the need to tour regionally and nationally, the level of repeat performances are often superfluous to Radio 3's broadcast requirements. There are also occasional editorial differences between popular music that would be best at filling concert halls compared with more challenging music that would suit the broadcast schedule.
- 96 Although the full financial arrangements and performance of the BBC orchestras and BBC Singers are out of scope here, our review of their relationship with Radio 3 has highlighted a number of areas that we would like consider in more depth. These include:
- whether the objectives of the performance groups can be more closely aligned with the broadcast needs of the BBC, and how performance against these objectives can be monitored;
 - whether the performing groups can become more accountable and transparent in their operation.

³⁸ This includes a contribution to the Ulster orchestra

³⁹ Source: BBC management output data

- 97 In their submission, BBC management proposed to review the levels of output from the performing groups. We welcome this approach and have asked that they also consider the above areas in that review.

Action 5 – BBC management should review the levels of broadcast output from the performing groups

To help maintain and strengthen the valuable contribution of the performing groups we have asked BBC management to also consider:

- whether the objectives of the performing groups can be more closely aligned with the broadcast needs of the BBC, and how performance against these objectives can be monitored;
- whether the performing groups can become more accountable and transparent in their operation.

We expect the BBC management to set the terms of reference of this review by summer 2011.

The perception of value for money is good amongst Radio 3's relatively small audience

- 98 BBC audience surveys show that listeners to Radio 3 believe that they are getting excellent value for money from the BBC licence fee. This perception is possibly due to the fact that Radio 3 attracts traditional heartland BBC audiences and to the high levels of engagement that they have with the BBC. We note that this is only amongst Radio 3's relatively small audience and will not reflect wider perceptions of the value of the licence fee.
- 99 Our research asked respondents to consider whether they thought that Radio 3 itself was good value for money. Eighty-six per cent of respondents felt that Radio 3 was either very good or fairly good value for money. These high scores were driven by perceptions that Radio 3 was the key destination for quality classical music and that the station added value through its informative programming and knowledgeable presenters.

Radio 3's cost per listener hour is higher than other network radio stations and has been stable over recent years

- 100 In 2009-10 Radio 3's cost per listener hour was 6.3p. This has been roughly stable over the last three years. However it remains significantly higher than the other BBC network radio stations as shown by Table 3.

Table 3: Cost per listener hour for BBC network radio stations

Cost per listener hour (pence)	2007-08	2008-09	2009-10
Radio 1	0.6	0.6	0.6
Radio 2	0.5	0.5	0.5
Radio 3	6.1	6.3	6.3
Radio 4	1.3	1.3	1.3
Radio 5 Live	2.4	2.3	2.3

Source: BBC Annual Reports

101 Radio 3 has a high cost per listener hour due to a combination of:

- The relatively high cost per hour of output. This is approximately £3,400 and reflects the significant element of live music within the schedule and support for the BBC Proms and BBC performing groups.⁴⁰ These are elements that listeners value and believe make Radio 3 distinctive.
- Low levels of overall listening which are significantly less than Radio 1, Radio 2 and Radio 4.

This analysis suggests Radio 3 is a relatively costly radio service. Any increase in listening levels would reduce its cost per listener hour, although these increases would have to be quite significant to see a strong improvement in this measure.

Radio 3's contribution to public value beyond its linear output adds significantly to its overall value for money

102 As we have seen, Radio 3 strongly contributes to delivery of the BBC's public purposes and delivers public value to licence fee payers. Much of this, however, is not reflected in the linear listening figures on which the cost per listener hour measure is based. For instance, Radio 3's support of the BBC performing groups and its role as a cultural patron are difficult to quantify and not fully reflected in this measure.

103 On the basis of its high-quality and distinctive programming, along with its important role in UK arts and culture, we believe that Radio 3 offers good value for money to licence fee payers.

⁴⁰ Source: BBC management submission

BBC Radio 4

Radio 4 is considered by many of its listeners to be a 'national treasure' and to be at the heart of public service radio broadcasting. It is often the main point of contact with the BBC for its large and dedicated audience. Its scale and distinctive content ensure that it plays a major role in the overall delivery of the BBC's public purposes. We endorse Radio 4's strategy of broadening its core appeal where possible and believe that the station should continue to evolve in order to replenish its audience.

Quality

Radio 4 sets the standard for high-quality speech radio and is seen by many as a 'national treasure'

- 104 Evidence from our review highlights the extremely high affection in which the vast majority of its audience hold Radio 4.
- 105 In our public consultation, respondents were very positive about many different aspects of Radio 4 output. They were able to cite programming across the range of Radio 4 genres – news and current affairs, factual, drama and comedy – that they felt embodied radio of the highest quality. The wide range of quality programming is a great asset for Radio 4, and evidence from our audience research, consultation and Audience Councils indicates that this is a key aspect of its distinctiveness.
- 106 BBC surveys also indicate that Radio 4 is a very high-quality service. Around 80 per cent of the audience are high approvers.⁴¹ This is higher than for any other BBC network radio station and has risen since 2005-06. Audience appreciation of Radio 4 programmes is also high with an average AI (appreciation index) of 79.⁴²
- 107 Our research considered audience perceptions of the quality for Radio 4. Overall, the audience believed that Radio 4 was of very high quality and no respondents rated it as poor. Audiences felt that the following elements were key drivers of quality:
- **Presenters** – perceived to be knowledgeable, passionate, intelligent and accessible in their delivery or anchoring of programmes.
 - **Programming** – offering a good variety of topic areas and depth to the information covered in programmes, keeping audiences engaged.
 - **Production** – considered to be setting high standards – 'the benchmark' – for speech-based radio production.

⁴¹ Source: Pan BBC Tracking Survey 2009-10, a 'high approver' is one who gives a score of 8 or more out of 10

⁴² Source: BBC Pulse Survey 2009-10

- **Tone** – this is seen as serious, intelligent and challenging.

- 108 The high quality of Radio 4 output was also highlighted by several organisations in their formal submissions to our consultation.
- 109 Many respondents, both to our public and to our stakeholder consultations, highlighted the extremely important role that Radio 4 played in promoting the overall reputation of the BBC. They felt that its engaging and compelling public service content was at the heart of the BBC's public mission, and that Radio 4 was a flagship service within the wider BBC portfolio. We recognise and praise the prominent role that Radio 4 plays in enhancing the reputation of the BBC.

Reach

Radio 4 is the third largest radio station in the UK

- 110 In 2009-10 around one in every five UK adults – some 10 million people – listened to Radio 4 each week. This makes it the third largest radio station in the UK, behind Radio 2 and Radio 1. Weekly reach has grown slowly but steadily by around 665,000 adults since 2006-07. Over the same period, the reach of BBC radio overall has remained flat while some other stations with a focus on speech radio have suffered long term declines.⁴³
- 111 The Radio 4 audience listens for around 12½ hours each week – the most to any UK wide radio station. While the hours of listening have declined slightly over the last five years, this is not to the same extent as declines in overall radio listening.⁴⁴ This indicates a strong level of engagement and loyalty between Radio 4 and its audience. Many respondents to our public consultation commented on how important Radio 4 was to their daily routine and around 85 per cent of respondents had listened to Radio 4 for more than 10 years.

Radio 4 makes a good contribution to BBC radio's overall reach

- 112 Around 28 per cent of Radio 4 listeners do not consume any other BBC radio. This equates to around 2.8 million adults out of BBC radio's overall reach of 34 million.⁴⁵ While this level of unique reach is lower than that of Radio 1 or Radio 2, it does highlight the significant scale and importance that Radio 4 has in delivering the BBC's overall reach.

BBC management is keen to ensure the long-term health of the station

- 113 Despite Radio 4's very strong performance over recent years, which has seen increases in levels of listening and weekly reach, BBC management is concerned to ensure the long-term health of the station and develop the core audience for future years.
- 114 There has been a long-term decline in Radio 4's reach to the replenisher audience. BBC management use this term to describe those who may have an interest in speech radio, but tend to be slightly younger and lighter listeners than the Radio 4 core audience. When

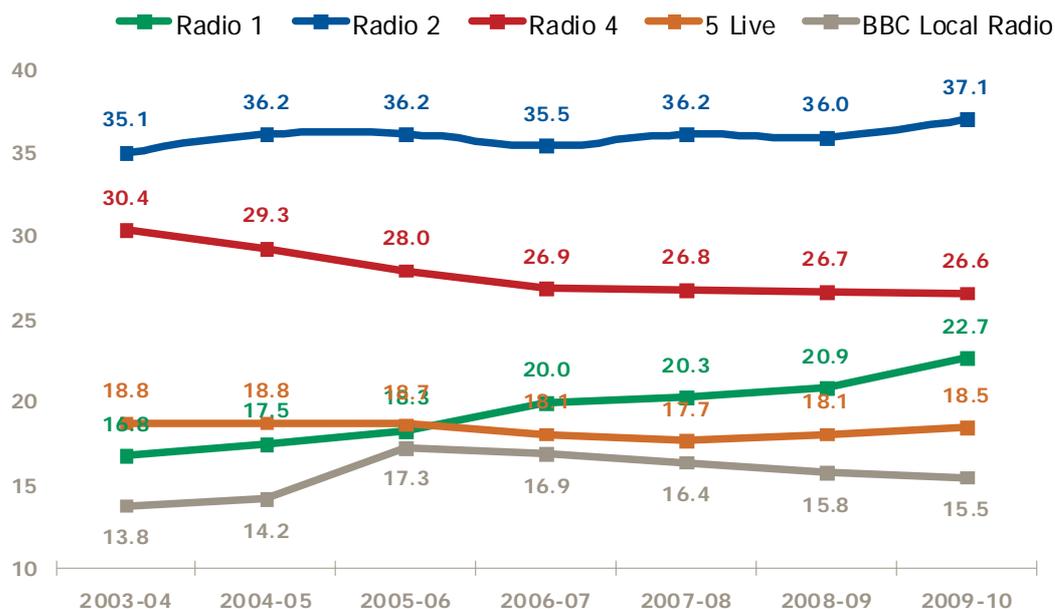
⁴³ Source: RAJAR 2009-10

⁴⁴ Source: RAJAR 2009-10

⁴⁵ Source: RAJAR 2009-10

measuring the listening of this group, we define them as adults aged 35-54 from ABC1 backgrounds. Reach amongst this audience has fallen from 30.4 per cent in 2003-04 to 26.6 per cent in 2009-10 as shown by Figure 6. The amount of listening by this audience group has also fallen, although over the same time period BBC Radio has continued to perform very strongly for this audience.

Figure 6: Weekly reach of the replenisher audience



Source: RAJAR, Adults aged 35-54, ABC1 social grade

115 While this audience only represents around a quarter of Radio 4's total audience, BBC management believes that it is important that the station appeals to this group as they will form the core audience for future years. This concern leads to Radio 4's strategic ambition to *seek ways to build loyalty amongst younger, lighter listeners to encourage them to stay longer with the station.*⁴⁶ The BBC management submission outlines a number of ways in which they intend to achieve this:

- *Continuing to develop the general tone of the station away from formality and perceived didacticism towards spontaneity and conversation.*
- *For political programmes, developing formats and presenters which offer fresh approaches, without compromising the impartiality and authority of our coverage. Political programming will occasionally take a more sideways angle on stories, taking audiences beyond the confines of parliament with the objective of engaging lighter listeners and audiences estranged from conventional party politics.*
- *Similarly, the tone of some serious documentaries will be refreshed, making them sound less studio-based in order to appeal to a wider audience not weaned on Radio 4, but interested in intelligent speech.*

⁴⁶ BBC management submission

- *Developing high-quality, high-impact content which attracts lighter listeners – who mainly consume news - to explore other aspects of the station. This will sometimes be in short-form programming which, as with A History of the World, gives a higher return to the audience in exchange for a low investment in listening.*
- *Evolving the schedule, ensuring that the most engaging content is accessible to the largest light-listener audience, such as at 09.02 on weekday mornings.*
- *Taking Radio 4 out of the studio and into other locations, including universities, where we can make an impact on potential future listeners, laying the foundations of future brand recognition and loyalty.*
- *Raising the impact of science programmes, following the success of So You Want to be A Scientist?, seeking new ways to explain to a lay audience how science is changing their world.*
- *Researching the interests of replenisher audiences in specialist genres such as history, science and economics. This may lead the station to develop different programmes for older core and younger replenisher audiences which cover different areas of interest.*

116 We believe that Radio 4's strategy of targeting the replenisher audience is important in securing the station's strong reach and healthy listening in the future. The initiatives outlined above should help to build engagement with this audience and broaden the current core appeal of intelligent speech radio. In addition, we believe that thinking about how to attract to this audience will also help to ensure that the station remains fresh and challenging. There is a risk, however, that in focusing on this group Radio 4 may neglect its core listeners, who are aged over 55 and represent over half of its audience. BBC management should therefore make sure that neither this overall strategy nor specific initiatives alienate this core audience. We require that BBC management reports on progress against this strategy and monitors its impact amongst the replenisher audience group as well as the core audience.

Action 6 – Radio 4 should continue to target the replenisher audience in order to secure the station's core audience in the future

The BBC Trust endorses this broad strategy and the specific initiatives set out by BBC management to appeal to the replenisher audience group. This strategy should not, however, impact adversely on the reach to or listening experience of Radio 4's current audience and monitoring this impact should be part of BBC management's assessment of performance.

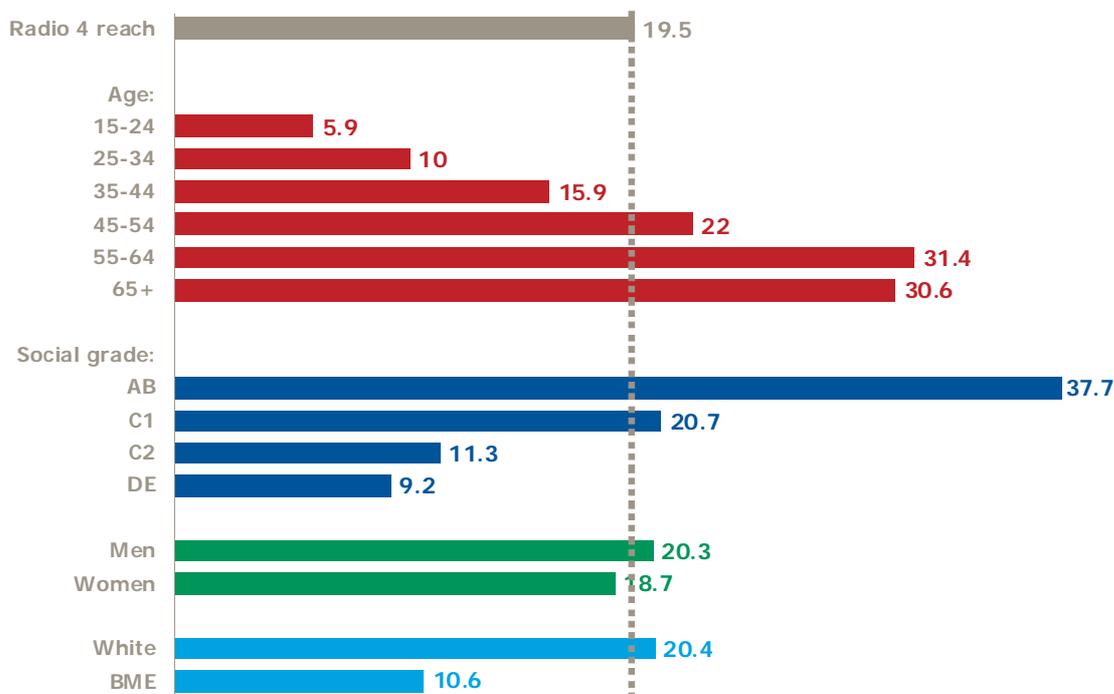
We require BBC management to report on progress against this strategy and on its impact on the current audience in its regular performance reporting to the Trust.

Listening is higher amongst certain audience groups

117 We believe that there are audiences across all demographic groups who have an interest in intelligent speech radio. Radio 4's strong overall reach means that it attracts significant numbers of listeners from a range of demographic groups. This suggests that it is fulfilling its service licence remit *to appeal to listeners seeking intelligent programmes in many genres which inform, educate and entertain*.

118 Reach and listening to Radio 4 does, however, vary significantly amongst different audience groups. Figure 7 shows that Radio 4 has much higher reach amongst older audiences and those from better-off households. These groups also listen to Radio 4 for much longer periods – on average, a Radio 4 listener aged over 55 will hear 15 hours of Radio 4 programming each week compared with 7 hours for a listener aged between 25 and 34.⁴⁷

Figure 7: Weekly reach for Radio 4 by audience demographic



Source: RAJAR 2009-10

119 There are many social and cultural reasons that explain these demographic differences up to a point. Primarily, speech content tends to appeal to older and better-off audiences while popular music radio tends to be far more attractive to younger audiences.

Reach is significantly lower amongst audiences from black and minority ethnic backgrounds

120 Figure 7 shows that the level of Radio 4's reach amongst black and minority ethnic audiences is about half that of its reach amongst white audiences. To an extent, this is

⁴⁷ Source: RAJAR 2009-10

explained by the demographic breakdown of this audience – black and minority ethnic audiences tend to be younger than the UK population as a whole. However, even amongst audiences of the same age and social grade, reach is much higher for white audiences.

