

[GB] Ofcom approves the brand new Radio 1 Dance stream on BBC Sounds

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Ofcom is required under Article 46 of the BBC Charter to create and operate an Operating Framework for the BBC in order to reduce the risk of the impact that the BBC might have on fair and effective competition. Before the BBC changes its trading arrangements, under the BBC Agreement it must consider whether any of the changes it proposes are “material”; it may only carry out material changes with the approval of Ofcom. Material changes are, according to the BBC Agreement: the carrying out of a new type of activity as a commercial activity, or a significant change to the BBC’s commercial arm, where there is a significant risk that the change may, as a result of the relationship of the activity with the BBC Public Service, distort the market or create an unfair competitive advantage. Upon notification, Ofcom carries out an initial assessment (including whether enough information has been provided) and invites third party comments. It may decide that the change is not material at this stage.

The BBC carried out a materiality assessment on its proposal to bring together existing BBC dance genre content on BBC Sounds as the "Radio 1 Dance Stream" and determined that it was not material. Ofcom agreed with this conclusion on the basis that the impact of Radio 1 Dance Stream on the market would be likely to be small given that it would be online only and that it would contain no new or exclusive content.

However, Ofcom noted that there had been a number of changes to BBC Sounds overall and that there had also been complaints from commercial radio stations that the BBC is crowding out the commercial stations. Ofcom thus also stated that it would undertake an evaluation of BBC Sounds, including asking for evidence from affected parties, but did not plan to carry out a formal consultation.

Materiality assessment of BBC Radio 1’s Dance stream, Ofcom

<https://www.ofcom.org.uk/tv-radio-and-on-demand/information-for-industry/bbc-operating-framework/competition>

