

OfCom Consultation – Community Radio

A Response from the Stourbridge Radio Group

Question 1:

What role should OfCom have in respect of community radio, beyond the licensing of new services?

We believe that OfCom should act as an effective regulator and, as such, we see OfCom as a monitor in the same way as the Radio Authority oversaw RSLs.

We feel that Community Radio, as a new tier of radio, requires effective monitoring, though not in too much depth.

We believe that Community Radio stations should be subject to the same rules and regulations governing other types of radio station.

Question 2:

Do you agree with our proposed policy for the allocation of spectrum and the size of coverage areas for community radio services?

Yes, broadly.

We feel that a Community Station set up in what may be considered an 'urban' area could only effectively operate on FM. If the station wants to attract and increase listenership, and produce a variety of different types of programming, sound quality is an important factor, especially if the station will be operating where there is already a choice of other types of station on FM. We feel, for instance, that where a Community station is established within an urban area it would struggle to establish itself on AM, when coverage is not a prime issue.

We also feel that coverage areas should be examined on an individual basis depending on where the license application comes from and the type of service(s) the station wishes to offer.

Question 3:

Do you agree that community radio should be an applicant-led process with an annual 12-week period when applications can be submitted for any neighbourhood or community in the UK?

We would propose a 'settling in' period of two years following the first wave of stations going on air. This would allow the Regulator, Community stations and the wider industry to 'take stock' of the situation and map out which stations

are where and which communities they serve, coupled with the type of programming they are producing. Following the initial two-year period, we believe an annual 12-week period would be acceptable. Any new applicant would not be able to overlap an existing Community operator unless it was demonstrable that the new service would contain completely separate types of programming (e.g. religious)

Question 4:

Do you agree with OfCom's proposal to invite submissions from commercial radio operators if they consider that their economic viability might be affected by the provision of a community radio service, based on the application proposals?

We feel that commercial radio operators are entitled to their input into the process, but believe that, at this stage, the need for Community Stations and the type of programming they intend to produce for their target audiences is a powerful and compelling case to focus on. We believe OfCom is correct to have in place a procedure that allows commercial operators a position in the process, with that position being reviewed 1-2 years following the licensing of the first wave of Community stations.

Question 5:

Should there be a general limit of 50% of annual income that community radio stations are permitted to obtain from the sale of advertising and sponsorship, or should this be decided on a case by case basis?

We feel that the 50% limit is correct. Any figure in excess of 50% is likely to erode the ethics of the project and give cause for concern from commercial operators. Public funding of various types will be vital in the establishment of Community radio, such as the Community Media Fund as described in the consultation document.

There could be scope for reviewing this position if an application was received from a rural community group who could demonstrate that any increase on the 50% limit would not have a detrimental effect on its operation. This would have to be on a case-by-case basis and we would see this only applying in a handful of cases.

Question 6:

Are you content with OfCom's proposals for the submission of applications?

We are happy with the proposals laid down. In particular, we believe clear, concise and simple documents will benefit both the community operators and OfCom.

Question 7:

Are you content with Ofcom's proposals for the order in which it will consider applications in the first year?

Yes, we are happy with the proposals laid down.

Question 8:

Aside from the Government's selection criteria, what other criteria should OfCom use when deciding between applications?

We believe that whilst supporting the principles laid down by Government, there is also scope for additional selection criteria on a case-by-case basis. We believe that, in most instances, OfCom's principle of choosing groups that propose a broad range of interest ('neighbourhood services') over 'Community of interest' services is generally a correct one. We would see this position being reviewed after two years. Local groups that propose to offer coverage to specifically local amenities should be given an advantage.

Question 9:

Are you content with the proposal for listing a station's key commitments in its licence?

We believe this is absolutely fundamental to the awarding of a community radio licence and we agree wholeheartedly with the proposals.

Question 10:

Are you content with OfCom's proposal that each station should produce an annual report?

Again, we are happy with this requirement. We believe that this is a fundamental part of community radio and it is important that we share this report widely within the community.

Question 11:

Do you have suggestions on how we might research the impact of community radio services on target communities or on other methods of seeking feedback from communities?

We feel that it is vitally important that we assess, especially in the first two years of community radio, the impact and listenership these stations are having in their target areas. It is debatable at this stage whether the current RAJAR system of measuring listenership would be effective, desirable or affordable for community radio. We would initially propose communication with the listenership via other local media such as newspapers, asking for listeners to declare their listenership of a community station. Maybe the setting up of a freephone telephone number for people to register could be another option. On street surveys is another way. Or maybe a simple card to sign distributed and left in shops or supermarkets could be used to connect with listeners. We also propose using Internet and/or mobile phone technology (funding permitted) to interact with our listeners.