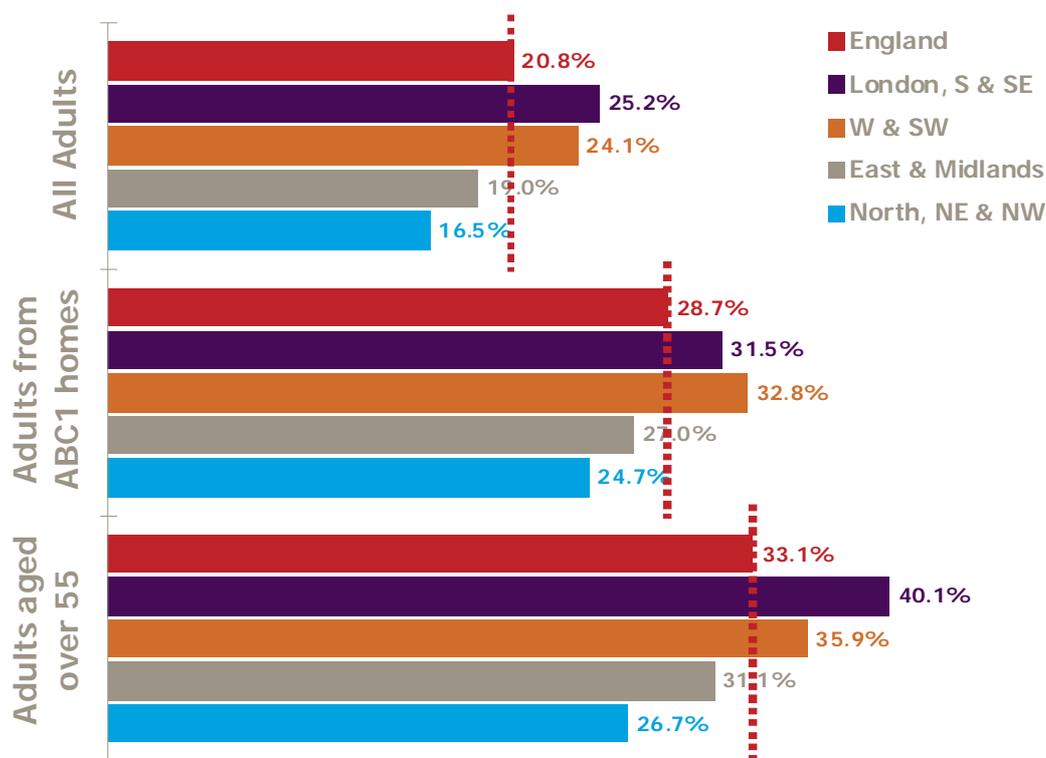
- 121 BBC management recognises that awareness is a particular problem in reaching black and minority ethnic audiences. Only 28 per cent of Asian audiences and 41 per cent of black audiences are aware of Radio 4 compared with 68 per cent of white audiences.⁴⁸
- 122 The challenge of reaching black and minority ethnic audiences is not specific to Radio 4. Awareness and reach tend to be much lower amongst this audience across many of the BBC's radio and television services.
- 123 In the course of this review, BBC management set out a number of initiatives to close this listening gap:
- *promoting the station among minority ethnic opinion formers through special content and marketing events;*
 - *developing more diverse presenter talent for regular strands and major factual series;*
 - *raising the number of minority ethnic drama writers and highlighting their contribution in our promotions and marketing;*
 - *improving the promotion of productions and talent that diversify the sound of Radio 4;*
 - *gathering more regular data on the response of minority ethnic audiences to the schedule (e.g. through improvements in the Pan BBC Tracking Survey).*

There are significant differences in listening by nation and region

- 124 Listening to Radio 4 varies significantly by nation and region. Weekly reach is much higher in London and the south east than it is in other areas of the UK. In particular, listening is lower in the devolved nations of the UK – weekly reach is 12.1 per cent in Scotland, 15.5 per cent in Wales, 8.3 per cent in Northern Ireland and 20.8 per cent in England. These variances in reach for Radio 4 contrast with the performance of the BBC's national and regional radio stations – weekly reach is 21.2 per cent for BBC Radio Scotland, 20.8 per cent for BBC Radio Wales/Cymru, 35.4 per cent for BBC Radio Ulster/Foyle and 16.9 per cent for BBC local radio in England.
- 125 Age and socio-demographic factors as outlined in Figure 7, also partly explain these regional and national variances. As shown in Figure 8, however, there are significant differences in listening across the English regions even when these factors are isolated. This suggests that there are other factors that influence the levels of listening to Radio 4.

⁴⁸ Source: BBC management submission

Figure 8: Weekly reach for Radio 4 by region amongst ABC1 and 55+ audiences



Source: RAJAR, English regions only 2009-10

126 There are a number of factors that help explain these variances.

- Perception – our audience research and public consultation found that Radio 4 can be perceived as a very metropolitan and London centric station.
- News agenda – the strong news output on Radio 4 naturally involves many stories that emanate from London, particularly those involving politics and international affairs. Evidence from our Audience Councils suggests that while the station's high quality and professional journalism covers all of the UK, its breadth and depth is not as strong in the devolved nations as it is closer to London.
- Competition – this is particularly relevant for the devolved nations where there are strong national radio networks with an emphasis on providing high-quality news and speech output. The lower levels of reach for Radio 4 in the devolved nations should be seen in the context of the strong performance of the BBC national radio stations as well as local commercial radio. This is not as evident in areas of England such as the Midlands and the north where BBC local radio output does not perform as strongly.

127 Our conversations with BBC management indicate that they are well aware of the challenges that Radio 4 faces in reaching audiences across the UK and will continue to look for ways to do this better. In particular, they believe that there is scope to improve performance in the north of England where Radio 4 reach is low, despite the low reach of other BBC local radio services. They have set out a number of specific initiatives to address the disparity of listening between the north and south of England:

- *being clearer and more consistent about the origin of non-London productions in promotions and continuity announcements;*
- *seeking ways to give greater exposure to presenters from the north of England;*
- *taking Radio 4 programmes to high profile northern events and venues, such as Gardeners' Question Time at Harlow Carr and The Food Programme at the Eat festival in Newcastle;*
- *exploring with BBC News ways of enhancing our reflection of the reality of the midlands and north, e.g. through taking presenters to northern locations to reflect northern angles on national stories, as was done very effectively in the election campaign;*
- *exploring the possibility of a full time in-house comedy producer in Manchester, to keep in closer contact with emerging talent in the north.*

We support Radio 4's aim to increase its appeal amongst different demographic groups

- 128 We support the initiatives outlined by BBC management which aim to increase Radio 4's appeal amongst audiences from different parts of the UK and those from black and minority ethnic backgrounds. We would welcome increases in listening amongst those demographic groups. We believe that Radio 4 broadcasts high-quality distinctive programming and that there are audiences across all demographic groups with an interest in intelligent speech radio. Therefore, it is right that Radio 4 makes this programming accessible and appealing to different audience groups where possible.
- 129 In supporting this ambition, we note that BBC radio serves all licence payers through a portfolio of services. We would therefore expect the levels of reach and listening to vary from service to service among different demographic groups. Analysis of listening behaviour shows that this is the case. Certain types of content and programmes that the BBC provides through its radio services are likely to appeal to some audience groups more than to others.
- 130 We recognise therefore that it is not possible for Radio 4 to achieve an equal spread of listening across all age and socio-demographic groups. To do so would require a fundamental change to the nature of the station which would be damaging to the current audience experience and reduce the delivery of the public purposes.
- 131 Attempting to increase its appeal to those demographic groups it finds hard to reach is therefore a significant challenge for Radio 4 and we will monitor its progress against this aim. As well as the initiatives outlined here, we believe that BBC management should continue to consider how to boost the station's appeal to those audience groups that Radio 4 struggles to reach, as this is likely to be an ongoing and evolving challenge for the station.

Action 7 – Radio 4 should aim to increase appeal amongst different demographic groups

We endorse the initiatives outlined by BBC management to increase the levels of listening amongst audiences from different parts of the UK, and those from black and minority ethnic backgrounds.

As this will be an ongoing and evolving challenge, BBC management should continue to consider how the station can appeal to different audience groups and to take action where necessary.

We will monitor Radio 4's performance amongst different demographic groups and report on this in the BBC Annual Report.

DAB is an important part of Radio 4's strong digital offering

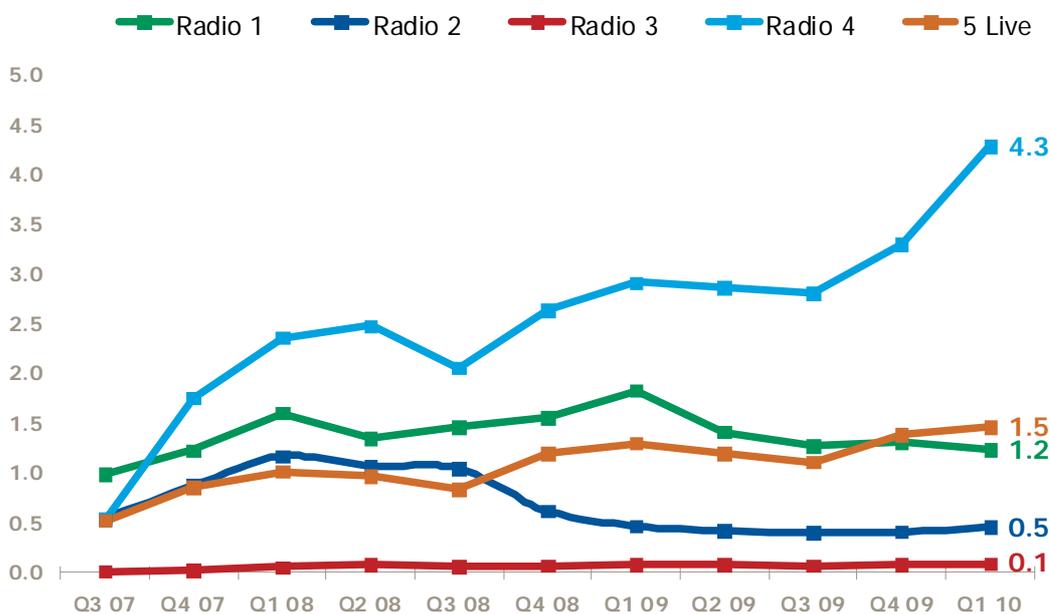
- 132 The majority of listening to Radio 4 occurs on the analogue platforms. However, some 27 per cent of Radio 4 listening is via a digital platform. DAB is the main driver of this at 23 per cent, significantly higher than the UK radio average of 15 per cent.⁴⁹ The proportion of listening via DAB has grown significantly over the last two years and partly reflects the high penetration of DAB radio sets amongst the core audience.
- 133 Radio 4 also has the highest levels of on-demand listening of any BBC radio station. In the first quarter of 2010 there were over 700,000 weekly requests for Radio 4 programmes, either through the BBC iPlayer or relevant parts of the Radio 4 website. This is nearly double the number of requests relating to any other BBC radio station.⁵⁰
- 134 Radio 4 attracts a high number of users to its website, with 582,000 unique browsers per week.⁵¹ Of all the BBC radio station websites this is second only to Radio 1 and has shown strong growth of around 25 per cent year on year.
- 135 Podcasts were introduced by the BBC in 2005 and have become an important part of Radio 4's on-demand offering. As shown by Figure 9, there has been a sharp rise in podcast downloads for Radio 4 since 2007. By the beginning of 2010 there were more requests to download Radio 4 podcasts than all other BBC network radio podcasts combined. Radio 4 programming lends itself well to the podcast format and the station makes a large volume of podcasts available.

⁴⁹ Source: RAJAR Q1 2010

⁵⁰ Source: BBC Audio & Music iStats, Q1 2010

⁵¹ Source: BBC Sage, Q1 2010

Figure 9: Average monthly podcast requests (millions)



Source: BBC Server logs / TRP

Impact

Radio 4 makes a substantial contribution to the delivery of the BBC’s public purposes

- 136 The combination of high-quality public service content and strong reach means that Radio 4 is making a substantial contribution to the delivery of the BBC’s public purposes. Its distinctive nature and its scale and scope mean that it plays a key role in the BBC’s public service mission
- 137 Our research found that audiences recognised the significant contribution that Radio 4 makes to the delivery of the public purposes. Although delivery of most of the purposes is high, Figure 10 illustrates their ranking in terms of importance to audiences.

Figure 10: Audience ranking of public purposes for Radio 4



Source: Optimisa Audience Research

Radio 4 is meeting its service licence commitments

138 Radio 4 is required to make a contribution to the delivery of the BBC’s public purposes by meeting a number of output requirements as specified in its service licence. Table 4 shows that Radio 4 met all of these requirements in 2009-10.

Table 4: Radio 4’s performance against its service licence commitments

Purpose	Commitment	2009-10
Sustaining Citizenship and Civil Society	Broadcast at least 2,500 hours of news and current affairs programmes each year	3,348
Stimulating Creativity and Cultural Excellence	Broadcast at least 600 hours of original drama and readings each year	655
	Broadcast at least 180 hours of original comedy each year	248
	Contribute to BBC Radio’s commitment to commission at least 10 per cent of eligible hours of output from independent producers	14%
Promoting Education and Learning	Broadcast at least 200 hours of original documentaries each year	422
Reflecting the UK’s Nations, Regions and Communities	Broadcast at least 200 hours of original religious programming each year	225

Source: BBC annual figures 2009-10

- 139 In 2008-09, the definition of original documentaries was changed to be more meaningful and include a number of strands and shorter documentaries that were not previously counted. This meant that the number of hours per year increased from 223 in 2007-08 to 442 in 2008-09 and 422 in 2009-10. However, the service licence quota was not amended to take into account this change in definition.

Action 8 – We have increased the minimum hours of original documentaries required in the Radio 4 service licence

From 2011-12 Radio 4 must broadcast at least 350 hours of original documentaries each year.

We have implemented this change immediately.

Sustaining Citizenship and Civil Society

Radio 4's news and current affairs output is at the heart of the service and is highly valued by listeners

- 140 News and current affairs programmes account for the majority of Radio 4 content – around 45 per cent of all broadcast output across FM, LW and digital platforms in 2009-10.
- 141 Most audiences rate Radio 4 highly for its delivery of this purpose due its extremely important role in providing high-quality journalism. Our research shows that audience expectations of the delivery of news and current affairs are exceptionally high. Nearly 9 out every 10 listeners agreed that it was important that Radio 4:

- *provides high-quality independent news and current affairs*
- *makes news, current affairs and other topical issues interesting to me*

Audiences believed that Radio 4 was meeting these extremely high expectations.

- 142 In the qualitative part of our research, audiences revealed some of the key reasons for their positive perceptions of news output on Radio 4:
- **Depth of coverage** – the level of detail and explanation offered in both news and current affairs programming was seen by listeners as a benchmark for speech radio.
 - **Knowledgeable presenters and guests** – audiences described many as passionate, intelligent and engaging on a wide range of topic areas.
 - **Offering a different perspective or angle on an issue or topic** – listeners felt the coverage was thought-provoking.
 - **Variety of stories** – audiences felt the service provided well-rounded coverage of the news

- **Creates talking points** – some felt the news coverage was also driving debate and discussion between experts on shows and among listeners.

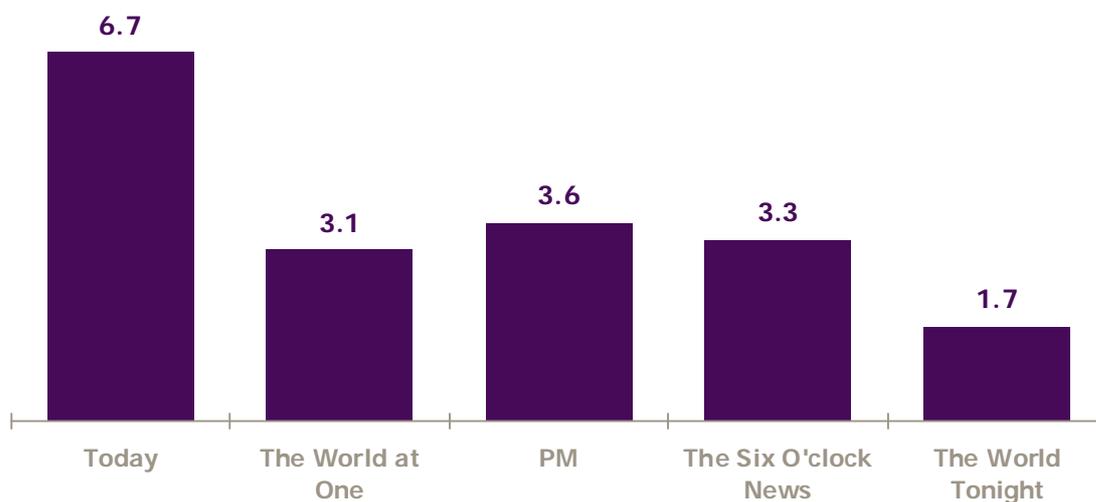
143 The majority of respondents to our public consultation also felt that Radio 4’s news and current affairs output was of the highest quality and for many, Radio 4 was their main source of news. Again, respondents highlighted the depth and balance of coverage along with the professional, knowledgeable and impartial presenters. In addition, those submissions from organisations that commented on Radio 4 news programming were generally very positive.

Listening to the news bulletins drives Radio 4 performance

144 The listening figures for Radio 4’s news output are further evidence of the strong delivery of this purpose. The various news bulletins attract some of the highest listening of any Radio 4 programmes as shown by Figure 11. They represent peaks within the schedule and help drive audiences to other content. Out of Radio 4’s weekly audience of around 10 million listeners, some 8.6 million listen to some news programming.⁵²

145 This is particularly true for the *Today* programme which is broadcast between 6am and 9am on weekdays and between 7am and 9am on Saturday, and is vital in driving listeners to Radio 4. Around two-thirds of Radio 4’s audience listen to the *Today* programme and about 5 per cent - approximately 460,000 adults – don’t listen to any other programme on the station.

Figure 11: Weekly reach of Radio 4 news programmes (millions of adults)



Source: RAJAR 2009-10

146 These news bulletins fulfil many of the requirements laid out in the service licence. In particular, they give listeners significant insight into the democratic life of the UK through their strong focus on the political affairs of the country. Again, the *Today* programme has a prominent responsibility in this area and is of significant reputational importance to the

⁵² Source: RAJAR 2009-10

BBC's impartial and independent scrutiny of UK politics. Programmes such as *Any Questions* and *Any Answers* also allow listeners to participate in this process.

