

Commercial radio licence award: Torbay

Statement

Summary

The fully re-advertised FM local commercial radio licence for Torbay was awarded on 29 September 2017 to Celador Radio Limited, the incumbent licensee. Two applications were received:

- Celador Radio Limited ('The Breeze')
- Exe Broadcasting Limited ('Devon Sound')

The reasons for this licence award are set out in the statement below.

Torbay licence award decision

Ofcom¹ considered the two licence applications against the four statutory local commercial radio licence award criteria specified in section 105 of the Broadcasting Act 1990, which are set out in full in the second part of this statement.

The decision makers noted that, with an existing Measured Coverage Area of around 181,000 adults (aged 15+), Torbay is a relatively small licence. With this in mind, Ofcom considered that section 105(a) – the ability of the applicant to maintain the service – was particularly important when considering the characteristics of the licence to be awarded and the applications for it.

In assessing the ability of the applicants to maintain their proposed services, Ofcom noted that the Torbay licence has been profitable since September 2015 under Celador Radio's ownership. Revenue and costs forecasts going forward were realistic, reflecting the fact that Celador Radio and its board of directors and management now have considerable experience of running a number of similarly-sized commercial radio licences across the south and west of England.

In assessing the extent to which 'The Breeze' would cater for the particular tastes and interests of those living in the licensed area, the decision-makers recognised that the service would continue to provide over 40 hours per week of programmes from Torbay, and also considered that the particular focus of the service on softer, less contemporary music would be more likely to cater for the tastes of listeners aged 45+, of whom there are an above average number in the Torbay area. It was also the decision makers' view that, in terms of broadening the range of programmes available in the area, 'The Breeze' would provide a clearly 'older' alternative to Heart, the only other local analogue commercial radio service available in Torbay, which has a Format requirement to target listeners aged under 44.

In considering the extent to which there was evidence of demand or support for the applicants' proposals, we noted that The Breeze's quantitative market research showed that listeners in the area preferred a 'music-led', rather than speech-heavy, service, while the market research conducted as part of Exe Broadcasting's application indicated that respondents who have listened to the station considered that The Breeze airs "just the right amount of local news."

¹ This decision was taken by Ofcom executives under delegated authority from the Ofcom Board. They are referred to in this statement as the "decision makers".

Statutory requirements

The section below sets out the statutory requirements relating to analogue commercial radio licensing. The public versions of the two applications can be found at:

<https://www.ofcom.org.uk/manage-your-licence/radio-broadcast-licensing/radio-licence-awards-process>

Statutory requirements relating to the specific local licence award criteria

In considering the applications it receives for local commercial radio licences, Ofcom is required to have regard to each of the statutory criteria set out in section 105 of the Broadcasting Act 1990. These are as follows:

- (a) the ability of each of the applicants for the licence to maintain, throughout the period for which the licence would be in force, the service which he proposes to provide;
- (b) the extent to which any such proposed service would cater for the tastes and interests of persons living in the area or locality for which the service would be provided, and, where it is proposed to cater for any particular tastes and interests of such persons, the extent to which the service would cater for those tastes and interests;
- (c) the extent to which any such proposed service would broaden the range of programmes available by way of local services to persons living in the area or locality for which it would be provided, and, in particular, the extent to which the service would cater for tastes and interests different from those already catered for by local services provided for that area or locality; and
- (d) the extent to which there is evidence that, amongst persons living in that area or locality, there is a demand for, or support for, the provision of the proposed service.

The legislation does not rate these requirements in order of priority, but it may be that Ofcom will regard one or more of the criteria as being particularly important in view of the characteristics of the licence to be awarded and the applications for it.