OFCOM CONSULTATION ON "THE LICENSING OF COMMUNITY
RADIO":
STOURBRIDGE-FM'S RESPONSE

THOUGHTS ON THE ALLOCATION OF FREQUENCY SPECTRUM

The proposed policy on allocation of spectrum is correct, though Ofcom should make public the technical specifications in the same manner as the commercial sector once a licence is granted. A suggestion could also involve Ofcom officials making public the amount of frequencies available in any particular area/region/nation – or the potential amount of stations that could be granted frequencies under a 'ring fencing' system. This would add a greater sense of clarity to the procedure and potential applicants will know whether or not a frequency or frequencies are available in their area, or how many stations are possible. This would be helpful in Metropolitan/Conurbation areas or towns/cities close to a Metropolitan/Conurbation area – which have frequency planning considerations in relation to the urban area(s) i.e. – Worcestershire and Staffordshire in relation to the West Midlands County.

In consideration to potential coverage area – I believe the details in the consultation document are sufficient at 5km in urban areas, this could mean the possibility to licence a couple of stations and share a frequency – thus creating a 'ring fencing' effect.

I welcome Ofcom's proposal to increase a *"field strength in the order of 10 dB higher would be required by community radio services to achieve the same degree of interference protection as commercial and BBC services"*. This would be a considerable assistance in ring-fencing - where community stations could share a frequency with a distant commercial radio station in 'limited coverage' urban areas or other community stations with little interference in the 5Km radius. Would Ofcom ensure that when there could be a likelihood of interference, the community radio stations power allocation could be negotiable to encounter co-channel interference within the 5km radius of a transmitter? Plus would Ofcom direct community licence holders in the issue of mixed/horizontal/vertical polarisation, or follow the same rules as RSL's.

One issue, which Stourbridge-FM has raised in relation to this concern, was during our first Restricted Service Broadcast in October/November 2001 – we were allocated 102.6 MHz, which was shared, with Signal One from Stoke-on-Trent. Despite the Alsager Bank transmitter's distance from Stourbridge (approximately fifty miles) Stourbridge-FM's coverage was not just hampered by the Alsager Bank transmitter, but we found considerable interference within the RSL coverage area of three/four miles radius. So much so - Alsager Bank 102.6 MHz was received clearly

in patches within one mile of the Stourbridge-FM transmitter location in Central Stourbridge.

Fortunately - the engineering department of the Radio Authority addressed these issues and as a consequence Stourbridge-FM's power allocation was increased along with a change of frequency for future broadcasts. (Stourbridge-FM also understood that full coverage within the three/four mile radius is not guaranteed). It is hoped that these potential issues will be dealt with by Ofcom to avoid potential problems to community and commercial stations.

THE COMMERCIAL RADIO SECTOR

The commercial radio sector should have some amount of opinion regarding community radio, though I feel that there could be a tendency to lean towards a negative viewpoint. Already aspects of the commercial radio sector have expressed their indifference to community radio, which could become decisive in future. In relation to existing commercial radio, many stations receive a great deal of revenue via national/regional advertising through participation in RAJAR. As a consequence Community Radio would not make much of an impact and would probably only gain advertising/sponsorship revenue from smaller businesses in their core-advertising base.

It can also be argued that if a community radio group has had its application accepted by Ofcom, pending submissions from the commercial sector. A commercial station could affectively scupper an application by demanding that the percentage of proposed advertising should be lowered to a smaller percentage. This could mean that a community station may not go ahead with broadcasting as a consequence of a considerable projected financial shortfall.

I'm aware of potential problems with 'small-scale' commercial radio stations and I believe that Ofcom should take their views on-board when considering the advertising ceiling for a community radio station – especially if a community radio station is proposed in the core area within their 'TSA'. But would large local/regional commercial radio licence holders be allowed to 'comment' on an impact of a proposed Community Radio application? For example if a commercial radio station has a 'TSA' of one million adults, in comparison to a proposed Community station which could have a 'projected' service population of a hundred-thousand adults. It will be debatable if large-scale local/regional stations would see any impact in their advertising revenue and reach/share because of community radio.

Despite this rather negative 'them and us' opinion, I believe it will be beneficial for links between the commercial and community sector. I also hope that the commercial sector will keep an open-mind about community radio and forge links – which could be beneficial to listeners in general. There are links already between community and commercial stations, which has made good results and should be encouraged further.

I feel that links should also be encouraged with BBC local radio as well – maybe in shared programming aspects.