A range of other programmes contributes to the citizenship purpose

- 147 In addition to news bulletins, Radio 4 broadcasts a range of other programmes that also contribute to this purpose. Some output focuses specifically on certain areas. For instance, *Today in Parliament* and *Week in Westminster* provide substantial analysis of political events. Similarly, *You and Yours*, which attracts 3.2 million listeners per week, has a specific focus on consumer affairs and disability issues.⁵³
- 148 Radio 4 has a commitment to long-form journalism through programmes such as *File on 4* and *The Report*. These programmes attract strong audiences with 1.1 million and 450,000 weekly listeners respectively, and are highly appreciated by the audience.⁵⁴

BBC News and Radio 4 work well together to serve audiences

- 149 All Radio 4 news output is managed and operated by the BBC's News division. Given the critical role that this content plays in serving audiences, it is important that the relationship between BBC News and Radio 4 works well. The high reach, quality and impact of Radio 4 news output suggests that the News division and the network management team are working together effectively to serve audiences.
- 150 We recognise that there will inevitably be some differences between the priorities for BBC News and those of Radio 4, principally because news resources are shared across all BBC services. There are, however, no signs that this has affected the quality and delivery of news on Radio 4. We believe that the communication and managerial processes between BBC News and Radio 4 are strong and have improved steadily over recent years. BBC News recognises the challenges faced by Radio 4, such as appealing effectively to audiences across the nations and regions, and are aware of the critical role their output plays in meeting them.
- 151 We look forward to the completion of the West One project which will bring BBC news and current affairs, as well as the World Service in closer proximity to Radio 4 in one location at Broadcasting House. In their submission to this review, Radio 4 set out how they intend to exploit the advantages of this to:
- *Enhance coordination between different production teams, increasing reference and connection between news programmes and other weekly strands so that programmes complement each other better and add more value for the audience.*
 - *Ensure the planned content 'hubs' for Arts and Science programmes deliver improved content and impact across the schedule.*

⁵³ Source: RAJAR 2009-10

⁵⁴ Source: RAJAR 2009-10

A small number of respondents to our consultation felt that presenters and journalists on Radio 4 news output could be too aggressive at times

- 152 A minority of respondents to our public consultation felt that the Radio 4 news presenting could be too aggressive at times in terms of their questioning style and a few felt that the presenters gave their opinions too freely. The majority of these responses were concerned with the *Today* programme. Concerns were also raised by the Voice of the Listener and Viewer *that the presenters and correspondents often intrude into the key object of broadcasting the news*. In addition, they believed that the *sensationalism and a populist agenda set by other media have sometimes been followed by the BBC, resulting in weakened news output*.
- 153 We note these concerns but do not find any compelling evidence that Radio 4 journalism is too aggressive. Our research highlights the appreciation of audiences for the presenters and correspondents. In particular, the *Today* programme was widely commended by listeners in our research for its accessibility and courage in challenging politicians.
- 154 As set out in our introduction, both compliance controls and editorial standards are beyond the scope of this review. We note, however, that, since the high profile breach during *The Russell Brand Show* on Radio 2 in October 2008, the BBC has reviewed and strengthened its audio and music compliance procedures. More information on the BBC's compliance framework and complaints handling procedure can be found on the BBC Trust website.
- 155 We are aware that the nature of Radio 4 output – with a substantial audience, a large amount of live programming and a focus on news and current affairs – is such that it may attract more editorial scrutiny and complaints than other BBC radio stations. The Trust receives a biannual complaints and compliance report from BBC management, and we asked that they set out those complaints relating to Radio 3, Radio 4 and Radio 7. This reveals that Radio 4 received 6,352 complaints between April and September 2010, compared with 333 for Radio 3 and 101 for Radio 7. While this is more than any other radio station, it remains a relatively small proportion of overall complaints to the BBC. We also note that Radio 4 generates more correspondence of any kind than any other network radio station, highlighting its passionate and engaged audience.

Stimulating Creativity and Cultural Excellence

Radio 4's comedy and drama output are key components of the station's identity

- 156 The service licence states that Radio 4 should make an important contribution to delivering this purpose primarily through its drama and comedy output. Radio 4 is the principal provider of radio drama and comedy in the UK. In 2009-10 it broadcast 655 hours of original drama and readings, and 248 hours of original comedy. These genres

both attract significant audiences with 6.5 million adults listening to drama each week and 4.7 million listening to comedy.⁵⁵

157 Audiences recognise the important role of Radio 4 in delivering this purpose, particularly through its drama and comedy output. Nearly 9 out of 10 respondents agreed it was important that:

- *Radio 4 has a wide range of enjoyable and entertaining programmes and content eg comedy, drama, stories, features and readings;*
- *Radio 4 has programmes and content that are inventive and imaginative.*

Alongside Radio 4's delivery of news, these are parts of the service that audiences judge to be the most important. Overall, Radio 4 performs very well against these high expectations. The qualitative research found that Radio 4's variety of content across the arts, drama and comedy output was the biggest driver of performance against this purpose.

158 However, our research identified a performance gap⁵⁶ in Radio 4's contribution to this purpose. While 70 per cent of listeners audiences felt that *Radio 4 has lots of fresh and new ideas*, 80 per cent believed it to be important, resulting in a 10 point performance gap. The BBC's annual purpose remit survey shows that providing lots of 'fresh and new ideas' is a significant challenge and an area where the BBC can improve its performance overall. Our qualitative research on Radio 4 suggests that this gap is due to a perceived lack of creative programming formats. This perception is more prevalent amongst younger and lighter listeners.

Comedy and drama programming are key elements of Radio 4's distinctiveness

159 No other UK radio station has such a significant commitment to broadcasting radio comedy and drama. This means that Radio 4 is often the principal commissioner of content in these genres and therefore has an important responsibility, particularly in relation to independent suppliers. In 2009-10, Radio 4 commissioned around 14 per cent of its hours from independent suppliers, in excess of its 10 per cent requirement

160 In 2010, the BBC Trust undertook a review of radio independent supply. This called for the implementation of a 10 per cent 'Window of Creative Competition' open to both independents and in-house producers, in addition to the current 10 per cent guarantee for independents. The BBC Executive is currently considering how best to implement this process and will report back to the Trust in December. For more information please see the BBC Trust's Radio Independent Supply review on our website.

⁵⁵ Source: RAJAR 2009-10

⁵⁶ A performance gap is where the station's perceived performance against a statement is lower than its importance to licence fee payers

Drama on Radio 4 is highly valued and attracts large audiences, although achieving impact with one-off pieces is a challenge

- 161 Evidence from our review shows that audiences greatly appreciate the drama content on Radio 4. There are regular broadcasts of drama throughout the schedule, such as the *Archers*, the *Afternoon Play* and the *Saturday Play*, which attract strong appreciation scores and have high listening figures. Readings and adaptations are an important part of the mix and crucial to Radio 4's service licence commitment to creativity and culture. The majority of respondents to our public consultation were very positive about the drama programmes on Radio 4 and identified them as a key strength of the station.
- 162 In their submission to this review Radio 4 acknowledged the challenge they face in achieving impact through their drama content:

With over 600 hours of drama in the schedule every year, the challenge is not just to sustain quality and variety but to make an impact with occasional projects, such as 'The Complete Smiley', that stand head and shoulders above the rest, in order to attract attention to the significant continuous investment by Radio 4 in this area of cultural excellence.

- 163 The variety of topics covered and the different format of dramas in slots such as the *Afternoon Play* are considered assets to Radio 4. However, we agree with BBC management that this wide range can make it difficult to achieve impact. Many respondents to our consultation highlighted *The Complete Smiley* as extremely popular and of high quality, illustrating how pulling programmes together under a common thread can help them stand out.
- 164 We have heard concerns from several organisations including the Voice of the Listener and Viewer, the Writers Guild and RadioCentre regarding the recent decision to decommission the *Friday Play* in 2011. Radio 4 took this decision in order to focus resources on broadcasting high-quality and distinctive drama in other slots in the schedule. Our analysis shows that the *Friday Play* is the least listened-to drama slot on Radio 4. In addition, there were very few mentions of the *Friday Play* in our research and public consultation, compared with the other drama available on the network, which suggests that it does not have significant impact. The members of the creative community that we spoke to felt that the loss of the *Friday Play* would not unduly affect Radio 4's ability to deliver a range of high-quality and distinctive drama.
- 165 We support Radio 4's continued ambition to cover a wide range of topics and feature a variety of formats in its drama output. Where possible it should also use seasons and other innovations to increase the impact with audiences.

We talked to some of the creative community in order to understand the importance of Radio 4 drama in the cultural life of the UK

- 166 We invited a small number of writers, directors and producers to give their views on this in a stakeholder meeting. Overall they believed that the range and balance of drama broadcast on Radio 4 played an important role to in the cultural life of the UK.
- 167 While they were generally very positive, some attendees did feel that there was an increased tendency towards commissioning work based on topical issues, and this could lead to a feeling that journalism was influencing the field of a drama. Attendees

understood the value of making sure that subject matter was relevant, but felt that a wider range of topics should be maintained. They also felt that there was a small risk that Radio 4 drama could end up sounding more similar due to the homogenisation of the radio drama production process.

- 168 Although these remain relatively minor concerns, we expect Radio 4 to maintain a wide variety in terms of subject matter, formats and the tone of its drama.

Radio 4's comedy programmes make an important contribution to this purpose

- 169 Radio 4 broadcasts a mixture of comedy programmes. The main weekly slots are at 6.30pm and then later at 11pm. The early evening slot is home to a number of Radio 4's long-running comedies such as *Just a Minute* and *The News Quiz* and these continue to attract very healthy audiences with around 3.1 million listeners each week. This slot delivers the majority of Radio 4's 4.7 million comedy reach.⁵⁷ The 11pm slot does not have the strong listening figures of the early evening slot and the comedy programmes here are often much newer.

- 170 The comedy programming on Radio 4 often performs well after the linear broadcast. Radio 4 comedies are amongst the most requested radio programmes on the BBC iPlayer and the *Friday Night Comedy* podcast is one of the BBC's most popular overall. These types of listening can help extend the overall reach of these programmes.

Radio 4's long-running comedy programmes have higher appreciation scores than the newer programmes

- 171 The audience appreciation index (AI) scores can vary greatly for comedy programmes on Radio 4. The highest AIs tend to be for those programmes that have run for many years and are well established. In contrast, the newer comedy programmes often have lower AI scores, particularly when they start out. This is a pattern that we see on television as well as on radio. Overall, comedy is rated a little lower than some of the other genres broadcast by Radio 4.

- 172 The difference in appreciation between established and new comedy was also highlighted in our public consultation and by our Audience Councils. While many respondents were happy with the quality of comedy programming, some were not and felt that Radio 4 was not as successful in this area as in other genres. In particular, respondents compared the newer comedy negatively with the highly-rated established comedies. A number of respondents to our consultation recognised, however, that these newer programmes did cater to other people's tastes and were, therefore, legitimate parts of the schedule.

- 173 Our research corroborated these findings. The audience feels that the comedy output on Radio 4 is generally good although can vary in quality, and accepts that this is evidence of entertaining, creative and original output. Those surveyed were also able to recall popular Radio 4 comedy titles such as *Little Britain* and *The Mighty Boosh* that had transferred successfully to television, noting this as a sign of success in this genre.

⁵⁷ Source: RAJAR 2009-10

Comedy programmes have an important role in generating fresh and new ideas, and developing new talent

- 174 We believe that the range of comedy output is a key part of Radio 4's overall proposition and is important in allowing the station to generate fresh and new ideas, and develop new talent. This genre often allows for some of the most creative ideas and writing across the network. In their submission to this review, Radio 4 stated their commitment to take risks through their comedy output. We welcome this as we believe that, while this is a relatively small part of the overall output, it has an important role in driving perceptions of the station, and can provide a counter-balance to the more factual and serious tone found in much of Radio 4's other output.
- 175 This programming is also ideal for supporting new talent and giving them opportunities to develop skills and ideas, a requirement which is specifically set out in Radio 4's service licence. Evidence from our public and stakeholder consultations suggested that Radio 4 is doing a good job in supporting such talent.
- 176 Our conversations with BBC management have highlighted the important role that the late comedy slot has in this regard. It allows them to experiment and take risks with different formats and talent in ways that they could not do in the 6.30pm comedy slot.
- 177 We believe that having a healthy mixture of established and new comedy in both the early and late evening slots is important to the overall Radio 4 offering. We encourage Radio 4 to continue to take risks and generate fresh and new ideas with its comedy programming and accept that some of the new comedies may not always succeed.

Promoting Education and Learning

Informal learning features in much of the Radio 4 schedule

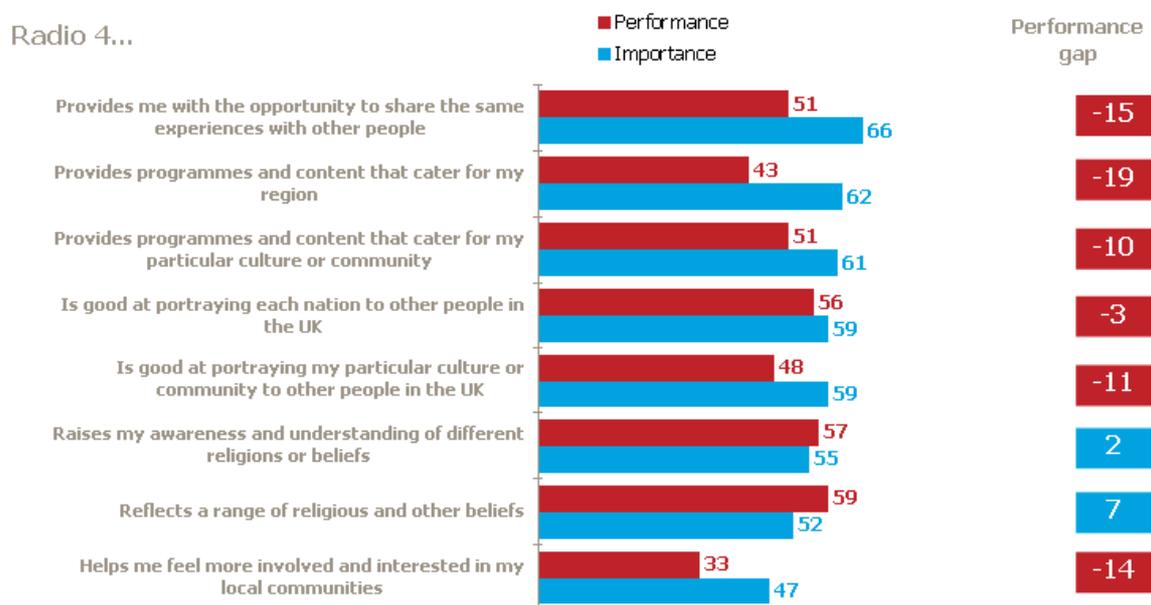
- 178 Listeners tell us that much of the Radio 4 schedule provides opportunities for informal learning. 85 per cent of respondents in our audience research agreed that they *learn new things while enjoying programmes or content on BBC Radio 4*. Listeners were able to identify a range of programmes spanning all genres that added to their personal learning. Our research highlighted particular programmes that significantly contribute to this purpose including *Gardeners Question Time*, *Woman's Hour* and *A History of the World in 100 Objects*.
- 179 Evidence from BBC audience surveys and our consultation also suggests that Radio 4 contributes strongly to the delivery of this purpose. The great majority of respondents to our consultation felt that the Radio 4 was very successful in broadening listeners' understanding of a range of topics, both in output with a specific remit to educate and in output where this is not the specific focus.
- 180 As required by the service licence, Radio 4 supports pan-BBC social and educational campaigns, and seeks partnerships with organisations outside the BBC to extend the reach and impact of the station's education and learning output. We welcome partnerships with institutions such as that with the British Museum which has led to the considerable success of *A History of the World in 100 objects*, as these are effective at increasing the impact of programming related to this purpose.

Reflecting the UK, its Nations, Regions and Communities

Audiences feel that Radio 4 is falling short of their expectations in delivering this purpose

181 Radio 4 should make an important contribution to this purpose across a range of its output. Although our research found that audiences saw this purpose as being of relatively low importance, they also felt that the station was not living up to their expectations, as set out in Figure 12.

Figure 12: Audience perceptions of performance and importance for Radio 4 in reflecting the UK's Nations, Regions and Communities purpose



Source: Pre-task quantitative survey; How important is it that... / How much do you agree that... Gap = Performance – Importance (negative = under delivery). Base: c. n=136

182 Radio 4's performance against this purpose would seem to be linked to its relatively low reach amongst certain audience groups across the UK, as highlighted earlier in our report, and the perception that Radio 4 can be very metropolitan. The further away from London they are, the more audiences perceive Radio 4 not to be delivering this purpose.

183 Our Audience Councils considered this area in their submissions to this review. Reflecting our audience research and performance analysis, they expressed varying views on how well Radio 4 delivers against this purpose, with feedback from audiences that are closer to London more positive about performance than those that are further away. They noted that generally, audiences associate the delivery of this purpose with news and current affairs coverage of their nation or region, although they also recognise the role that other programming, such as comedy and drama, can play in portrayal of and catering for audiences across the UK. Overall, evidence from our Audience Councils suggested that the performance against this purpose was quite good. In particular, they noted improvements in Radio 4's news and current affairs reporting of devolved issues around the UK, representing progress following the BBC Trust's news and current affairs impartiality

report in 2008. Some concerns were raised, however, about the range and volume of news coverage on Radio 4, and there was a sense that, at times, the station's world view seemed rooted in the south of England. There were also mixed views as to how well Radio 4 complements the other services in the nations and regions. The Councils are clear that the existence of the BBC's national and local radio stations does not relieve Radio 4 of its the responsibility to provide programming that reflects the whole of the UK, although these services do provide important context in understanding Radio 4's performance.

