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Siobhan Kenny
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Dear Siobhan

Radio deregulation

With digital radio listening now accounting for 40 per cent of all radio listening, and with the second national DAB multiplex due to launch in early 2016, it is appropriate for the Government to begin examining the scope to deregulate the licensing of commercial radio with a view to developing options for changes to the legislative framework in 2016.

I have asked Ofcom to start the first phase of this work by developing a draft options paper for DCMS looking at the continuing value of music formats and detailed localness requirements covering: (a) the types of local material (for example news, other information and other local content) and (b) locally made material and the extent to which there is an on-going need to regulate them. The provision of national and local news and information by commercial radio remains very important to listeners and in terms of media plurality. Although our starting point is that we should seek to deregulate wherever possible and move towards a level playing field across analogue and digital services, the social importance of news does need to be taken into account.

I have agreed with Ofcom that they will produce their draft options paper for the Department by the end of February 2016 around the core areas set out above which will include the various options for change, including changes to the legislative framework, and the inter-relationship between options.



The Ofcom paper will also cover:

- Options for a simplified radio content regime that will work across analogue and digital radio, including:
 - the scope for changes that can/should be managed by Ofcom guidance and legislation which imposes the current analogue radio requirements in terms of music formats, other format requirements and local content/local production;
 - consideration of possible changes to the digital radio regime – including the degree of protections needed to maintain and deliver core public service characteristics such as local and national news and information
- Whether there is a need to reframe Ofcom's general legislative requirements to ensure a variety of choice for different tastes and how these obligations should be reframed (e.g. around nation/local news with minimum time requirements).

I have also asked Ofcom to consider the longer-term requirements for smaller radio stations and, in particular, whether there is a need/desire in the longer term to retain a regulatory distinction between community radio and small-scale commercial radio if both types of service are going to be carried on the same multiplexes. DCMS and Ofcom are separately looking at developing licensing arrangements for small-scale digital radio (in conjunction with the current small-scale DAB trials).

Ofcom's work will not cover a review of the Broadcasting Code, charging for licences before a future digital switchover nor will it specifically look at changes to analogue licence durations (which we consulted in last year and is covered by a Legislative Reform Order laid in March this year), though we are open to views as part of our consultation next year. I have also asked officials to consider the rules on warning messaging for different types of financial advertising and to work with Radio Centre and Commercial Radio on possible options.

Following the completion of Ofcom's work, DCMS will assess the options in detail ahead of a consultation, which I would hope would be in a position to publish in late-spring of 2016.

Ed Vaizey MP

Minister of State for Culture and the Digital Economy