ADVERTISING

Maybe it might be a good idea for a capped maximum percentage of annual revenue coming from advertising and/or sponsorship for every single community station. There could also be an advertising cap, which could be made higher on a temporary basis, if grants have been withdrawn or not renewed and a shortfall in finances is projected. This would only last a small time until new money has been found. Another idea could involve an emergency loan from the Community Radio Fund. This could be a highly probable scenario over a community stations five-year licence period. Or would these stations be left to 'the commercial rule of law' –sink or swim?

Most community projects will approach various sources for grants/funds in the set-up/running of a station. A problem with obtaining (for example) the whole amount of finances from one or two sources is that such organisations may wish the community radio station to put across its political 'viewpoint' or approach things at a particular 'angle' or even impose 'bias' in return for funding. Ofcom's predecessors have always maintained that all independent radio stations should be 'balanced and impartial', so it would be hoped that this would remain and policed if stations are placed under undue pressure from sponsors.

Obtaining funding from a combination of sources and some kind of advertising/sponsorship would be correct to ensure a community station is balanced and not put under undue pressure.

SELECTION CRITERIA

I believe that some consideration should be made in the application process for individuals involved that have radio experience in either commercial/BBC sectors or have been RSL holders. It is stated in a question in the RSL Application form (*Q21 – Has the applicant, proposed licence holder or anyone else concerned in the operation held, or been involved in the operation of a Radio Authority licence before?*). This could help ensure the smooth setting-up/running of the presentation aspects of a community station and would be an asset for training individuals if they wish to work in the commercial/BBC sectors in the future. Plus they would have had to adhere to the regulators guidelines in their previous/present broadcasting capacity. This could help cut down the risks of falling foul of Ofcom's 'Rules & Regulations' regarding 'taste & decency' and engineering considerations.

Holding a community radio licence should be accessible to all 'Citizen-Consumers'. But maybe consideration should be given to some kind of previous experience, so the ethics that every other broadcaster must adhere to in their licence are not

compromised and lower the communities' estimation of the whole of radio broadcasting, which would be at a detrimental affect to everyone concerned.

RESEARCHING IMPACT AND COMMUNITY FEEDBACK

An idea could involve Ofcom setting up an 'Independent Advisory Panel' whose role would be to provide the regulator with feedback from the community of interest. This could exist in addition to Ofcom's own research and feedback.

The panel could consist of local councillors (Parish/District/County/Metropolitan), representation from community groups, members of the public, local business representation, community radio management representatives and other interested parties. This panel will meet at regular intervals and put together feedback regarding an individual community station or a collection of community stations in a county or region. In turn the panel could meet Ofcom officials on an annual basis to collect and discuss data on the stations concerned.

The benefits would be...

- 1) Feedback on behalf of the community – thus giving a 'voice' in addition to the community station
- 2) A strong link between the community station and its community of interest
- 3) Accountability to the community as well as the regulator
- 4) A good source of research for the regulator

For such a panel to work effectively – it must be impartial and balanced and must not have an agenda in relation to the community station (positive or negative).

OTHER MATTERS

I agree with Ofcom's proposals on the non-profit making status of Community Radio and on the whole in relation to the other questions which have not been included in this consultation response.

CONCLUSION

Community Radio is an exciting development that has been waiting to happen for a long time in the United Kingdom and I believe that the time is right to fully implement these plans. Hopefully community radio will enrich the communities they serve and add more choice to the airwaves. Plus it is hoped that new opportunities will arise for people who never thought it possible to broadcast would be met by community radio as well. Many RSL presenters have gone onto the commercial/BBC sectors and this could be bettered by community radio and become an important stepping-stone to a potential career in the media industry (not just presenting). This will be beneficial to the commercial/BBC sectors and the industry as a whole.

Despite this - I do have reservations regarding this plan because there are questions, which haven't been answered. This includes potential fees for community radio stations. I'm aware that licence fees had been waived for the 'Access Radio Pilot Scheme', so I'm wondering whether this will apply to community radio or will there be a new licence fee, which will incorporate the Wireless Telegraphy Act fee and the erstwhile Radio Authority licence fees. Plus I feel that the right kind of gesture should come from the Performing Rights Society and the Phonographic Performance Limited in relation to their licence fees for community radio. This would encourage more people to participate in broadcasting and widen the range of applications and as a consequence PRS/PPL could receive more income than before (in real terms) for their members. I also feel that there could be parts of the country that in some way form a Metropolitan area may miss this opportunity (even though there are considerable amount of rural areas that make up parts of Metropolitan Boroughs). There must not be a 'Conurbation shut-door' policy implemented in this new tier of radio. I understand that the FM frequency spectrums in parts of the country are scarce and careful planning must be needed so a considerable amount of the demand by the community and commercial sectors are met.

After careful consideration - Stourbridge-FM welcomes these proposals for Community Radio.

Regards

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