Radio 4's performance reflects wider thinking about the BBC's contribution to this purpose

184 The BBC Trust's wider work in understanding the delivery of the public purposes has highlighted gaps in 'providing programme and content that caters for my region' at an overall BBC level. A number of initiatives have been undertaken to investigate and help close these purpose gaps, such as:

- **Portrayal work.** We have worked closely with the Trust's Audience Councils to investigate the ways in which the BBC might portray better the full diversity of the UK's nations, regions and communities. We are currently working with BBC management, who are conducting a number of projects looking at the portrayal of particular audience groups. Our conclusions on the progress of this work will be set out in the Annual Report.
- **Radio Network Supply Review.** In 2009 the BBC undertook a review of its radio network supply. In this, BBC management set out their aim to increase the proportion of eligible network spend outside of London from 33 per cent to 40 per cent by the end of the current Charter period.
- **BBC North.** In 2011, the BBC will begin moving a number of services, including BBC Sport, BBC Children's and Radio 5 Live and Sports Extra to Salford. This project is intended to help better reflect the whole of the UK.

185 It is very important that Radio 4 accurately reflects the nations, regions and communities of the UK as the enhanced delivery of this purpose will have a positive effect on both core Radio 4 audiences (in giving them a fuller view of UK society) and on potential new audiences (who are more like to perceive the station positively). Our conversations with BBC management and their submission to this review indicate that they aware of this on-going challenge and will continue to look for ways to improve the delivery of this purpose. We believe that Radio 4's ambition to improve its reach amongst audiences that are further away from London, particularly those in the north of England, may help to close some of these gaps between audience expectations and performance.

We have heard concerns from several organisations about the level of Radio 4's religious programming and coverage

186 Radio 4 currently broadcasts 225 hours of religious programming a year – slightly more than the minimum requirement set out in its service licence. This is delivered through a range of programmes such as *Moral Maze* and *Sunday Worship*. We have received submissions from a number of organisations, including the Church of England, the British Humanist Society and the National Secular Society, with often opposing views on the nature and level of religious coverage on Radio 4.

187 Our research found that audiences were generally pleased with Radio 4's religious output. As illustrated by Figure 12 there are positive performance gaps for the statements relating to religion and beliefs, suggesting that Radio 4 is more than meeting audience expectations. We recognise, however, that this can be a very subjective issue for licence fee payers.

Radio 4's long wave service regularly covers test match cricket

- 188 The station dedicates much of its long wave schedule to broadcasting *Test Match Special* – the long-running and highly appreciated coverage of England cricket. BBC management's long-term ambition is to make 5 Live Sports Extra the home of this output. This transition is also important as the long wave service will eventually become obsolete. Until digital penetration is more or less universal, however, there will be a demand for this service on long wave.
- 189 UTV, the operator of TalkSport radio, has expressed its concern that the Radio 4 service licence does not clearly specify Radio 4's role in sports coverage. We accept this assertion. While we recognise the importance of Radio 4's coverage of Test Match Cricket, the service licence does not set out whether this is the limit of what is required of Radio 4 in this area. We believe that it is appropriate for the service licence to provide more clarity and have asked BBC management to consider what role Radio 4 should play with regard to sports coverage. Their consideration will need to take into account Radio 4's role within BBC radio's overall coverage of sports, and, principally, its relations with Radio 5 Live in this area. We have asked BBC management to undertake this work in preparation for the review of Radio 5 Live which we will launch this year. Further to the work of BBC management, we will then look to amend the service licence accordingly.

Action 9 – BBC management should consider Radio 4's role in sports coverage

This consideration should take into account Radio 4's role within BBC radio's overall sports coverage.

We have asked BBC management to respond by summer 2011.

190 In their submission to this review, UTV also questioned BBC management's temporary use of Radio 3 and Radio 4 DAB spectrum to broadcast coverage of events such as Wimbledon. These temporary arrangements have occurred on a small number occasions when BBC radio outlets were covering a number of simultaneous sports events. At such times, BBC management provided a temporary DAB opt-out to allow the audiences to listen to the event. We believe that this raises some questions about the BBC's use of sports rights across its radio portfolio. Due to its key association with Radio 5 Live, we will examine this issue in the review of that service, which will be launched this year.

Bringing the UK to the World and the World to the UK

Radio 4 has an international perspective in much of its content and this is highly valued by audiences

- 191 Radio 4 makes an important contribution to this purpose, principally through its journalism and factual output. Some programmes, such as *From Our Own Correspondent* or *Excess Baggage*, have an explicit focus on this purpose. Radio 4 also often offers an international perspective in many programmes that do not have a specific remit to do so.
- 192 Audiences recognise Radio 4's strong delivery of this purpose. 90 per cent of respondents in our research agreed that *Radio 4 helps me understand what's going on in the wider world, such as international news and events*. In addition, 80 per cent agreed that *Radio 4 helps me understand and appreciate different cultures and lifestyles from around the world*. Both these scores are higher than audience expectations in this area.
- 193 The qualitative research revealed that audiences strongly associate the delivery of this purpose with Radio 4's international news coverage. The positive perceptions of Radio 4 journalism apply equally to its international news coverage, in that it covers a variety of complex issues, uses insightful correspondents and provides an in-depth understanding of events. Evidence from our consultation also suggests that Radio 4 makes a substantial contribution to this purpose, with the majority of respondents being very positive about Radio 4's coverage of international issues.

We have heard some concern that Radio 4's output is too focused on America

- 194 Both our public consultation and our audience research reveal audience concerns that Radio 4's international coverage may be too focused on events in America, whereas Europe and other areas may not receive as much attention. This concern is also echoed by the Voice of the Listener and Viewer.
- 195 Radio 4 has a range of news and non-news output that covers events in America, much of which is highly valued. We have raised this concern with BBC management who accept that there may be something of an imbalance and will consider what action they can take to address this concern.

Action 10 – Radio 4 should consider the balance of its international coverage

Radio 4 should address audience concerns about the imbalance of its international coverage in favour of America compared with Europe and the rest of the world.

We have asked BBC management to report back by summer 2011.

Emerging Communications

Although Radio 4 undertakes a considerable amount of activity in this area, audiences see it as a low priority

- 196 Around 56 per cent of respondents in our research agreed that it was important that *Radio 4 provides quality content that I find enjoyable or useful on the internet* and only 48 per cent thought it important that *Radio 4 has helped me make the most of new technologies such as the internet*. This indicates that this purpose has a relatively low priority amongst the Radio 4 audience and they generally feel that the station is delivering adequately against expectations.
- 197 Where audiences use Radio 4's online and interactive elements, they tend to value the opportunity to listen to content in different ways. Respondents to our public consultation who had used the website, podcasts or other interactive elements were generally very positive about them.
- 198 As outlined in paragraphs 132 to 135, Radio 4 makes a significant amount of its content available on demand online, and usage is high compared with other BBC radio services. We would expect this aspect of the Radio 4 proposition to become more important for audiences as awareness grows. These elements are also likely to attract a slightly different audience, who may be younger than Radio 4's traditional linear listeners. This will be helpful in broadening the appeal of and engagement with the station.
- 199 In 2010, BBC management ran a six month trial of series catch-up for audio content through the BBC iPlayer. This means that programmes with a strong narrative arc or link between episodes would remain available on demand for the length of the series – much of which applies to Radio 4 content. We have asked the BBC Executive to consider the views of the radio industry before final consideration of this proposal.
- 200 As part of this review, BBC management has proposed to develop its public service archive into a 'permanent collection'. This will draw primarily on archive content from Radio 4 along with Radio 3 and BBC Four. This is considered in the final section of this report.
- 201 We acknowledge Radio 4's good contribution to this purpose through its commitment to making content available in different ways and its promotion of DAB radio. Although these types of listening remain secondary to the linear broadcast, evidence suggests that Radio 4 is fulfilling its service licence remit to *make its high quality content available on digital platforms and promote DAB and other digital technologies to its audiences*. It is important that Radio 4 continues to find different ways to serve the audience.

Value for Money

Radio 4 is the most expensive BBC radio station

- 202 Radio 4's current service licence budget is £91.3million. This is the most expensive of any BBC network radio station. We monitor annual expenditure against these budgets and any over- or under-spend of more than 10 per cent requires the Trust's approval. Table 5 shows that Radio 4 has stayed within the budgetary limit set by its service licence over the last three years.

203 In 2009-10 the direct cost of Radio 4's programming was £73.6million which is mainly controlled by Radio 4 management as well as BBC News management who are responsible for news funded spend. The remaining expenditure is not directly controlled by the Radio 4 management team, and includes newsgathering, which accounts for the significant majority of spend.

Table 5: Radio 4 expenditure compared with the station's service licence budget for 2007-08 to 2009-10

	2007-08 (£000s)	2008-09 (£000s)	2009-10 (£000s)
Direct programme making expenditure (i)	67,809	72,842	73,629
Centrally allocated programme related expenditure (ii)	13,384	13,069	13,087
Total content expenditure (iii)	81,193	85,911	86,716
<i>Service licence budget</i>	<i>76,700</i>	<i>86,000</i>	<i>86,000</i>
Total content expenditure (iii)	81,193	85,911	86,716
Distribution (iv)	10,000	8,300	8,800
Infrastructure / support (v)	14,300	14,800	16,500
Total	105,493	109,011	112,016

Source: BBC Annual Reports and management controls

(i) expenditure controlled by the Radio 4 and BBC News management teams

(ii) this includes programme related expenditure not controlled by the Radio 4 management team such as newsgathering, copyright etc

(iii) this expenditure is monitored against the service licence budget

(iv) Radio 4's share of broadcast transmission costs

(v) Radio 4's share of non programme related specific overheads such as property, technology, finance etc.

Radio 4 is meeting its efficiency savings targets

204 Between 2007-08 and 2012-13 Radio 4 is expected to deliver cumulative continuous improvement savings amounting to £6.4million and is on course to deliver this. The BBC expects these efficiencies to be performance neutral. Our analysis of quality, reach and impact as set out earlier in this report suggests that these efficiency savings are not currently affecting the performance of the service.

A large proportion of the Radio 4 budget is managed by the BBC News division

205 A significant proportion of Radio 4's expenditure is not the direct responsibility of the Radio 4 management team. This is principally because a large part of the station's output is news and current affairs, which is run mainly by the BBC News division. In 2009-10 some £28.1million was spent on news and current affairs programming – around 32 per cent of Radio 4's service licence budget. In addition, Radio 4 contributed around £11million to BBC newsgathering, bringing the proportion of Radio 4's service licence budget that is spent on news and current affairs to around 45 per cent – roughly in line with the proportion of output.

206 We know from our analysis that the news output is critical to the strong performance of Radio 4 in terms of reach, quality and impact. The large budgetary allocation makes it still more important that Radio 4 and BBC News work well together to serve licence fee payers. As outlined in paragraphs 149 to 151, we believe this relationship works well.

After news, drama and factual programming account for the largest proportions of the service licence budget

207 In 2009-10 Radio 4 spent £12.8million on drama programming and £10.1million on factual programming, accounting for 15 per cent and 12 per cent of the total service licence budget respectively. These proportions of spend are broadly equivalent to the proportions of output broadcast. Our analysis and research has shown that, after news, the factual and drama output is some of the most appreciated and listened-to. These genres also contribute strongly to the delivery of the public purposes and overall positive perceptions of Radio 4.

208 Radio 4's commitment to a broad multi-genre proposition is reflected in its budgetary allocation. In 2009-10 Radio 4 spent £5.1million on entertainment and comedy; £3.4million on arts; and £2.6million on religion. Radio 4 is also allocated £2.6million of the BBC sports rights cost. These levels of spend have been broadly stable over recent years.

There is a very strong perception amongst Radio 4 listeners that the service and the licence fee overall represent very good value for money

209 BBC audience surveys show that Radio 4 listeners believe that they are getting excellent value for money from the BBC licence fee. This is because the service tends to attract a heartland BBC audience who are likely to value highly and appreciate both Radio 4 and the BBC as a whole.

210 Our research asked respondents to consider whether they thought that Radio 4 was good value for money. Ninety-five per cent of respondents felt it was either fairly good or very good value for money, higher than for either Radio 3 or Radio 7. These high scores are driven by the strong appreciation and high levels of engagement that listeners have with the service.

Radio 4's cost per listener hour is very stable

211 In 2009-10 Radio 4's cost per listener hour was 1.3p. This is around double that of Radio 1 and Radio 2 but much less than Radio 5 Live or Radio 3. It has been roughly stable over the last few years, as shown by Table 6.

Table 6: Cost per listener hour for BBC network radio stations

Cost per listener hour (pence)	2007-08	2008-09	2009-10
Radio 1	0.6	0.6	0.6
Radio 2	0.5	0.5	0.5
Radio 3	6.1	6.3	6.3
Radio 4	1.3	1.3	1.3
Radio 5 Live	2.4	2.3	2.3

Source: BBC Annual Reports

212 Radio 4 has a higher cost per listener hour than either Radio 1 or Radio 2, principally due to the more expensive nature of its output. Levels of listening are broadly equivalent to these two stations, but Radio 4's cost per hour of output is much more at £10,500. This reflects the intrinsic costs of high-quality journalism, built factual programming, and drama and comedy.

Based on this evidence we believe that Radio 4 represents excellent value for money for licence fee payers

213 Our review has found that Radio 4 is performing very well in terms of its reach, quality and impact. Although its budget is significant, its strong listening figures mean that its relative cost is low.

BBC Radio 7

Radio 7 is highly regarded by a sizeable audience for a digital-only station, who value the light-hearted and nostalgic output. Audiences appreciate the opportunity to hear examples of the best of radio comedy and drama from the BBC archive. Radio 7 also plays an important role in promoting DAB. Awareness of Radio 7 is very low overall, however, and its dedicated children's programming is not serving audiences well.

Quality

Radio 7 is much loved by its audience

- 214 Evidence from our audience research, public consultation and Audience Councils reveals that listeners have a great affection for Radio 7. In our public consultation, the majority of respondents thought that the speech programming on Radio 7 was of very high quality, with comedy and drama praised most often. In addition, many listeners referred to the packaging of archive output as evidence of high-quality radio, although there was some concern about the level of repeats.
- 215 Reflecting the focus on drama and comedy, our research indicates that audiences perceive Radio 7 positively as 'yesterdays creativity' with enjoyable, involving and light-hearted content. Around half the respondents were high approvers (giving a score of 8 or more out of 10) and no respondents rated the station poorly. The following elements were seen to be key drivers of quality on Radio 7:
- **Classic programmes** – cherry-picked standard bearers and niche content that is unavailable elsewhere;
 - **Highlighting excellent writing** – well chosen examples of classic programming emphasising the BBC's talent for writing and acting;
 - **Production** – demonstrating high standards of production from archive content;
 - **Listener experience** – seen as involving, immersive and engrossing by many of the audience.
- 216 Due to the smaller audience size, the BBC's regular audience surveys are unable to evaluate the quality of Radio 7 effectively.

Despite the overlap in content and audience, there is a significant difference in listening experience between Radio 7 and Radio 4

- 217 Our evidence indicates that there is a significant difference in tone and this, together with the focus on entertainment programming, results in a different listener experience from that of Radio 4. Overall, audiences associate Radio 7 with escapism, nostalgia and entertainment. While this can be true of certain strands within Radio 4 – principally the

drama and comedy programming – the topicality and factual elements of Radio 4 tend to dominate overall perceptions.

Reach

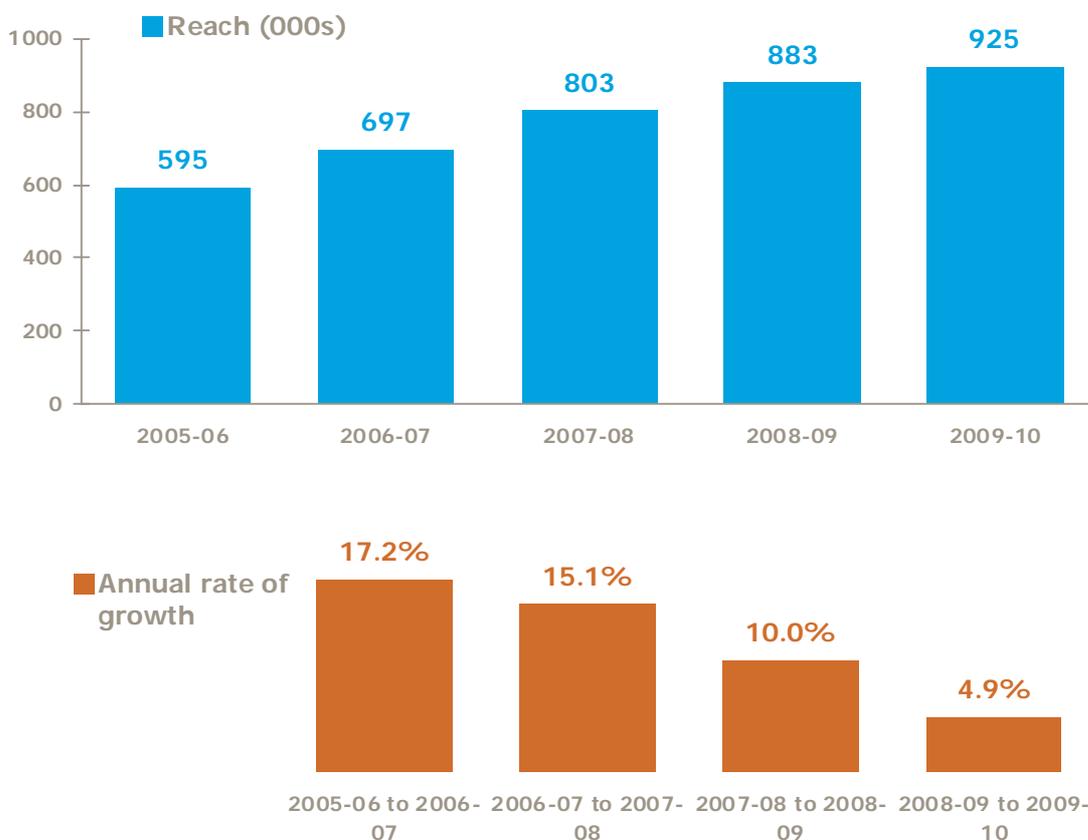
Radio 7 is one of the BBC’s best-performing digital stations

218 Since its launch in 2003 Radio 7, which is available on DAB, digital TV and the internet, has consistently had the highest reach of the BBC digital radio stations. It has been one of the best-performing digital only radio stations. In 2009-10 around 925,000 adults listened every week. In recent months the reach has risen above the 1 million mark, although it has now been overtaken by 6 Music.⁵⁸

219 The average Radio 7 listener tunes in for around 6 hours each week. This has risen by an hour since 2005-06 and is broadly equivalent to the other BBC digital radio stations.⁵⁹

220 There are signs that Radio 7’s rate of growth is starting to slow. Figure 13 illustrates that since 2005-06, the annual rate of increase has consistently slowed. This presents a challenge to Radio 7 in continuing to attract new listeners to the digital service.

