

Radio – Licensing Policy

For VHF Band iii. Sub-band 3

A response by the Commercial Radio Companies Association (CRCA)

Introduction

1. The consultation has a narrow focus while the Phase 2 Radio review is open for consultation into January 06 and addresses the wider aspects of digital migration. However, the Phase 2 document does not have any detailed questions, so this note makes a number of points outside the question posed by Ofcom at 7.22.

2. The Band III spectrum consultation is primarily about long-term allocation of the spectrum for Broadcast use (rather than PMR), and secondly the allocation of multiplexes between National and Local to address what Ofcom sees as the three drivers of digital radio policy. These are:

- The provision of viable local commercial radio services in a digital environment where currently there are none.
- The provision of all of the BBC's local and nations services in the digital environment and
- The provision of an increased range and choice of national radio services.

CRCA agrees that as many local analogue Commercial Radio services as possible should be offered access to a relevant DAB platform.

Ofcom's proposals

3. Four blocks of spectrum are under discussion to achieve Ofcom's vision. A fifth block is not ruled out (paras 3.10 & 3.11) depending on International and PMSE outcomes. There is no comprehensive discussion about the future of the fifth block other than that should it become available for radio broadcast there would be a further consultation. CRCA agrees with this approach in the event of there being a fifth block available.

4. Ofcom considers it desirable that local Commercial Radio services should be provided in a way that listeners consider to be of primary importance, i.e. mobile and portable to widely available receivers. DAB is identified as the only portable broadcast medium at present available with significant transmission infrastructures in place. Public policy grounds are considered sufficient to merit intervention by the regulator. The general Ofcom Policy of Technology and Service neutrality thus appears to be overridden in this case. CRCA supports this view.

5. Three blocks will be turned over to filling local gaps but with multiplex area sizes designed to be of sufficient size to be commercially viable. The three blocks will enable

the migration of 74 current stations (paras 6.79, 6.80). It is possible that a number of local commercial radio services afforded access to new DAB multiplexes may not choose to participate mainly on the grounds of cost. CRCA supports the making available of the opportunity and repeats its previously expressed view that the transition to digital would be eased for smaller stations by tax breaks or access to funds released from fees paid into the Consolidated Fund by National Commercial Radio services.

6. Ofcom suggests that the 90 remaining analogue Commercial Radio local stations, representing 5% of commercial listening hours might be better served by alternative technologies. This may be the case and CRCA notes that Ofcom intends to open discussions in this area with some of its smaller scale radio licensees. CRCA supports this initiative but observes that it will be important not to consign small scale local radio to a less important digital technology than that accessed by 95% of listeners/users.

7. Ofcom anticipates using a single block for a new national DAB multiplex to appeal to the tastes and interests distinct from those met by the current national multiplex. All multiplexes will be awarded under the Broadcasting Act 1996. CRCA supports the advertisement of all DAB Multiplex licences under the Broadcasting rather than the Wireless Telegraphy Act.

General points

8. The consultation document identifies the importance to consumers of 'accessibility' to digital radio and the attributes of mobility & portability. Quality and ease of reception is highly significant in achieving this and CRCA encourages Ofcom to plan the implementation of DAB spectrum with ease of reception and sufficiently high powered transmission as important priorities. While allocating further spectrum to DAB, planning constraints for current and new spectrum should be minimised, and the current overspill restrictions should be relaxed.

9. The wider expectations of local multiplex operators in relation to the final outcomes of the RRC06 negotiations are set out below. We encourage Ofcom to take all reasonable steps to achieve the outcomes described. We recommend as follows.

a. All UK allotments within the Wiesbaden and Maastricht agreements and which are already implemented should be protected from any changes as a result of the RRC06 process.

b. Local multiplex PPAs should continue to be protected against incoming interference to the Mobile/Outdoor planning standard until such time as an agreed migration plan is implemented to introduce the Portable/Indoor planning standard.

c. All 'new' UK Band III spectrum allotments should be planned for Indoor/Portable use and licensees should be entitled to design networks using new spectrum to this standard from their implementation date.

d. An agreed UK migration plan for local multiplex licensees should be developed by Ofcom (CRCA is happy to help with this work) to manage the introduction of a Portable/Indoor planning standard. This plan would reflect the timing and availability of licensee investment and the timetable for relevant international spectrum planning changes resulting from RRC06. The migration plan must avoid any significant loss of coverage to existing networks during the migration.

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