

News Broadcasting's response to Ofcom's consultation on its provisional determination on the BBC's proposed new DAB+ services and changes to Radio 5 Sports Extra

Section 1: Introduction

News Corp UK and Ireland (**'News UK'**) is one of the leading media businesses in the UK and Ireland. Our news brands include *The Times*, *The Sunday Times*, *The Sun* and *The TLS*. Our broadcasting brands sit under our News Broadcasting division and include talkSPORT, Talk, Times Radio and Virgin Radio UK, as well as a network of local stations across the island of Ireland. Spanning print and pixel, audio and video, our multi-format brands are home to a plurality of news, opinion, analysis and entertainment. News UK is wholly owned by News Corp.

We welcome the opportunity to comment on Ofcom's provisional determination in its BBC Competition Assessments (**'BCA'**) of the BBC's plans to launch new DAB+ stations and to extend 5 Sports Extra (**'5SE'**). We have previously provided detailed evidence to Ofcom on the weaknesses of the BBC's public value argument and the likely impact of the propositions on the Virgin Radio UK network, the talkSPORT network and News Broadcasting's broader portfolio. We are grateful to the Ofcom team for their engagement with us throughout the regulatory process.

We strongly agree with Ofcom's provision determination that the proposed changes to 5SE and the launch of a Radio 2 extension (**'R2E'**) should not proceed, because the likely impact on fair and effective competition would not be outweighed by the proposed public value of the proposals. The provisional determination helps to send a positive message to investors in new and existing commercial radio services.

Both R2E and an expanded 5SE would present a very significant impact on fair and effective competition in the radio market, including to the Virgin Radio UK and talkSPORT networks. We considered the proposed public value contributions of both propositions to be very weak. Both propositions lacked distinctiveness and would merely mimic what is already largely provided by the commercial radio market. They would serve to divert listeners from existing radio stations rather than grow new audiences.

However we note that despite Ofcom's provisional determination on its proposed changes to 5 Sports Extra, the BBC has continued to expand its footprint in the sports audio market. In its Annual Plan 2025/26, the BBC announced plans to launch two dedicated live sports streams on Sounds.¹ 5 Sports Extra 2 and 5 Sports Extra 3 are now available on the BBC Sounds app. This presents a risk of scope creep. While the BBC may argue that the two new streams will only broadcast live sports commentaries that would otherwise be carried on the BBC Sports website and app, over time it may view the streams on Sounds as spare capacity to fill, resulting in the BBC expanding the volume of audio sports rights it seeks over time, at a cost to other parties competing for rights.

Below we respond to each of the consultation questions in turn.

¹ BBC, March 2025, [Annual Plan 2025/26](#).

Section 2: Answers to specific consultation questions

Question 1: Do you agree with our provisional conclusions from our review of the BBC's assessment of the public value of the proposals for: (i) the proposed DAB+ music stations; and (ii) 5 Sports Extra. Please provide evidence to support your views, specifying which of our conclusions you are referring to.

5 Sports Extra

We broadly agree with Ofcom's provisional conclusion that the proposal offers limited public value. In our responses to both the BBC's Public Interest Test ('*PIT*') consultation and Ofcom's consultation in December, we highlighted the lack of firm commitments and convincing evidence supporting the BBC's public value case.

In terms of the target audience, we struggled to see how the proposition would narrowly target the BBC's specified audience of younger, C2DE listeners outside of the South of England. It seemed more likely - given the proposed content proposition - that it would have a broader audience appeal, and therefore present a more significant risk to the only competitor in the UK sports radio market, the talkSPORT network.

We considered that the BBC's argument as to the distinctiveness of the proposition was very weak. We were critical of the lack of clear commitments in the proposal to cover minority or underrepresented sports - such as dedicating a certain proportion of its hours to covering minority sports. Most of the nine sports the BBC proposed covering on 5SE - including men and women's football, rugby union, rugby league, cricket and boxing - are covered extensively by the BBC and commercial sports broadcasters.² Only snooker and GAA could be considered undercovered sports on UK national radio. It is indicative that of the sample podcast titles the BBC provided to Ofcom about the range and type of podcast content 5SE would offer, nearly half of podcast titles were football-focused.³

We were therefore concerned that 5SE would effectively operate as an all-day sports chat station covering mainstream sports - primarily football. If most of 5SE's schedule consisted of a "large number of contemporaneous podcasts" providing build-up ahead of live sporting events, 5SE would effectively operate as a 'as live', 'near live' or live service offering mainstream sports chat around mainstream live sports coverage.⁴ It would therefore serve as a very close substitute to a live sports radio station offering sports chat, analysis and live commentary (i.e. the talkSPORT network).