Figure 13: Weekly reach and annual growth for Radio 7



⁵⁸ Source: RAJAR 2009-10

⁵⁹ Source: RAJAR 2009-10

Source: RAJAR

Awareness of Radio 7 is lower than that of all other BBC radio stations

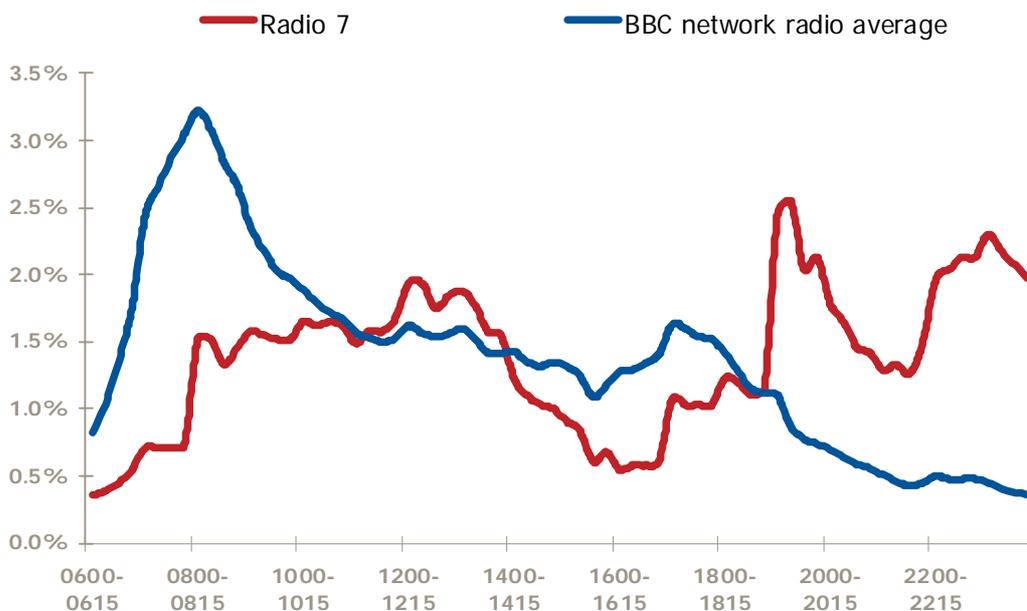
221 In 2009-10, less than one in five UK adults was aware of Radio 7 when prompted. This is lower than awareness of any other national BBC radio station. This level of awareness has remained low for three years and is consistent with the situation of the other BBC digital stations. There has been a marginal increase recently, from 17 per cent in Quarter 1 2010 to 20 per cent in Quarter 3 2010, which is likely to be a spin-off from the publicity generated by the BBC Executive’s proposal to close 6 Music.⁶⁰

222 Awareness of Radio 7 amongst Radio 4 listeners is slightly higher at 33 per cent, which represents around 3.3 million adults.⁶¹ However, only 7 per cent (around 700,000) of Radio 4 listeners currently listen to Radio 7.⁶²

The pattern of listening to Radio 7 is different from that to most network radio stations

223 Listening to most radio stations is driven by their breakfast programming. As shown by Figure 14, the daily listening pattern for Radio 7 is very different from that of other BBC radio stations and the traditional peak listening times are not the same. Radio 7 has some of its highest levels of listening from around 8am through to 2pm, around 7.30pm and then after 10pm. This is because some of the most popular comedy and drama content is scheduled around these times. In contrast, Radio 7 suffers significant dips during its children’s output.

Figure 14: Percentage of radio listening by daypart



⁶⁰ Source: Pan BBC Tracking Survey

⁶¹ Source: Pan BBC Tracking Survey / RAJAR 2009-10

⁶² Source: RAJAR 2009-10

Source: RAJAR 2009-10

Radio 7 has the highest percentage of DAB listening

224 Almost two-thirds of listening to Radio 7 is on the DAB platform. This is higher than for any other BBC digital radio. In contrast, listening via digital TV is much lower for Radio 7.⁶³ This illustrates the listening behaviour of its audience and strong penetration of DAB radios amongst them.

The audience breakdown of Radio 7 is very similar to that of Radio 4

225 Given that over three-quarters of the Radio 7 audience also listen to Radio 4, it is no surprise that the audience profile of the two stations is very similar. The station appeals more to older audiences, people from better-off households and adults living in the south and south east of England.

226 The only significant difference is that Radio 7 has a higher proportion of male listeners. Fifty-nine per cent of its audience are men compared with Radio 4, where around 51 of listeners are men.⁶⁴ This is due to the strong performance of certain strands on Radio 7 such as the comedy and science fiction output which have greater appeal to men.

Impact

Radio 7 is making an important contribution to the delivery of some of the BBC's public purposes

227 Radio 7 is making a positive impact in relation to a number of purposes. Audiences rate it particularly highly for its contribution to the Emerging Communications purpose. They also believe that the archive content contributes to the BBC's Creativity and Education purposes. This overall impact is, however, limited by the relatively small audiences.

228 It should be noted that the Radio 7 service licence does not require the station to make any contribution to the Citizenship or Global purposes.

Radio 7 is meeting its service licence commitments

229 Radio 7 is required to make a contribution to the BBC's public purposes by meeting a number of output requirements as specified in its service licence. Table 7 shows that Radio 7 met all of these requirements in 2009-10.

Table 7: Radio 7's performance against its service licence commitments

Purpose	Commitment	2009-10
Stimulating Creativity and Cultural	Broadcast at least 50 hours of comedy each week	56

⁶³ Source: RAJAR Q1 2010

⁶⁴ Source: RAJAR 2009-10

Excellence

	Broadcast at least 50 hours of drama each week	74
	Contribute to BBC Radio's commitment to commission at least 10% of eligible hours of output from independent producers	36%
Promoting Education and Learning	Broadcast at least 1,400 hours of children's programming each year	1,519

Source: BBC annual figures 2009-10

Stimulating Creativity and Cultural Excellence

Radio 7 broadcasts some of the BBC's most treasured speech radio from its archive

- 230 Our evidence shows that the Radio 7 audience greatly appreciates the archive content on Radio 7 and sees much of it as highly creative. Our research suggested that there was a difference in listening approach amongst the audience. Some were aware of the content from its original broadcast and cherished the opportunity to listen again. Others were discovering the content for the first time. In both instances, Radio 7 was not perceived to lack creativity despite the majority of content having already been broadcast.
- 231 Submissions from our Audience Councils noted that there was significant value in making the best of the radio archive available to audiences, particularly drama serials and classic comedies, and their feedback showed that this was certainly appreciated. Respondents to our research and consultation rated Radio 7 highly for providing a variety of enjoyable programmes across a range of genres. Comedy and drama programming were the key drivers of this perception. Audiences also felt that the nature and packaging of Radio 7 – focused around high-quality archive content – was in itself creative. This makes Radio 7 very distinctive compared with other BBC and commercial radio stations.

Radio 7 originations lack impact and it is difficult to measure their quality

- 232 The service licence states that Radio 7 should *support new talent through its original commissions... and should broadcast some original new comedy and drama*. In 2009-10 approximately 49 hours were acquired content, 32 hours were in-house commissions and 15 hours were independent commissions. Of this commissioned content around 8 hours were originated comedy and 39 hours were originated drama or readings.
- 233 Due to low levels of output and listening it is difficult to measure the impact and appreciation of these programmes effectively as they do not generate large enough samples in the BBC's audience surveys. In addition, there was very little awareness of Radio 7 originated programming either in our audience research or in our public consultation. This indicates that this output is making little impact overall.
- 234 We recognise, however, the important opportunity that these programmes give new talent including writers, actors, directors and producers. This is particularly relevant to comedy,

where Radio 7 has encouraged and nurtured a number of young performers including Miles Jupp, Shappi Khorsandi and Russell Howard, all of whom have moved on to larger BBC services.

235 We believe that Radio 7 can play an important role in comedy. It is the area that audiences most with associate Radio 7 and we encourage management to develop this genre further to enhance Radio 7's reputation and impact.

Promoting Education and Learning

Radio 7 is finding it difficult to deliver this purpose to children because of the very low reach amongst this audience

236 The service licence states that Radio 7 is expected to contribute to this purpose principally through its output for children and should be the home of children's radio. In 2009-10 the station broadcast around 4 hours of content per day aimed at children:

- **CBeebies radio** is currently broadcast between 6am and 8am, and is aimed at pre-school children. In 2009-10 it attracted around 125,000 listeners each week, of which 12,000 were aged between 4 and 14.
- **Big Toe Books** is broadcast between 4pm and 5pm on weekdays and at 8am on weekends. It is aimed at 8 to 12 year olds. In 2009-10, *Big Toe Books* had a weekly reach of around 136,000 individuals of which 21,000 were aged between 4 and 14.⁶⁵

These very low listening figures indicate that Radio 7 is not successful in reaching children through its dedicated children's content. In fact, more children listen to other parts of the Radio 7 schedule⁶⁶ and the average age of audiences to this children's programming is 48.⁶⁷ This significantly limits the contribution that Radio 7 can make to this purpose through its dedicated children's content. In addition, this content, particularly the CBeebies output, does not fit well on a primarily adult network. Audiences tell us that it disrupts listening significantly and it is often the cause of complaints.

237 BBC research shows that in most instances children do not have control of the radio. This is particularly true of pre-school children. In addition, a lot of radio listening involving children takes place in cars and the vast majority do not have DAB radios. The most listened-to radio stations amongst children tend to be popular music services such as Radio 1 and commercial stations.

238 Some of the respondents in our research did, however, recognise the contribution that Radio 7 could make to children's listening. Those who were aware of CBeebies radio felt it was preferable to children watching TV in the morning. They also thought that many of the readings and adaptations (both bespoke for children and other content) contributed to children's formal and informal education.

⁶⁵ Source: RAJAR, 2009-10, All individuals aged 4+ – Note that sample sizes for children's listening on Radio 7 are very low so only indicative

⁶⁶ Source: RAJAR, 2009-10, Children aged 4-14 – Note that sample sizes for children's listening on Radio 7 are very low so only indicative

⁶⁷ Source: RAJAR, 2009-10, All individuals aged 4+

239 Apart from the dedicated children's programming, audiences felt that Radio 7 made a small contribution to the informal education and learning of all audiences through its broadcast of classic literature readings such as *Sherlock Holmes* and *Bram Stoker's Dracula*.

Reflecting the UK, its Nations, Regions and Communities

Radio 7 provides speech output for communities of interest that would not be served by other radio stations

240 Radio 7 has limited requirements in relation to this purpose. There are, however, small communities of interest, such as fans of science fiction, fantasy, horror and stand-up comedy that value Radio 7's offering in these genres. In our research, audiences were able to recognise and appreciate the role that Radio 7 played in serving these fans, even if they did not listen themselves.

Emerging Communications

Radio 7 has played a strong role in encouraging audiences to migrate to DAB radio

241 In the early days of DAB radio, around a quarter of buyers of DAB radio sets cited listening to Radio 7 as the key purchasing factor. The station continues to have the highest proportion of DAB listening of any BBC radio station.

The station can encourage some audiences to listen to the content using new technologies

242 Our research suggested that a proportion of the Radio 7 audience had been encouraged to listen to the station in different ways, such as using the website or iPlayer. For some, this had a transformative effect on their listening experience and improved their overall appreciation. As Radio 7 does not have a strong traditional linear schedule in the same way as most other radio networks, it fits very well with the on-demand experience allowed by online listening. In fact, some audiences listen almost entirely online and were not aware that there was a linear broadcast.

243 Audiences feel that Radio 7 can act as a gateway to the BBC's digital services and help encourage listeners to make use of these technologies.

Value for Money

Radio 7 has operated within its service licence budget

244 Radio 7 has a current service licence budget of £5.8million. Except for 5 Live Sports Extra, this is the lowest service licence budget of any BBC digital radio station. We monitor annual expenditure against these budgets and any over- or under-spend of more than 10

per cent requires the Trust's approval. Table 8 shows that Radio 7 has stayed within the budgetary limit set by its service licence over the last three years.

245 In 2009-10 the direct cost of Radio 7 programming was £4.9million. The remaining expenditure was not directly controlled by the Radio 7 management team.

Table 8: Radio 7 expenditure compared with the station's service licence budget for 2007-08 to 2009-10

	2007-08 (£000s)	2008-09 (£000s)	2009-10 (£000s)
Direct programme making expenditure (i)	5,480	5,106	4,892
Centrally-allocated programme-related expenditure (ii)	31	86	121
Total content expenditure (iii)	5,511	5,192	5,013
<i>Service licence budget</i>	<i>5,600</i>	<i>5,400</i>	<i>5,400</i>
Total content expenditure (iii)	5,511	5,192	5,013
Distribution (iv)	400	400	300
Infrastructure / support (v)	1,400	1,300	1,800
Total	7,311	6,892	7,113

Source: BBC Annual Reports and management controls

(i) expenditure controlled by the Radio 7 management team and includes children's programming

(ii) this includes programme-related expenditure not controlled by the Radio 7 management team such as copyright etc

(iii) this expenditure is monitored against the service licence budget

(iv) Radio 7's share of broadcast transmission costs

(v) Radio 7's share of non-programme-related specific overheads such as property, technology, finance etc.

The cost per hour of transmission on Radio 7 is low

246 On average, an hour of Radio 7 content costs £571 to broadcast, which is much lower than most other digital radio stations.⁶⁸ This is due to low overheads for the station, such as low staffing levels, and the efficient exploitation of archive content. It is this relatively cheap archive content that attracts the most listening figures and drives appreciation of the station.

247 Radio 7 spends a proportion of its service licence budget on original commissions. These are principally drama and comedy content. In 2009-10, the station spent around £0.5 million on originated programming excluding children's programming. Given the low levels of volume and listening to this content, it is difficult to assess its value for money.

Radio 7's expenditure on children's output is costly

248 In 2009-10, Radio 7 spent around £2.1m on children's programming. This is approximately 42 per cent of the Radio 7 service licence budget, but only represents

⁶⁸ Source: BBC management submission

around 6 per cent of the station's overall listening hours.⁶⁹ Our review has found that it does not drive positive perceptions of Radio 7, and listening figures for this content are very low. Analysis shows that the cost of reaching each child through children's programming on Radio 7 is around 404p compared with around 9p per listener for the network overall.

Audiences have generally excellent perceptions of Radio 7's value for money

249 The majority of respondents to our audience research felt that Radio 7 represented excellent value for money. However, in the qualitative discussions some respondents stated that the limited availability of DAB radio and low awareness meant that Radio 7's value for money could be better. In addition, some respondents found it hard to judge Radio 7 on this criterion as they felt that archive content had already been paid for. Our public consultation also revealed that some respondents felt that Radio 7 was broadcasting repeats too frequently and that this was detrimental to the overall value of the station.

Due to its very low programming costs Radio 7 has a very low cost per listener hour

250 In 2009-10 Radio 7's cost per listener hour was 1.7p. This is lower than any other BBC digital radio station as shown by Table 9 and equivalent to Radio 4. It has also been falling steadily over recent years as listening has grown.

Table 9: Cost per listener hour for BBC digital only radio stations

Cost per listener hour (pence)	2007-08	2008-09	2009-10
Radio 1 Xtra	5.2	4.5	3.6
5 Live Sports Extra	2.2	2.6	2.2
6 Music	4.0	3.4	2.7
Radio 7	2.5	2.0	1.7
Asian Network	7.5	6.9	8.5

Source: BBC Annual Reports

Overall we believe that Radio 7 is very good value for money

251 Our review has found that the majority of the Radio 7 audience greatly appreciate the station and cherish the opportunity to hear quality archive content. Radio 7 achieves this strong performance at a very low cost overall. As discussed in our report, however, the dedicated children's output is not serving audiences well and listening figures to it are very low. This particular output incurs the highest costs within the service licence budget. It does not, therefore, represent value for money for licence fee payers.

⁶⁹ Source: BBC management and RAJAR 2009-10

Key Strategy Initiatives

BBC Archive – Permanent Collections

252 BBC management has proposed to develop part of its public service archive proposition into what it terms 'permanent collections' for Radio 3 and Radio 4. This proposal is outlined in the box below.

The Permanent Collections – BBC management summary

The BBC's Archive Strategy identified a selected number of existing services and service brands (BBC Four, Radio 4 and Radio 3) through which the BBC's 'permanent collection' of public service content will be delivered. This reflects themes in 'Putting Quality First' about the importance of archive and culture in delivering the BBC's core purposes by connecting audiences to the best of everything that the BBC has ever made. The permanent collection proposals focus on the BBC editorial priority of "Inspiring Knowledge, Music and Culture" and provide programming which is likely to be of low commercial value.

Radio 3

Radio 3's proposition is based on making available the archive of a small number of programme strands to enhance the user understanding and appreciation of the network's core output and to enhance the BBC's offer around classical music in other online propositions such as bbc.co.uk/music and elements of the BBC's Knowledge proposition. Radio 3's archive activity will focus on classical music in context; guide to commercial recordings; world music recorded on location; commentary on arts and ideas; and classic theatre and dramatisation of classics.

