

**Format Change Request Form OfW 332**

<b>Station Name:</b>	Tower FM
<b>Name of Person Proposing Format Change:</b>	Scott Taunton
<b>Outline Format Change(s) Proposals:</b>	Co-location of the station to the Newton-Le-Willows/ Haydock area approx 5 miles outside the advertised licence area.  Co location with neighbouring stations Wish FM and Wire FM.

**Operators of analogue local radio licences may apply to Ofcom to have the station's Format amended. Any application should be made using the layout shown on this form, and should be in accordance with Ofcom's published procedures for Format changes (available on our website).**

**Under section 106(1A) of the Broadcasting Act 1990 (as amended\*), Ofcom may consent to the change only if it is satisfied that *at least one* of the following four criteria is satisfied:**

- (a) *that the departure would not substantially alter the character of the service;*
- (b) *that the departure would not narrow the range of programmes available by way of relevant independent radio services to persons living the area or locality for which the service is licensed to be provided;*
- (c) *that the departure would be conducive to the maintenance or promotion of fair and effective competition; or*
- (d) *that there is evidence that, amongst persons living in that area or locality, there is a significant demand for, or significant support for, the change that would result from the departure.*

**Only one of these four criteria need be satisfied in order for Ofcom to consent to the proposed change. However, Ofcom is under no obligation to give its consent, even if it is of the opinion that the proposed change satisfies one or more of the statutory criteria.**

**In addition, applicants should note that, under section 106ZA of the same Act (as amended\*), a proposed change that *does not* satisfy the first of these criteria (i.e. a change that Ofcom considers *would or could* substantially alter**

the character of the service) must, if it is to be considered further, be consulted upon, irrespective of whether it may satisfy any of the other three criteria<sup>#</sup>.

In the event that Ofcom receives a request for Format change and considers that criterion (a) is *not* satisfied, it will seek confirmation from the applicant as to whether it wishes to proceed with the request (and, if so, whether it wishes to amend or replace its submission in light of the necessity to make it public).

Please present your submission in the following manner:

#### **Section 106(a) relevance...**

This request is not an indicator for Format change in the broad outline of current licence area, definition of output or character of service/detail and the move will in no way substantially alter the character or detail of the service. Tower FM will remain a full service local station for adult listeners within the area providing information and entertainment about and for the Bolton and Bury locality.

The increased financial viability of the co-location will ensure Tower FM has improved resource to continue to deliver content that directly caters for the tastes and interests of listeners in the area.

#### **Section 106 (b), (c) and (d) relevance...**

b) There are no changes to the current range of programmes available with commitments to speech, news and music remaining unchanged

'Speech, "which should not fall below 15% of the output during daytime," will continue to be relevant to and cater for the tastes and interests of listeners in the area. Speech content will include essential information for Bolton and Bury such as traffic, travel, weather, what's-on, jobs, crime-stoppers, financial and sports news.

News with strong local output will continue to be an important ingredient of the station with no change to the frequency of delivery of bulletins. The co-location with other stations (and therefore news teams) will enhance the ability of the news operation to react quickly to and cover stories in and around the locality.

All of the current main presenting staff lives outside the station's licensed area. It has always been our view that strong local programme management, training and direction has ensured the delivery of the character of the service as opposed to the location of the station or its staff. The proposed co-location of the service gives fast easy access to the licensed area M62, M60 and A580 East Lancs Rd.

c) Given there are no changes to the range of programmes available we do not see the change in location as having an unfair effect on competitors. We do feel however that the co location will lead to improved management, training, facilities and opportunities for staff and so will enable the station to improve the quality of its output

## **Any additional information and/or evidence in support of proposed change(s).**

Ofcom has laid out a number of specific criteria for the consideration of co locations. We believe there are exceptional financial circumstances which support the co-location proposal and that the proposed site remains culturally close to the heart of the area which Tower FM serves.