² Ofcom, 10 April 2025, [Consultation: Proposed new BBC DAB+ radio stations and proposed changes to Radio 5 Sports Extra](#), p. 28.

³ See Ofcom, 10 April 2025, [Consultation: Proposed new BBC DAB+ radio stations and proposed changes to Radio 5 Sports Extra](#), p. 27, Figure 5. The football focused podcast titles are: Football Daily, Scottish Football Daily / the Scottish Football Podcast, Transfer Gossip Daily, The House of Sepp Blatter, Sporting Giant Alex Ferguson, and Off the Ball.

⁴ Ofcom, 10 April 2025, [Consultation: Proposed new BBC DAB+ radio stations and proposed changes to Radio 5 Sports Extra](#), p. 28.

We were unconvinced by the BBC's argument that expanding 5SE would aid the discoverability of content on BBC Sounds, that it was necessary to increase the use of Sounds, and that it would assist in the longer-term migration of audiences from DAB radio to online services like Sounds. Expanding 5SE would be a poor use of £250,000 of Licence Fee payer money and at odds with both the BBC's 'digital-first strategy' and trends in audio listening. It also downplayed the existing success of Sounds as the UK's top domestic audio service.⁵

We do, however, disagree with Ofcom's finding that the proposal offered "some public value by bringing sports content to a wider audience and, to some degree, by aiding discoverability of other sports content currently available".⁶ In our view, the BBC has failed to provide robust evidence to support its public value case - including on these two points.

Radio 2 Extra

We also broadly agree with Ofcom's provisional determination on the proposed public value of R2E. We consider that the public value case for R2E is very limited and the proposal is not distinctive. As with the 5SE proposal, the BBC has failed to provide any convincing evidence as to the public value of the proposal.

In our PIT submission to the BBC and our response to Ofcom's December consultation, we highlighted that the proposal would have merely replicated services already provided by the commercial market. The music radio market in the UK - including for 1960s and 1970s music - is highly competitive and R2E would not have filled a gap in this market.

We did not consider that use of the BBC's archive provided a good public value basis on which to build a new service. It remains our view that the BBC could use its archive content more effectively across its existing services and make the content more widely available to other radio stations via licensing. It does not require a new radio station to showcase its archive.

In summary we considered that the BBC failed to demonstrate that both the 5SE and R2E proposals would be distinctive and offer additional net public value. We broadly welcome Ofcom's provisional view as to the public value of the propositions.

Question 2: Do you agree with our assessment of the likely impact of the proposals on fair and effective competition (including as set out in annex 1)? Please provide your answer and any supporting evidence separately for: (i) R1A, R1D and R3U; (ii) R2E; and (iii) 5SE.

5 Sports Extra

⁵ Ofcom, 16 April 2024, [Audio listening in the UK](#), p. 6. See also RAJAR for tracking the use of radio apps and websites.

⁶ Ofcom, 10 April 2025, [Consultation: Proposed new BBC DAB+ radio stations and proposed changes to Radio 5 Sports Extra](#), p. 4.

We strongly agree with Ofcom's assessment of the likely impact of the proposal for 5SE on fair and effective competition. Allowing the BBC to proceed with expanding 5SE would have had a very significant, negative impact on its only competitor in the UK radio market - the talkSPORT network.