Radio 4

The Radio 4 offer will provide both topic-based collections and an archive of high-profile strands, with an emphasis on factual content. This archive will be released in such a way as to support BBC Knowledge and search related products as well as the radio product itself. There will be a focus on a number of high-profile strands such as *Desert Island Discs* and *Front Row*, while the station will also develop collections in support of big broadcast seasons and events.

The permanent collections of Radio 3 and Radio 4 fit with the BBC's 'Putting Quality First' strategy

253 The BBC's 'Putting Quality First' strategy states that

It [the BBC] should make the universal availability of its archive a key objective over the next ten years, creating an engine for new public value—connecting audiences with the best of everything the BBC has ever made.

Several elements of the BBC's archive strategy are in development, involving both commercial and non commercial release of archive programming. The proposals for the permanent collections of Radio 3, Radio 4 and BBC Four content are one part of that overall strategy. The following assessment of these proposals is focused on Radio 3 and Radio 4. BBC Four proposals will be assessed separately.

- 254 These proposals relate to the BBC's overall editorial priority of *inspiring knowledge, music and culture* as set out in the 'Putting Quality First' strategy. Although these offers will differ slightly for each service, BBC management has selected these services for their focus on knowledge, culture and arts and the programming in the permanent collections will reflect this.

The Trust examined the BBC's delivery of on-demand programming in 2007

- 255 Following the Trust's On Demand public value test in 2007, the amount of archive programming permissible for all services was limited. Currently, Radio 3 and Radio 4 may offer a small amount of mainly speech content on demand for an unlimited time period after initial broadcast. Any expansion of the scope of this requires the approval of the BBC Trust. BBC management now wish to remove this restriction for these services.
- 256 The BBC currently makes a small amount of this content available permanently on the programme websites. Radio 3 currently has around 220 hours of archive programming available and Radio 4 has around 12,000 hours of archive programming available. BBC management wish to increase this to around 420 hours per annum for Radio 3 and around 1,000 hours per annum for Radio 4. The programming that is included in these collections will be that with little or no commercial value, and will be subject to relevant rights approvals and windowing policies.

Our analysis shows that there is limited usage of the current archive content

- 257 The BBC currently makes its archive content available in two ways – some through bbc.co.uk/archive and some through the specific programme pages. Our analysis suggests that the /archive site attracts a small audience. In 2009-10 only around 6,500 used this page each week.⁷⁰ BBC management plan to re-house the majority of this archive content on the specific programme sites.
- 258 The specific programme sites where the permanent collections will be located have the potential to attract a larger audience. As set out earlier in this report, Radio 4 attracts around 582,000 unique browsers each week and Radio 3 attracts 50,000 each week.⁷¹ We note, however, that the current *In Our Time* programme page, which offers a large amount of archive content going back to 1998, has a relatively low usage, with 13,000 unique users per week in Quarter 1 2010. The website does, however, achieve a very high AI of 85.⁷²

⁷⁰ Source: SAGE

⁷¹ Source: SAGE Q1 2010

⁷² Source: BBC Pulse Survey Q1 2010

We believe that these permanent collections will aid the delivery of the BBC's public purposes

- 259 As the programming that BBC management wants to make available is from the best of the Radio 3 and Radio 4 archive, it will be high-quality, distinctive and reflect the public purposes of the BBC, particularly the Creativity and Education purposes. Therefore, we believe that if there is more opportunity for licence fee payers to hear this programming, public value can be increased. To achieve this, it will be important for BBC management to make audiences aware of this content and we endorse their plans to curate it into collections that complement the linear broadcast services and support high-profile programmes and seasons where possible.
- 260 These proposals involve relatively low costs, primarily relating to rights, and will be contained within the service licence budget.

We approve the proposals for the permanent collections for Radio 3 and Radio 4

- 261 This will require a number of changes to the service licences. We have assessed the significance of these changes against the criteria in clause 25 of the BBC Agreement and concluded that they are not significant. Our assessment is set out in the Trust's decision on BBC's Permanent Collections for Radio 3, Radio 4 and BBC Four, which can be found on our website.

Action 11 – We approve BBC management's proposals for the permanent collections for Radio 3 and Radio 4

These proposals will increase the amount of archive programming made permanently available on the Radio 3 and Radio 4 programme sites. This programming will focus on knowledge, culture and arts, and will be curated in permanent collections that will complement and support the linear broadcast service.

These proposals require a number of changes to the service licences which are set out in annex 1.

These changes have been implemented immediately.

Radio 4 Extra

BBC management has proposed to reposition Radio 7 as Radio 4 Extra

262 The BBC published its 'Putting Quality First' strategy in March 2010. In this, they proposed that *Radio 7's current distinctive offering will be developed through new content and closer ties with Radio 4, culminating in the re-branding of the station as 'Radio 4 Extra.'* BBC management has now developed this proposal which is summarised below.

Radio 4 Extra – BBC management summary

The launch of Radio 4 Extra will mark an exciting moment for BBC radio audiences and lay a cornerstone in the delivery of 'Putting Quality First'. Radio 4 Extra will premier and extend a number of Radio 4's most popular titles, while staying true to Radio 7's roots as a non-live entertainment station. Through these changes we aim to boost listening to the station by 50 per cent, fortifying the BBC's commitment to digital radio.

The core elements of the Radio 4 Extra proposition are:

1. Closer editorial ties with Radio 4, including extended versions of favourite Radio 4 weekly programmes (e.g. *Desert Island Discs*, *Loose Ends*), the creation of behind-the-scenes magazine or companion programmes (e.g. an *Archers* magazine programme), the premiering of programmes (e.g. some comedy series), and the offer of further catch-up opportunities for new Radio 4 comedy.

2. Doubling the level of cross promotion from Radio 4 with the aim of increasing awareness and sampling. This will be supported by a complementary approach to scheduling and greater coordination during high impact seasons and anniversaries.

3. Rebranding the station as "Radio 4 Extra" to accelerate success and boost marketing returns by using a familiar and well loved brand.

Radio 4's overall reach should not be affected by this development, and the extension of its key brands will be managed carefully in order to safeguard Radio 4's reputation. Similarly, the most loved elements of Radio 7 will remain firmly in place to protect the passionate and loyal audiences of the service today.

We endorse BBC management's desire to increase the reach and appeal of this service

263 The repositioning of the station as Radio 4 Extra is intended to result in greater awareness and increased reach for the station. Our review has found that the current audience appreciates the archive content on Radio 7, considering it to be high-quality and delivering the public purposes. We would welcome increasing the reach of this content through

encouraging new audiences to listen as this will further increase the delivery of public value.

264 An increase in awareness and reach would also help promote DAB listening, particularly amongst the Radio 4 audience. Currently, only 13 per cent of the Radio 4 audience listen to at least one BBC digital station⁷³ and BBC management would like this to increase.

BBC management's proposal for this service has three elements:

265 These are:

- closer editorial ties with Radio 4
- doubling the level of cross-promotion
- rebranding the station as Radio 4 Extra

These proposals would be delivered within the current service licence budget. We note that the cost to develop and commission the programme ideas would be around £1.5million and this would be managed through the reprioritisation of the existing budget.

We have used the evidence gathered in our review to inform our consideration of this proposal

266 Our assessment of the current performance of Radio 7 is set out earlier in this report. This provides a sound basis for our decision. In particular, our analysis shows that awareness is a significant challenge. Only 17 per cent of UK adults have heard of Radio 7. Even amongst Radio 4 listeners, this only rises to around 33 per cent⁷⁴ and these levels of awareness have not increased over the last three years.

Consultation responses to this proposal were mixed

267 When we launched our consultation we were aware of the BBC's proposal and asked for respondents' initial thoughts. As we were unable to provide a significant level of detail, many respondents did not feel they were in a position to comment. Among those who did, opinion was mixed. Some had reservations about the proposals as they felt Radio 7 currently offered a variety of quality programmes with a format that was enjoyed and which should not be tampered with. A similar number were more positive about the proposals, as they already identified links with Radio 4, and some felt that the rebrand and new programme material might help increase awareness of the station.

268 A number of organisations commented on the Radio 4 Extra proposal in their submissions to this review, with a mixture of support and concern. For instance, Digital Radio UK believed that the proposal would help promote take-up of the BBC's digital radio services and that the BBC should set ambitious but achievable awareness and reach targets. RadioCentre recognised the potential for Radio 4 Extra to play an important role in the drive to digital, as long as the station did not become a catch-up service for Radio 4 and the distinctive elements of Radio 7 were maintained.

⁷³ Source: BBC management

⁷⁴ Source: Pan BBC Tracking Survey 2009-10

269 In contrast, both the Writers' Guild and the Voice of the Listener and Viewer (VLV) expressed reservations about this proposal. The VLV did not want Radio 4 programmes to be premiered on Radio 7 as they felt that this would not serve audiences well, while the Writer's Guild highlighted the significant differences in remit and personality between the two stations.

We recognise the value of closer editorial ties with Radio 4 and welcome the commitment to increase the levels of cross promotion

270 We believe that there is value in increasing the editorial ties between Radio 4 and Radio 7. The types of programming that BBC management has suggested are likely to appeal to current Radio 4 listeners and may encourage them to sample Radio 7. These closer links should enable Radio 7 to benefit from the strength of Radio 4 and provide some extension and catch-up programming to support the relationship. The commitment to increase the levels of cross promotion will also encourage sampling.

271 Our review has found, however, that audiences greatly appreciate the content, style and tone of the station and cherish the opportunity to hear classic BBC radio comedy and drama. Although the majority of the Radio 7 audience also listen to Radio 4, they identify and appreciate the difference in listening experience. We do not want to see this current perception of Radio 7 damaged by this proposal, and will ensure these elements are protected.

The rebranding from Radio 7 to Radio 4 Extra is primarily a matter for BBC management

272 The first two aspects of this strategy – closer editorial ties with Radio 4 and doubling the level of cross promotion – do not necessarily require Radio 7 to be rebranded as Radio 4 Extra. In our discussions with BBC management, they have presented an argument that a closer association with Radio 4, through the rebranding of Radio 7, will help build awareness of the service, particularly amongst the current Radio 4 audience. This will have a multiplying effect through increased cross promotion as already outlined. We note that the branding and marketing of BBC services is principally a matter for management.

We endorse BBC management's proposal to reposition Radio 7 as Radio 4 Extra

273 After considering the available evidence we endorse BBC management's proposal. Other than re-naming the service, this proposal does not require any changes to the service licence. The title of the service is not considered a key characteristic of the service licence. Therefore, this change does not carry the presumption of a public value test. In addition, BBC management's fair trading assessment has concluded that this proposal is unlikely to have any significant negative impacts on competition.

274 Given Radio 7's distinctive and much loved character, however, we think it is important to give a more explicit underpinning in the service licence to those aspects that the current audience particularly values so as to ensure that the station's unique character is maintained. To do this we have made changes to the service licence that will:

- increase the minimum hours of comedy each week from 50 to 55
- increase the minimum hours of drama each week from 50 to 55

- ensure that no more than 15 per cent of output across the year is Radio 4 catch-up programming

These specific changes are set out in Annex 1.

These are amendments to Part Two of the service licence and therefore do not carry the presumption that they require the Trust to consider applying a public value test. In addition, in so far as our amendments are designed to preserve the existing character of the station, we do not believe that they are significant.

We will closely monitor the effectiveness of this strategy

- 275 In their proposal BBC management has stated that they expect this repositioning to result in a 50 per cent increase in both awareness and reach over a three year period. We have asked BBC management to report the effectiveness of this strategy on a regular basis, and will agree these reporting points once an implementation timetable has been set.
- 276 There are also risks to Radio 4 which BBC management acknowledges. These are primarily reputational risks to the Radio 4 brand if audiences believe that its content is associated with a lower-quality service. However, management is confident that these changes can be implemented carefully and will ultimately reflect positively on Radio 4.
- 277 We expect levels of disruption to the current Radio 4 and Radio 7 audiences to be minimal. To monitor this, we have also asked management to assess and track the impact of this proposal on the listening experience of the current audiences.

Action 12 – We endorse BBC management’s proposal to reposition Radio 7 as Radio 4 Extra

This change will involve:

- closer editorial ties with Radio 4
- doubling the level of cross promotion
- rebranding the station as Radio 4 Extra

Other than the change in title, BBC management’s proposals do not require any changes to the service licence.

In order to protect the elements of Radio 7 that audiences particularly value, we have, however, made changes to the service licence that will:

- increase the minimum hours of comedy each week from 50 to 55
- increase the minimum hours of drama each week from 50 to 55
- ensure that no more than 15 per cent of output across the year is Radio 4 catch-up programming

We have asked BBC management to report the effectiveness of this strategy to the Trust on a regular basis. In particular, this reporting should monitor the impact on the current Radio 7 and Radio 4 audiences.

Children's audio strategy

The BBC has found it challenging to serve children through its dedicated children's programming on radio

- 278 Our review of services for children in 2009 found that awareness and reach of radio content for children was very low. Following that review, Radio 4 decommissioned its dedicated children's programme *Go For It* and BBC management began to review various options for children's radio in the future.
- 279 The BBC's 'Putting Quality First' strategy stated that 'outstanding children's content' was one of the BBC's five editorial priorities. We welcomed and endorsed these five priorities in our initial conclusions on the strategy review.
- 280 BBC management has now completed their review. To inform this, they commissioned some independent research to probe attitudes towards children's audio amongst young people and their parents or carers. They have now proposed a three point strategy which is summarised below.

Children's Audio Strategy – BBC management Summary

As reaffirmed in 'Putting Quality First', the BBC is committed to strengthening its offer for young audiences through a rich and diverse multi-platform offering. Recognising this pledge, the BBC's strategy for children's audio takes an audience-focused approach, learning from past disappointments and taking account of the distinct requirements of the pre-school and older age groups. A tailored three point solution is proposed that considers the needs and behaviours of children and their families as well as the different relationships listeners have with radio and online platforms:

1. Family-friendly content for older children on Radio 4 Extra.

Alongside readings of much loved children's books, we propose that Radio 4 Extra deliver family-friendly content that appeals to older children and their parents or carers, rather than the current pre-school content that has significant performance issues. We know that children rarely choose to listen to the radio over other entertainment options and that radio listening is instead the choice of the parent or carer. A programme intended to deliver to children must therefore also appeal to adults. The family-friendly approach has tested relatively well with older children and the ambition is that, by creating speech radio programmes of broad appeal, we will build the habit of radio listening amongst children and, in so doing, secure audiences of the future.

2. CBeebies pre-school audio available for download from the CBeebies website. Research confirms that young children aged 0-6 years rarely if ever find audio material without the help of a parent or carer. It is for this reason that CBeebies TV and web material is designed to be used by both child and parent together. Extending this approach to audio, CBeebies plans to make approximately 20 minutes a day of audio content available directly online for streaming and download. Downloads will facilitate repetition which is very popular amongst this young age group.

With fresh storylines that are relevant to CBeebies audiences, this programming will complement and extend new and established CBeebies TV brands (e.g. *ZingZillas*, *Tinga Tinga Tales*). CBeebies audio content will also be regularly cross promoted from CBeebies TV.

3. Potential commercial release of children's radio archive for secondary broadcast by third parties. The BBC will explore opportunities to make children's radio archive available to commercial third parties to breathe new life into content that may not otherwise get airings. This initiative should be treated as a priority.

At the beginning of this review, BBC management outlined their plans for serving children on Radio 7

281 BBC management told us that they wanted to change the focus for children's programming in order to appeal more effectively to both older children and their family and carers, as well as to reduce the volume of programming overall from 1400 hours to

350 hours per annum. We asked for respondents' initial thoughts on this proposal in our public consultation. Responses were fairly evenly divided on this question. Some were positive about the proposal – they highlighted the role that Radio 7 could play in encouraging imagination and an interest in speech radio, or as an alternative to television. Others were more negative and felt that the overall amount of output for children's radio should not be reduced. Other respondents believed that children were simply not interested in speech radio.

282 A number of the submissions from our Audience Councils also considered the current children's provision on Radio 7 as well as BBC management's proposals. Members of the public who spoke to the Audience Council Northern Ireland felt that children's radio had the potential to play a much needed role in stimulating young imaginations and helping children to learn key language and listening skills. They also, however, expressed the view that the time might have passed when children could be reached through radio, and if this were the case it did not make sense to invest resources and schedules in this way. In addition, audiences that spoke to Audience Council England felt that today's children expected to be stimulated visually as well as aurally, and that radio was a far less attractive medium to them than other media.

A number of organisations raised concerns about the BBC's provision of audio content for children in their submissions to this review

283 The Sound Start Group set out a number of suggestions to improve the BBC's provision of radio for children. These included replacing the Asian Network with a two-year radio pilot for young children. They also felt that Radio 3, Radio 4 and Radio 7 should provide regular space and content for young people. In particular, these services should play an important role in scheduling regular music, plays, stories, information and news for young people aged 11 to 14. The submission from the Writers Guild echoed these concerns. They believed that there should be a genuine commitment to children in BBC radio, and that drama could play a role in this, particularly for the 10 to 15 year age group.

284 This topic was also raised by Folder Media, who operate Fun Kids radio, and by RadioCentre (of which Folder Media are a member). Both were critical of the BBC's overall provision of radio for children and neither felt that Radio 7 was the home of children's radio as set out in the service licence. Fun Kids radio are particularly keen on working with the BBC in order to either:

- access children's radio content from the BBC archive and broadcast this on Fun Kids radio

or

- establish a dedicated block of hours on Fun Kids radio in which the BBC can broadcast children's radio programming

They have been in discussion with BBC management for a number of months. As part of this review, we met with representatives of Fun Kids radio to understand their proposals better.

We regret that the BBC's attempt to serve children through dedicated programming on Radio 7 is not successful

285 As established in this review, despite a variety of attempts by BBC management to provide successful children's radio, the current dedicated children's programming is performing very poorly. It is also detrimental to the performance of the station overall as it results in significant dips in listening and many of Radio 7's audience do not feel it sits well on a primarily adult network.

