WHAT IS CLAIMED IS:

1. A method of video signal processing, in a video processing system having an inverse quantizer and inverse transform processor, an in loop filter, and a decoded picture buffer, the method comprising:

receiving a video signal using the inverse quantizer,

the video signal including a picture comprising quantized pixels;

partitioning the picture into a plurality of blocks;

determining a first area within the picture including a first grouping of a first subset of the blocks having a first quantization parameter which has been controlled by an encoder based on a first average measure of information of the first subset of blocks, the first average measure of information being a first average measure of spatial activity within the first area determined using a discrete cosine transform of the blocks in the first subset; and

determine a second area comprising a second subset of blocks and having a second quantization parameter which has been controlled by the encoder based on a second average measure of information of the second plurality of blocks.

2. The method of claim 1, wherein a block size of the blocks is 4 x 4.

3. The method of claim 1, wherein the first average measure of information is determined by calculating a sum a plurality of information measures of the plurality of blocks.

4. The method of claim 3, wherein the first average measure of information is further determined by multiplying the sum by a significance coefficient.

5. The method of claim 4, wherein the significance coefficient is determined based on a characteristic of the first area.

6. The method of claim 1, wherein the first quantization size is based on the first measure of information.

7. A video signal processor, the video signal processor comprising:

an inverse quantizer;

an inverse transform processor;

an in-loop filter; and

a decoded picture buffer;

wherein the video signal processor is configured to receive, using the inverse quantizer, a video signal including a picture comprising quantized pixels, wherein the picture includes:

a first region comprising a first plurality of blocks and having a first quantization parameter which has been controlled by an encoder based on a first average measure of information of the first plurality of blocks, the first average measure of information being a first average measure of spatial activity within the first area determined using a discrete cosine transform of the blocks in the first plurality; and

a second area comprising a second plurality of blocks and having a second quantization parameter which has been controlled by the encoder based on a second average measure of information of the second plurality of blocks.