We agree with Ofcom's view that the extended 5SE would be a very close substitute to talkSPORT, given the nature of the content on offer. In particular, we agree with Ofcom's view that because a lot of the BBC's content would be "current at the time of broadcast...[it] could act as build-up to live sports events. In other words, between 9am and 7pm, the BBC would be able to provide a continuous, predictable sports radio offering, which we consider could compete with a full-time sports radio station".⁷

Our own estimates of the likely take-up of an amended 5SE were higher than Ofcom's estimates and we still consider it likely that the potential impact of 5SE on the talkSPORT network would be more significant than Ofcom estimates. Ultimately we do agree with Ofcom's conclusion that take-up would have a very material adverse impact on talkSPORT. Given the nature of the sports radio market, we would expect that a very significant proportion of the incremental listening to 5SE would be likely to come from the talkSPORT network. We agree with Ofcom's view that the diversion rate is likely to be significantly higher than the cannibalisation rate, and consider that 70:30 is a reasonable ratio of diversion to cannibalisation. As there is generally no sport output on BBC Radio 5 Live on Monday to Friday at 9am to 7pm from which to cannibalise, we would expect the vast majority of any new 5SE listening to come from talkSPORT.

We agree with Ofcom that talkSPORT's ability to respond would be limited. As we have set out in previous submission, in an ideal world, our response to the launch of the proposed 5SE would be to buy new sports rights or to fill more of our schedule with live rights to retain our audience. But bidding for the key sports rights for the next few seasons has concluded, and even if it was possible to acquire new rights, this would come at a significant financial cost.

In terms of wider impacts, we disagree with Ofcom's view that the proposed change to 5SE would be unlikely to have a material impact on the cost and availability of sports rights. Although the BBC states that the change to 5SE would not involve an increase in its audio sports budget or the hours of live sports commentary, a revised 5SE would improve the BBC's overarching offer to rights holders. While it may not be offering more hours of live sports commentary, it would be offering more hours of sports analysis and debate, which it could dedicate to specific sports or sporting events.

For example, if the BBC was bidding for the rights for a boxing match, it could promise the rights holder a certain dedicated number of hours of coverage for the event on 5SE. That would not just include live coverage of the event itself. The expanded scope of 5SE would allow it to dedicate a whole day of the 5SE schedule to building up to the fight; it could have a whole day of boxing podcasts providing build-up to the fight, with analysis, chat and interviews, as well as potential documentaries about previous boxing fights or boxers. While

⁷ Ofcom, 10 April 2025, [Consultation: Proposed new BBC DAB+ radio stations and proposed changes to Radio 5 Sports Extra](#), p. 39.

this would not increase the number of hours of live sports commentary on 5SE or the BBC's audio sports rights budget, increasing the number of hours of 5SE's broadcast would increase the attractiveness of the BBC to a rights holder.

At present, talkSPORT is the only sports radio network that can offer this kind of dedicated, all-day coverage to a rights holder, and we know it is something that rights holders find attractive - particularly when they want to boost the profile of their sport, league or talent. The BBC is limited in what they can offer on live radio, given 5 Live must cover news and current affairs and 5SE can only broadcast live sports commentaries.

[REDACTED]. Enhancing the BBC's overall offer to rightsholders any further - by increasing the number of hours it could dedicate to a sport on 5SE - would only make it harder for us to challenge the BBC for sports rights.

Radio 2 Extra

We agree with Ofcom that the launch of R2E would have a significant impact on fair and effective competition, which would have an impact on commercial operators and potentially deter entry and reduce investment incentives for commercial radio operators. In reaching this provisional determination, Ofcom has sent a strong message to the market which should support prospective new entrants and investment. It has signalled that the BBC cannot simply set up copycat stations that mirror what the commercial market already offers to audiences.

We also agree with Ofcom's assessment that the Virgin Radio network would be limited in its ability to respond to the launch of R2E. [REDACTED].

Question 3: Do you agree with our provisional conclusions on the BBC's proposed changes to its radio services? Please provide evidence to support your views, indicating which of the BBC's proposed changes you are referring to.

Yes, we fully agree with Ofcom's provisional conclusions on the BBC's proposed changes to 5SE and the launch of R2E. Above we have set out a summary of our views on the proposed public value of both propositions and their likely impact on fair and effective competition. We agree with Ofcom that the BBC should not be allowed to proceed with its plans for R2E and 5SE as the likely adverse impact on fair and effective competition is not outweighed by the potential public value.