The plans outlined by BBC management for content on Radio 7 are intended to offer a stronger speech service for older children and their families

286 BBC management believes that their proposal to reduce the overall hours of children's programming from 1400 to 350 and refocus it on family-friendly content will result in a stronger speech service for children. The regular one-hour weekday afternoon slot will focus on speech and include accessible topical content, stories, book readings, comedy compilations and entertaining quizzes, which management believe will have resonance with the entire family. They believe that this programme will attract greater audiences – both children and adults – and delivery of public value will be enhanced.

287 These proposals will be met within the current service licence budgets. The current costs for children's radio programming on Radio 7 are £2.1million. BBC management's proposals will see around £0.6million spent on family-friendly programming and £0.4million spent on CBeebies audio online. The remaining money will be spent on other programming that will develop the closer editorial ties between Radio 4 Extra and Radio 4, including content that is suitable for family listening.

We believe that this proposal has the potential to strengthen the BBC's provision of speech radio for older children

288 We believe that this proposal acknowledges both the dynamics of how children listen to the radio and the fact that, as a station primarily aimed at adults, the content has to appeal effectively to both children and adults. The family-focused programming has the potential to increase listening and hence the delivery of the public purposes. The key measure of success for this strategy will be how many children listen to this strand and to the station overall, and we would expect this to increase as a result of this proposal.

289 We have some concerns, however, that neither children nor parents will be aware that this slot is specifically designed for families, particularly in a schedule that does not attract traditional listening patterns. BBC management notes that this strand will be supported by a programme page on BBC Online which will also highlight other family-friendly content on Radio 7. While we welcome this, we have asked BBC management to consider additional ways in which they can build awareness of this strand and the other family-friendly content on Radio 7, as well as what may be family-friendly on other networks such as Radio 4.

290 Given our assessment, we approve BBC management's proposals to reduce the overall hours of children's programming from 1400 to 350 and refocus the afternoon slot on content that appeals both to older children and to their families.

We will closely monitor the impact of this family-friendly programming and ask that BBC management provides regular updates to the Trust on its effectiveness

- 291 As noted, the key measure of success for this strategy will be how many children listen to this strand and to Radio 7 overall. We would expect this to increase as a result of this proposal. The current RAJAR methodology for tracking children's listening to radio is not particularly robust, however, and is changing so that it will only track children aged 10 to 14. We have therefore asked BBC management to consider how it will monitor the success of this strategy effectively.
- 292 This will be reported to the Trust as part of BBC management's regular assessment of the overall Radio 4 Extra strategy. Should we find that their family-focused proposal is failing to attract children, we may ask BBC management to reconsider the strategy.

The BBC faces a much more difficult challenge to serve younger children through radio

- 293 Younger children, those aged six and under, are a vital audience for the BBC and one that, across all media, are much less well served than it was. While the BBC has had some success with its CBeebies TV brand, it has found it much more challenging to deliver programming to this audience on the radio.
- 294 Based on our understanding and analysis of listening behaviour, we doubt that programming aimed at young children can sit comfortably on a primarily adult network. Attempts at doing so on Radio 7 have not been successful and account for a large proportion of the service's overall cost.
- 295 BBC management plans to replace the CBeebies radio programming which is currently broadcast in the morning with similar archive programming to that which is already found elsewhere on Radio 7 and aimed at adults. In order to provide young children with radio content, they propose to create CBeebies audio content available for download. They plan to make 20 minutes of new audio content available per day and complement established CBeebies television brands.

BBC management's proposals to create CBeebies audio content available for download may benefit some audiences

- 296 We believe that there is some appetite amongst audiences for this content to be available online for download. BBC server data shows that in 2009-10 there were 9,000 streams and 25,000 download requests for CBeebies radio programming per month. In contrast, the weekly reach of the linear output over the same time period was 12,000 children.⁷⁵ In January 2010, BBC management cross promoted the CBeebies radio content on CBeebies TV and the CBeebies website, which led to significant spikes in online requests – across

⁷⁵ Source: iStats monthly usage figures 2009-10 and RAJAR weekly reach figures 2009-10 – small sample sizes so indicative only

the month there were 17,000 downloads and 43,000 streams.⁷⁶ BBC management plans to replicate this cross-promotional approach as part of these proposals.

- 297 Given differing methodologies in understanding performance, it is not possible to compare linear directly with on-demand listening figures. However, it is likely that a very high proportion of the streams and downloads were specifically initiated by parents, carers or young children in order to listen to this programming. Given its ease of use and findability, this way of accessing content is likely to be more relevant and useful to parents and carers than listening to a linear radio broadcast. In contrast, the proportion of children listening to the linear broadcast represents less than 10 per cent of what is primarily an older adult audience, and indicates how this content does not sit well on an adult network station.
- 298 As with BBC management's proposal for family-friendly programming, we believe that the success of this initiative will be very dependent on the extent and the effectiveness of its promotion. We would expect BBC management to find a number of ways to make parents and carers aware that this content exists online, and that it is available for streaming and download.
- 299 On this basis, we approve BBC management's proposal to create CBeebies radio programming primarily for download from the CBeebies website.

Alongside this, we support BBC management's decision to prioritise the release of children's radio content to third parties

- 300 The commercial release of children's radio archive for secondary broadcast by third parties is principally a matter for BBC management. We are very pleased, however, that they have finalised a framework to release this content and endorse their prioritisation of children's archive programming. This should enable negotiations with Fun Kids radio and other providers of children's audio programmes to be concluded speedily.
- 301 We believe that, providing the BBC's reputation and brand can be protected, there is significant value in working with third parties. This is particularly the case in areas such as children's radio where there is little provision in the market overall, and where the BBC has found it increasingly difficult to serve children, particular those aged under six, on its broad appeal radio services.

We remain very mindful of the BBC's particular duty to serve children

- 302 This commitment is set out as an editorial priority in the BBC's 'Putting Quality First' strategy. We are disappointed that the BBC has not been more successful in serving children through radio, particularly those children aged under six. While we believe that these proposals represent the best options available at the moment, we will continue to monitor developments closely and will welcome any future opportunities to improve the BBC's provision of radio content for children.

⁷⁶ Source: BBC management proposals for Children's Audio Strategy

BBC management's proposals require a number changes to the Radio 7 and CBeebies service licences

303 We have set out the specific details of these amendments in Annex 1. As they are amendments to the key characteristics of the service licences, they carry the presumption that the Trust considers applying a public value test. We have undertaken an analysis of the significance of these changes as set out in Clause 25 of the BBC Agreement. We have concluded that these are not significant and therefore do not require the application of a public value test. This assessment is set out in the Trust's decision in the BBC's Strategy for Children's Audio, which can be found on our website.

Action 13 – We approve BBC management's strategy for children's audio

This proposal involves:

- a focus on family-friendly content for older children on Radio 7, and a reduction in the required hours from 1400 to 350;
- creation of CBeebies pre-school audio available for download from the CBeebies website;
- commercial release of children's radio archive for secondary broadcast by third parties.

We have amended the Radio 7 and CBeebies service licences accordingly.

In order to ensure that audiences are aware of both the family-focused strand and the CBeebies pre-school audio content available for download from the CBeebies website, we have asked BBC management to consider what they can do to build awareness.

We require BBC management to monitor the performance of this strategy and report this regularly as part of their overall assessment of Radio 4 Extra. In doing so, BBC management must consider how to track children's listening effectively given the changes to the RAJAR methodology.

ANNEX 1: Service licence amendments

This annex sets out the relevant sections of those service licences that we will be amending as a result of this report.

Radio 3

Current service licence	Amendment	Paragraph reference
<p>2. Scope of this licence (footnote)</p> <p>¹ Radio 3 currently offers a limited amount of mainly speech content on-demand for an unlimited time period after initial broadcast. Any expansion of the scope of this requires the approval of the BBC Trust.</p>	<p>¹ <u>Radio 3 may also offer content on-demand for an unlimited time period after initial broadcast as part of a permanent collection.</u></p>	252-261
<p>5.2 Promoting education and learning</p> <p>It should build appreciation of music and culture by offering accessible information, including material helpful to people with little knowledge of classical music. Radio 3 should offer its content in as flexible a way as current technology and rights will permit. New platforms should be exploited to allow the audience to explore broadcast content in greater depth.</p>	<p>It should build appreciation of music and culture by offering accessible information, including material helpful to people with little knowledge of classical music. Radio 3 should offer its content in as flexible a way as current technology and rights will permit. New platforms should be exploited to allow the audience to explore broadcast content in greater depth <u>with complementary collections of on-demand content to encourage deeper and broader exploration around selected themes and events.</u></p>	252-261
<p>5.3 Reflecting the UK's nations, regions and communities</p> <p>Through its interactive aspects, <u>such as message boards</u>, Radio 3 should facilitate the creation of communities of interest.</p>	<p>Through its interactive aspects, Radio 3 should facilitate the creation of communities of interest.</p>	72-75

Radio 4

Current service licence	Amendment	Paragraph
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		reference
2. Scope of this licence (footnote)		
¹ Radio 4 currently offers a limited amount of mainly speech content on-demand for an unlimited time period after initial broadcast. Any expansion of the scope of this requires the approval of the BBC Trust.	¹ <u>Radio 4 may also offer content on-demand for an unlimited time period after initial broadcast as part of a permanent collection</u>	252-261
5.2 Promoting education and learning		
It should seek to deepen and broaden listeners' understanding through specialist programmes on subjects such as politics, business, law, finance, health, education, food and farming, international affairs, religion, ethics, travel and gardening. There should be regular exploration of the sciences, including natural history and medicine. History should be explored through biographical programmes, longer narrative series and one-off features and documentaries.	It should seek to deepen and broaden listeners' understanding through specialist programmes on subjects such as politics, business, law, finance, health, education, food and farming, international affairs, religion, ethics, travel and gardening. There should be regular exploration of the sciences, including natural history and medicine. History should be explored through biographical programmes, longer narrative series and one-off features and documentaries. <u>Radio 4 may also create complementary collections of on-demand content that encourages deeper and broader exploration around selected themes and events.</u>	252-261
(Service licence condition)	(Service licence condition)	139
Radio 4 should: <ul style="list-style-type: none"> Broadcast at least <u>200 hours</u> of original documentaries each year 	Radio 4 should: <ul style="list-style-type: none"> Broadcast at least <u>350 hours</u> of original documentaries each year 	

Radio 7

Current service licence	Amendment	Paragraph reference
	The Radio 7 service licence will be reissued as the Radio 4 Extra service licence.	262-277
1. Remit		

<p>The remit of Radio 7 is to provide speech-based entertainment. Its schedule should include comedy, drama, stories, features, readings and programmes <u>for</u> children.</p> <p><u>The station should also be the home of children's speech radio from the BBC.</u></p>	<p>The remit of Radio 4 Extra is to provide speech-based entertainment. Its schedule should include comedy, drama, stories, features, readings and programmes <u>that appeal to</u> children.</p> <p>(Deleted)</p>	<p>278-304</p> <p>278-304</p>
<p>4. Overview of aims and objectives</p> <p><u>Children's programming</u> should form an integral part of the schedule, <u>including readings and feature programmes for children broadcast in a non-commercial environment.</u> Its schedule should be zoned so that adult and child audiences know when to expect output designed for them and the tone of the station should be friendly and informal.</p> <p>The station should support new talent and regularly broadcast newly-commissioned content including drama and readings <u>for children and a daily children's magazine programme.</u> There should be an emphasis on covering types of output rarely found on BBC Radio, such as stand-up comedy, short form drama, science fiction, fantasy and horror.</p> <p>Radio 7 should provide high quality content, including some use of visual enhancements, that encourages radio listening via digital platforms. <u>The broadcast output should be supported by a complementary online service, including a dedicated space for children, and listeners should be encouraged to interact and communicate with the station.</u> Radio 7 should use new technology to ensure its audiences have the maximum opportunity to access programmes as and when they want.</p>	<p>Programming that <u>appeals to children</u> should form an integral part of the schedule, and <u>where possible, it should also attract children's families and carers.</u> Its schedule should be zoned so that adult and child audiences know when to expect output designed for them and the tone of the station should be friendly and informal.</p> <p>The station should support new talent and regularly broadcast newly-commissioned content including drama and readings <u>which appeal to children.</u> There should be an emphasis on covering types of output rarely found on BBC Radio, such as stand-up comedy, short form drama, science fiction, fantasy and horror.</p> <p>Radio 4 Extra should provide high quality content, including some use of visual enhancements, that encourages radio listening via digital platforms. Radio 4 Extra should use new technology to ensure its audiences have the maximum opportunity to access programmes as and when they want.</p>	<p>278-304</p> <p>278-304</p> <p>278-304</p>
<p>5.1 Stimulating creativity and cultural excellence</p> <p>(Service licence condition)</p>	<p>(Service licence condition)</p>	<p>262-277</p>

<p>Radio 7 should:</p> <ul style="list-style-type: none"> Broadcast at least <u>50 hours</u> of comedy each week Broadcast at least <u>50 hours</u> of drama each week 	<p>Radio 4 Extra should:</p> <ul style="list-style-type: none"> Broadcast at least <u>55 hours</u> of comedy each week Broadcast at least <u>55 hours</u> of drama each week <u>No more than 15% of output across the year should be Radio 4 catch-up programming</u> 	
<p>5.2 Promoting Education and Learning</p> <p>Radio 7 should make an important contribution to this purpose amongst its audience principally through its output for children. <u>It should aim to be the BBC's home for children's speech radio</u> with parts of the schedule regularly devoted to readings and <u>feature programmes for children, broadcast in a non-commercial environment.</u></p> <p>(Service licence condition)</p> <p>Radio 7 should:</p> <ul style="list-style-type: none"> Broadcast at least <u>1400 hours</u> of children's programming each year 	<p>Radio 4 Extra should make an important contribution to this purpose amongst its audience principally through its output for children, with parts of the schedule regularly devoted to drama and readings <u>that appeal to children and encourage family listening.</u></p> <p>(Service licence condition)</p> <p>Radio 4 Extra should:</p> <ul style="list-style-type: none"> Broadcast at least <u>350 hours</u> of children's programming each year 	<p>278-304</p> <p>278-304</p>

BBC Online

Current service licence	Amendment	Paragraph reference
<p>3. Overview of aims and objectives (footnote)</p> <p>⁴ Any significant expansion of the scope of audio and video archive availability online requires the approval of the BBC Trust</p>	<p>⁴ Any significant expansion of the scope of audio and video archive availability online requires the approval of the BBC Trust. <u>Specific exceptions are permitted for Radio 3, Radio 4 and BBC Four to develop a permanent collection of on demand content.</u></p>	<p>252-261</p>

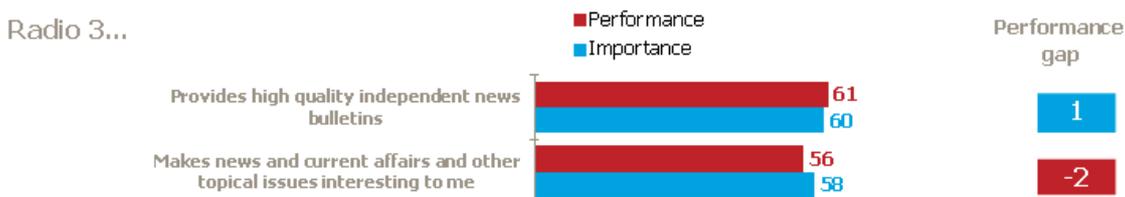
CBeebies

Current service licence	Amendment	Paragraph reference
<p>2. Scope of the licence</p> <p>It should offer programme-related content on bbc.co.uk. Some programmes should have interactive television features available on digital platforms.</p>	<p>It should offer programme-related content on bbc.co.uk. Some programmes should have interactive television features available on digital platforms. <u>It can make a limited amount of audio content available directly online for streaming and download without first being broadcast.</u></p> <p>(footnote)</p> <p>³ <u>Any significant expansion of this offer requires the approval of the BBC Trust.</u></p>	<p>278-304</p> <p>278-304</p>

ANNEX 2: Purpose performance charts for Radio 3

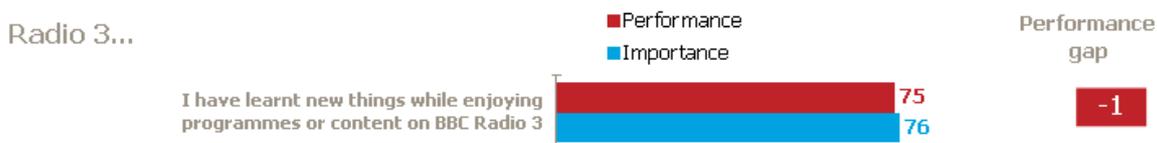
This section sets out the performance and importance scores for the statements that we measured in our Radio 3 audience research.