### **1.Financial**

(Figures supplied separately to Ofcom)

We believe that the poor financial performance is driven by the poor location and condition of the Tower FM building. These are key factors which have a significant detrimental effect on our ability to attract and retain quality staff. The position is exacerbated through our proximity to a highly competitive radio market in the Greater Manchester and Liverpool regions. We know from our own staff surveys and exit interviews that because many of UTV Radio services are housed in very poor, run down office accommodation in back street and unpleasant locations our ability to attract quality staff and retain existing personnel is severely hampered. Tower FM is a prime example of this. Staff turnover at Tower FM is at an unprecedented 75% and consequently financial performance has suffered.

In order for Tower FM to thrive both in audience and commercial terms we need to inject new life and talent into the business. We believe this is best achieved through our proposed co-location of Tower FM in Newton Le Willows/Haydock. .

Our intention is to co locate Tower FM alongside sister stations Wish FM and Wire FM in a newly built £1.3 million multi service state of the art radio super-site. This would immediately give all staff a lift and create an aspirational media environment attracting top quality candidates throughout the entire staffing structure. This would allow UTV Radio to recruit and develop a highly effective and professional team capable of maximising the full opportunity of the licensed area served for Tower FM (as well as Wish FM and Wire FM.) The super-site will provide better and more efficient management, training and career development, which in turn would lead to better recruitment and staff retention. This aspect of the co location is the primary driver as staff turnover has been identified as the main issue facing UTV Radio's ILR operations and sub standard office accommodation has been a key contributor towards high turnover.

Co-locating Tower FM alongside Wish FM and Wire FM in newly built accommodation is consistent with UTV Radio's long-term objective of growing its local radio audiences through investment. UTV Radio inherited local stations that had suffered from severe under investment and lack of senior management focus. It is our belief that the co location of Tower FM, placing it in a world-class radio facility, will have a hugely beneficial impact on employees and ultimately revenues. We believe that the co-location will breathe new life and vitality into Tower FM and our objective is to generate new audiences and revenues with cost savings being invested into better quality and more creative management, improved news gathering and programming initiatives.

Alongside the immediate working environment benefits for staff, the co location of Tower FM with Wish FM and Wire FM would provide strong economies of scale, which will improve the commercial viability of all three stations and secure their long-term future.

The co-location of UTV Radio's ILR central management team and having support services being housed in the super-site would further enhance the operations. As well as the functions listed above, the management team to be located in the new premises includes the UTV Radio Managing Director who will re-locate from London, the ILR Group Managing Director, Finance Director, Group Programming Director, Group Technical Director and HR Director as well as the various management reporting through these directors.

We did consider re-locating the station to stand alone premises within its licensed area, but that would result in additional costs above the proposed co-location. More importantly the staff development benefits of co-location would not be achieved.

Further to the impact on the profit & loss account, if the station was to move to alternative premises within its own TSA, it is envisaged that there would be an increased outflow of capital expenditure relative to that move compared to the incremental capital outlay to develop the additional space and studios required in the new co-located building.

## **2. Distance and Affinity**

The proposed location is only 5 miles or less than 10 minutes drive outside of Tower FM's licensed area and is within the Greater Manchester area which mean the new location retains common bonds and local affinities. The area is at the heart of the North West region with excellent communications directly into the Bolton and Bury area via the M62, M60 and A580 East Lancs Rd.

The 2001 census report identifies a highly mobile workforce across the area with diminishing numbers working where they live. Not unsurprisingly Manchester and Salford are key employers across the area but substantial growth is highlighted (91 to 01) in employment of Bolton's residents across the rest of Lancashire and Merseyside.

In terms of leisure and recreation again Manchester's excellent facilities feature strongly across the area and the Trafford Centre is a Cathedral to shoppers from the proposed location as much as Bolton.

In summary the two areas are culturally aligned through their history, political boundaries, close proximity, transport networks, shared leisure/retail facilities and their satellite location to the City of Manchester.

### Notes

\* As amended by sections 312 and 313 of the Communications Act 2003

# Ofcom may approve a change under criterion (a) without consultation only *in extremis*. While Ofcom will always respect the right of stakeholders to apply for a Format change in confidence, it is highly unlikely that commercial confidentiality will in itself be considered adequate grounds to approve a change under (a) without consultation.