As we have set out from the start of this process, there is an alternative available to the BBC that would allow it to meet the stated objectives of the proposal for 5SE - to help it better reach underserved audiences - which would avoid the negative impact on fair and effective competition that the 5SE proposal presented. The BBC could enter into distribution partnerships with independent radio stations to carry those stations on BBC platforms, including BBC Sounds. For example, it could carry talkSPORT network live radio streams and podcasts on BBC Sounds.

Doing so could help the BBC better reach and serve the target audiences at the heart of this proposal and benefit audiences by providing a diverse range of content on one platform. It could also help independent stations to reach a bigger audience given the scale of platforms like BBC Sounds in the audio market. While we note that some radio broadcasters may not be interested in partnering with the BBC, it could be particularly beneficial to smaller stations, digital-only stations and potential new entrants to the market.

Question 4: Do you agree with our proposal not to set additional operating licence conditions on R1D, R1A and R3U if we approve them?

While our submission and engagement has focused primarily on the BBC's plans for R2E and 5SE given the potential impact on our business, we want to comment on Ofcom's proposed approach to operating licence conditions for R1D, R1A and R3U given the precedent this may set.

It seems strange to us that despite having clear reservations about the potential public value of R1D, R1A and R3U, Ofcom has proposed not imposing any conditions on the BBC to ensure that its new services deliver the public value that it states they will. We have concerns about the message it would send to both the BBC and industry more broadly if there is no onus on the BBC to formally deliver on the public value promises made about the services during the regulatory process. This is particularly concerning if Ofcom is circumspect about some of the BBC's public value arguments for R1D, R1A and R3D. If anything, this should enhance the need for operating licence conditions for the new stations.

Conditions do not necessarily have to take the form of quotas, but should be clear and measurable. For example, if the services were approved, there could be a requirement on the BBC to explain in a narrative form how each new service has delivered against the public value commitments made during the regulatory process in its Annual Report.

As a starting point, we would suggest that all the new stations should have top-of-the-hour news bulletins. We note Ofcom's critique of the BBC for not including news bulletins in its proposals; "While it is for the BBC to decide how it delivers on its Mission and Public Purposes, we are disappointed that the BBC does not propose to include news on these stations".⁸ It is odd that Ofcom has therefore not introduced news bulletins as a requirement in the BBC's operating licence to enhance the public value of the propositions. We note that DAB-only BBC services - Radio 1Xtra, Radio 6 Music and the Asian Network all have operating licence quotas for news and current affairs output.⁹

We would consider it appropriate for conditions similar to the below to be included in the BBC's operating licence, requiring it to report on how it has delivered against them every year. Otherwise, we do not understand how the BBC will be held to account in delivering the public value it states these services will deliver. The points below are based on the BBC's final proposals for each station, as in its Public Interest Test document.¹⁰

⁸ Ofcom, 10 April 2025, [Consultation: Proposed new BBC DAB+ radio stations and proposed changes to Radio 5 Sports Extra](#), p. 43.

⁹ Ofcom, 6 August 2024, [Operating licence for the BBC's UK Public Services](#).

¹⁰ BBC, 21 November 2024, [New music radio stations: Public Interest Test](#).

R1D	<ul style="list-style-type: none"> • To serve 15-34 year old C2DEs and report on whether the service is materially over-indexing with that demographic group. • To play more unique tracks than comparable stations (c. 3000 unique tracks per year). • To provide significant exposure to specialist music and new dance talent. • To provide informal learning through its 15-25% speech content.
R1A	<ul style="list-style-type: none"> • To serve 15-34 year olds C2DEs and report on whether the service is materially over-indexing with that demographic group. • To play a broader range of music than any comparable stations (c. 4000 unique tracks per year). • To use the BBC's archive to showcase live performances from the 00s and 10s. • To have at least 33% of tracks from UK artists. • To provide significant opportunities for new talent.
R3U	<ul style="list-style-type: none"> • To play a significantly broader range of music and a broader range of genres than competitor stations. • Support British composers and musicians by playing a significant number of archive recordings from the past 10 years and having stretching targets for a proportion of music played by UK composers. • To broadcast live and specially recorded music every week, and to commission music specifically for R3 and R3U.

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