Sustaining Citizenship and Civil Society



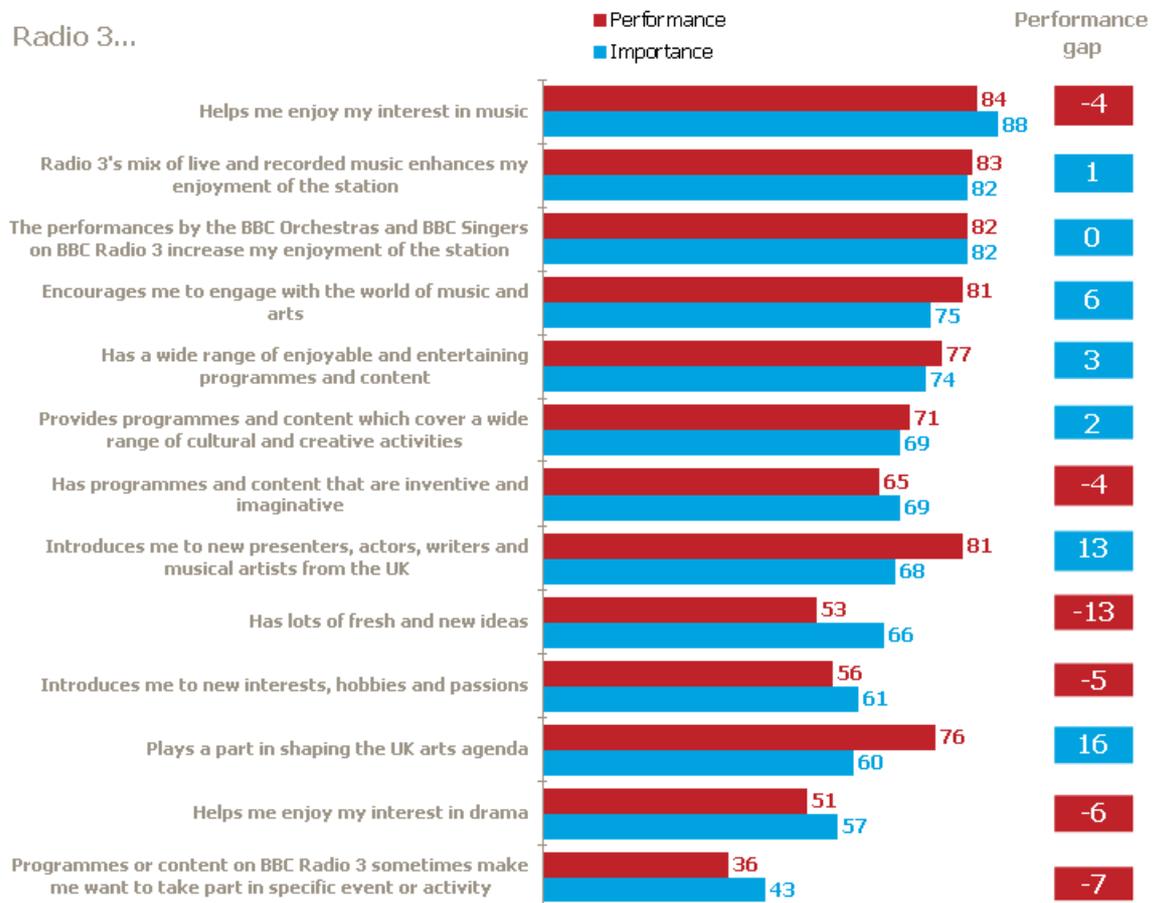
Source: Pre-task quantitative survey; How important is it that... / How much do you agree that... Gap=Performance – Importance. Base: c. n=98

Promoting Education and Learning



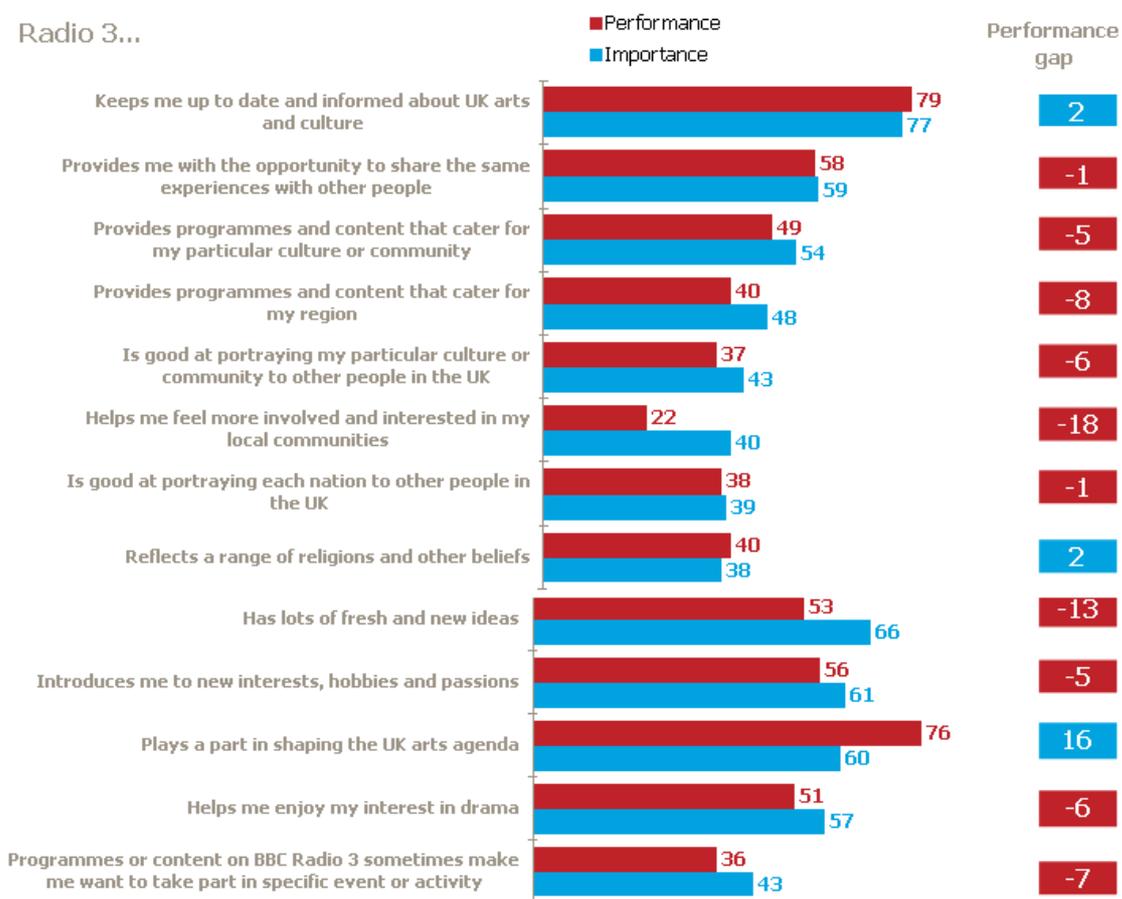
Source: Pre-task quantitative survey; How important is it that.... / How much do you agree that... Gap = Performance – Importance (negative = under delivery). Base: c. n=98

Stimulating Creativity and Cultural excellence



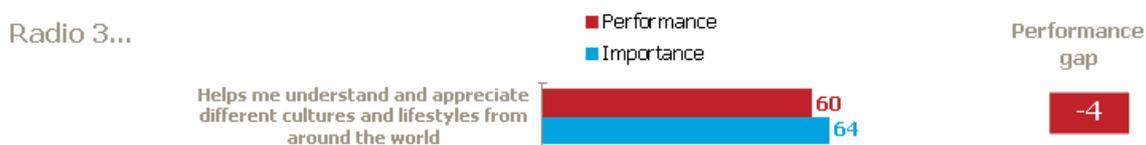
Source: Pre-task quantitative survey; How important is it that... / How much do you agree that... Gap=Performance – Importance. Base: c. n=98

Reflecting the UK's Nations, Regions and Communities



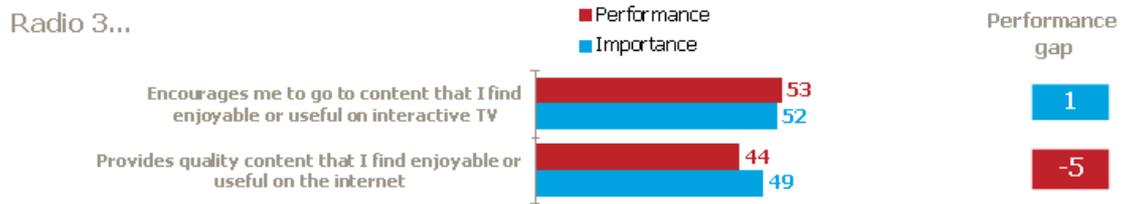
Source: Pre-task quantitative survey; How important is it that... / How much do you agree that... Gap=Performance – Importance. Base: c. n=98

Bringing the UK to the World and the World to the UK



Source: Pre-task quantitative survey; How important is it that.... / How much do you agree that... Gap=Performance – Importance. Base: c. n=98

Emerging Communications

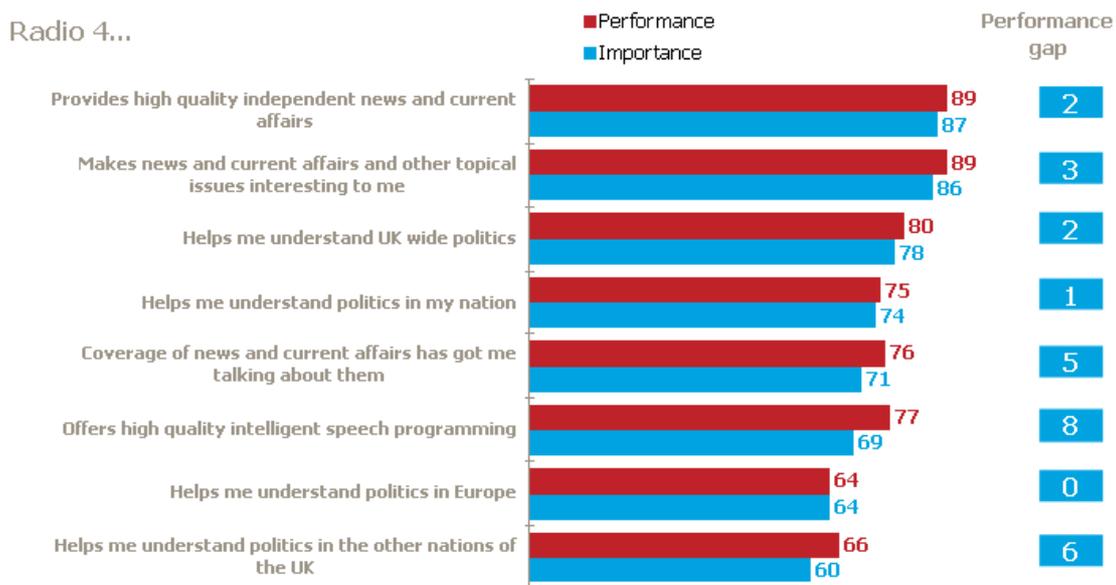


Source: Pre-task quantitative survey; How important is it that... / How much do you agree that...Gap=Performance - Importance. Base: c. n=98

ANNEX 3: Purpose performance charts for Radio 4

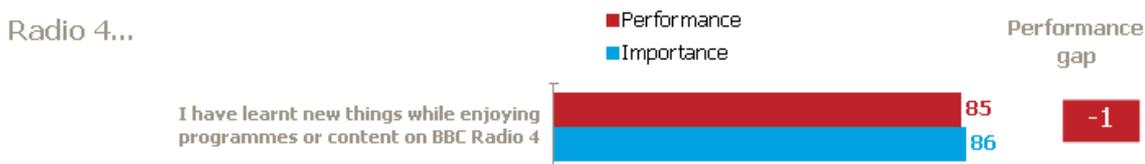
This section sets out the performance and importance scores for the statements that we measured in our Radio 4 audience research.

Sustaining Citizenship and Civil Society



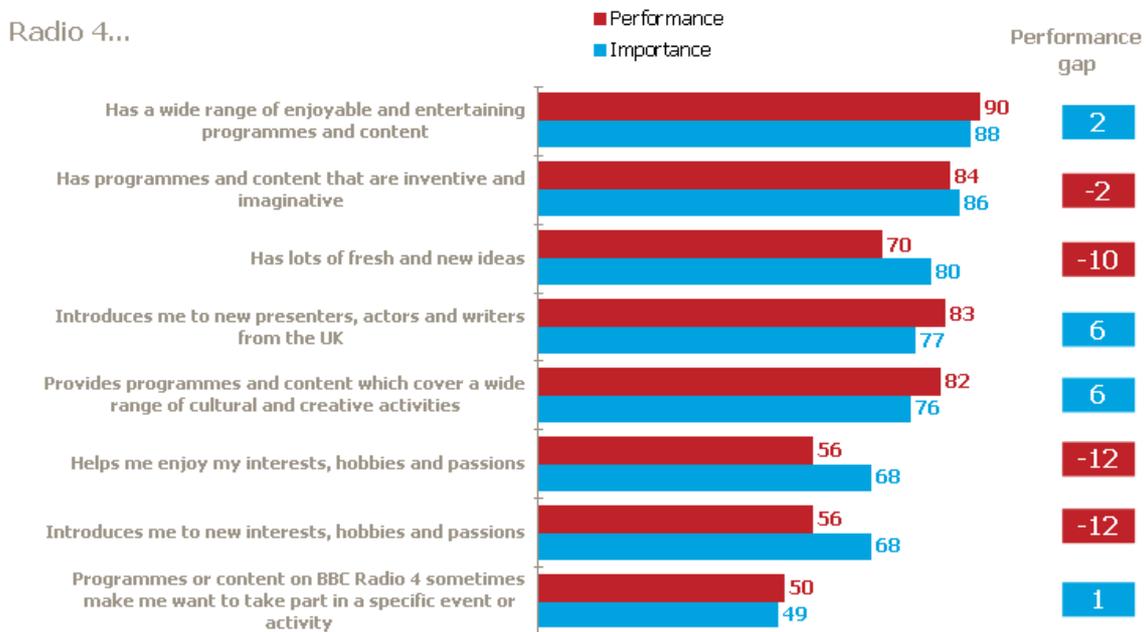
Source: Pre-task quantitative survey; How important is it that... / How much do you agree that... Gap = Performance – Importance (negative = under delivery). Base: c. n=136

Promoting Education and Learning



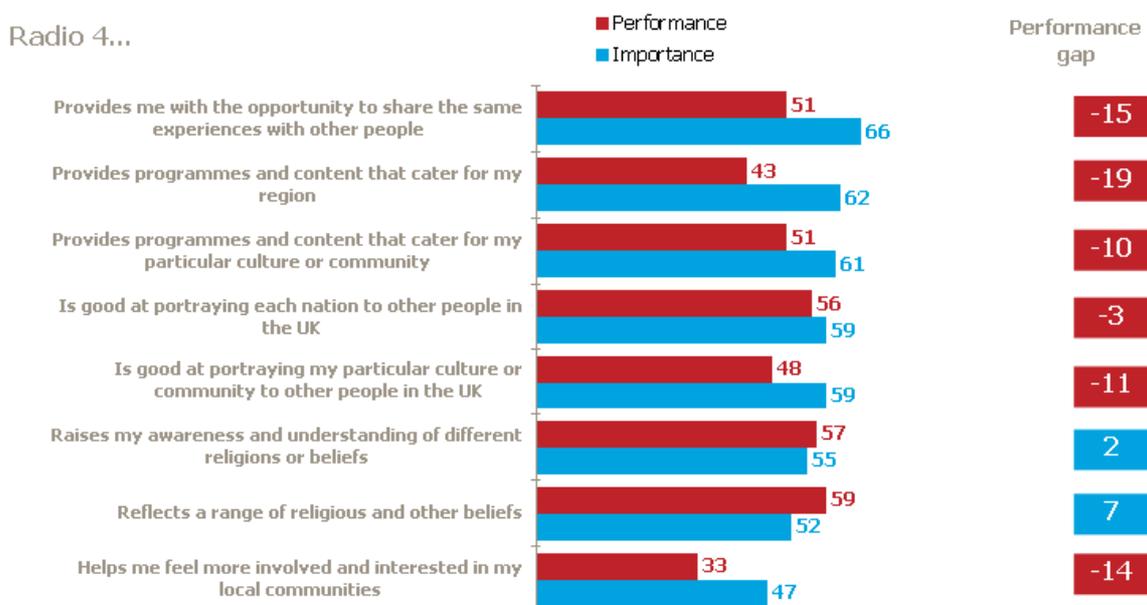
Source: Pre-task quantitative survey; How important is it that... / How much do you agree that... Gap = Performance – Importance (negative = under delivery). Base: c. n=136

Stimulating Creativity and Cultural Excellence



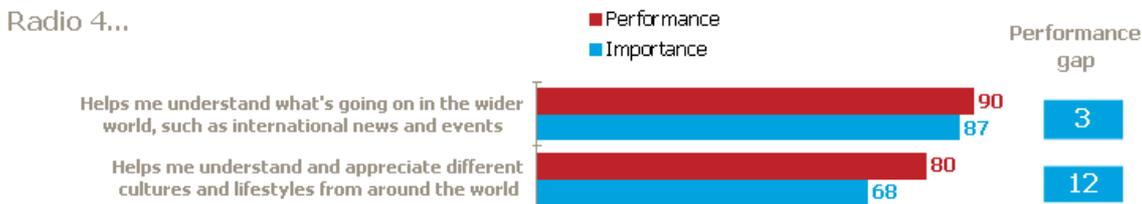
Source: Pre-task quantitative survey; How important is it that... / How much do you agree that... Gap = Performance – Importance (negative = under delivery). Base: c. n=136

Reflecting the UK's Nations, Regions and Communities



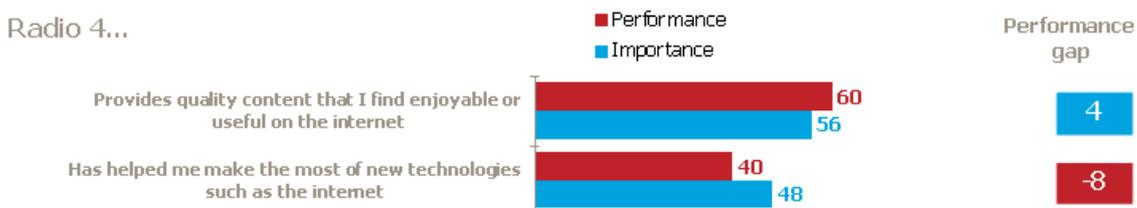
Source: Pre-task quantitative survey; How important is it that... / How much do you agree that... Gap = Performance – Importance (negative = under delivery). Base: c. n=136

Bringing the UK to the World and the World to the UK



Source: Pre-task quantitative survey; How important is it that... / How much do you agree that... Gap = Performance – Importance (negative = under delivery). Base: c. n=136

Emerging Communications



Source: Pre-task quantitative survey; How important is it that... / How much do you agree that... Gap = Performance – Importance (negative = under delivery). Base: c. n=136