
Community radio

Two community radio licence awards: May 2018

Statement:

Publication Date: 30 May 2018

About this document

This document announces the award of two community radio licences.

The licences are for stations serving communities in Bradford and Farnborough.

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1. Licence awards

- 1.1 During May 2018, Ofcom made decisions to award two community radio licences. The licences are for stations serving communities in Bradford and Farnborough.
- 1.2 All community radio services must satisfy certain 'characteristics of service' which are specified in legislation¹ – Ofcom was satisfied that each applicant awarded a licence met these 'characteristics of service'. In addition, each application was considered having regard to statutory criteria², the details of which are described below. This statement sets out the key considerations in relation to these criteria which formed the basis of Ofcom's decisions to award the licences. Where applicable, the relevant statutory reference (indicated by the sub-paragraph number) is noted in brackets.

Applicants awarded a licence

- 1.3 Ofcom has made a licence award to each of the following:
- Radio MAC (Media Arts & Culture Limited), Bradford
 - Rush FM (Rush FM Limited), Farnborough, Hampshire
- 1.4 These services will be licensed for a period of five years from the date of their launch, on FM.
- 1.5 As required by law, Ofcom was satisfied that the new services would not prejudice unduly the economic viability of any local analogue commercial radio service.
- 1.6 There were six applications under consideration for services in Bradford, and two for the Farnborough area. Unfortunately, Ofcom could only consider awarding a licence to one of the applicants (subject to the legislative requirements being met) in each area. This is because only one suitable available FM frequency had been identified for use in each area by a community radio station. The scarcity of frequencies in urban areas was highlighted in sections 2.1, 2.2 and 2.10 of the invitation to apply for this round³.
- 1.7 As a result of this scarcity of spectrum, all six of the applications for Bradford, and the two applications for the Farnborough area, were competing with one another for the one suitable FM frequency in each location. Therefore, as well as considering the suitability of each applicant's proposals in terms of the area and community they wished to serve, the decision-makers also considered each application in comparison with the others in the same area.

¹ Regulation 3 of the Community Radio Order 2004.

² Section 105 of the Broadcasting Act 1990 (as modified by the Community Radio Order 2004, as itself amended by the Community Radio (Amendment) Orders 2010 and 2015).

³ https://www.ofcom.org.uk/_data/assets/pdf_file/0017/104651/invitation-overlapping-areas.pdf

Radio MAC

- 1.8 Radio MAC will broadcast a community radio service to the diverse Muslim community and wider ethnic communities (primarily Asian and Asian British) of Bradford. Group members have gained considerable broadcasting experience in the area over many years, in particular through broadcasting temporary FM radio services (S-RSLs). Other relevant experience includes running a business, advertising and sales, radio broadcast training, third sector organisations and youth work. Premises and studio equipment are already in place, and financial support secured for pre-launch expenditure, as well as some year 1 funding and in-kind support. Ofcom considered that it had demonstrated its ability to maintain the service (1a). The group has used its S-RSL experience to develop its programme proposals to cater for the tastes and interests of its target community (1b). Its social gain proposals also build on its experience of using radio broadcasting to help develop social cohesion, engage with under-served groups and offer training and broadcasting experience (1e). The applicant provided evidence of demand and support for its proposed service (1d).

Rush FM

- 1.9 Rush FM will be a community radio service for young people (the under 30s) in Farnborough and surrounding areas. Group members have many years' experience of broadcasting on commercial radio and the BBC, including management, presenting, and journalism, as well as experience in grant fund-raising and education. Ofcom was satisfied that the applicant had demonstrated its ability to maintain the proposed service (1a). The applicant has a partnership in place with Farnborough College of Technology, which includes studio premises at the college and expertise in delivering radio broadcasting training. The decision makers considered that the applicant had good proposals in place to allow access to the studio facilities by members of the target community, and the provision of training in the use of those facilities (1g). Rush FM demonstrated evidence of demand and support for its proposed service (1d).

2. Statutory requirements relating to community radio licensing

- 2.1 The following pages set out the statutory requirements relating to community radio licensing, and details of the licensing process. Further information about these, and detailed information relating to community radio, can be found at: https://www.ofcom.org.uk/data/assets/pdf_file/0016/101860/Community-radio-guidance.pdf
- 2.2 In carrying out its functions, Ofcom is required to have regard to the general duties set out in section 3 of the Communications Act 2003. In addition, under section 85(2)(b) of the Broadcasting Act 1990 (“BA 1990”), it is the duty of Ofcom to do all that it can to secure the provision within the UK of a range and diversity of local radio services.

The characteristics of a community radio service

- 2.3 All community radio licensees must satisfy 'characteristics of service' requirements which are specified in Article 3 of the Community Radio Order 2004. The characteristics of community radio services are:
- that they are local services provided primarily for the good of members of the public, or of communities, and in order to deliver social gain, rather than primarily for commercial reasons or for the financial or other material gain of the individuals involved in providing the service;
 - that the service is intended primarily to serve one or more communities (whether or not it also serves other members of the public);
 - that the person providing the service does not do so in order to make a financial profit by so doing, and uses any profit that is produced in the provision of the service wholly and exclusively for securing or improving the future provision of the service, or for the delivery of social gain to members of the public or the community that the service is intended to serve;
 - that members of the community it is intended to serve are given opportunities to participate in the operation and management of the service; and
 - that, in respect of the provision of that service, the person providing the service makes himself accountable to the community that the service is intended to serve.
- 2.4 Article 2 of the Community Radio Order 2004 includes four mandatory “social gain” objectives. “Social gain” means the achievement, in respect of individuals or groups of individuals in the community that the service is intended to serve, or in respect of other members of the public, of the following objectives:
- the provision of sound broadcasting services to individuals who are otherwise underserved by such services;
 - the facilitation of discussion and the expression of opinion;

- the provision (whether by means of programmes included in the service or otherwise) of education or training to individuals not employed by the person providing the service; and
- the better understanding of the particular community and the strengthening of links within it.

2.5 Article 2 also includes a number of other objectives of a social nature which may be considered to represent "social gain".

Matters to which Ofcom shall have regard

2.6 There are seven matters set out in section 105(1) BA 1990 that Ofcom must have regard to when considering whether to grant a community radio licence. In summary these are:

- The ability of each applicant to maintain its proposed service over the licence period (section 105(1)(a)).
- The applicant's ability to cater for the tastes and interests of the target community (section 105(1)(b)).
- The extent to which each applicant would broaden the range of local radio services available in the area, and have a content distinct from those services (section 105(1)(c)).
- The extent to which there is evidence of local demand or support for a proposed service (section 105(1)(d)).
- The extent to which the service would deliver social gain benefits to the public or relevant community (section 105(1)(e)).
- Provisions for making the operator of service accountable to the relevant community (section 105(1)(f)).
- Provisions for allowing access by members of the public or the relevant community to the station facilities, and the provision of training in the use of those facilities (section 105(1)(g)).

2.7 In considering whether, or to whom (and on what conditions), to grant a community radio licence, Ofcom must also have regard to the need to ensure that any service provided under that licence does not prejudice unduly the economic viability of any other local commercial radio service.

2.8 Furthermore, without prejudice to the generality of that economic impact requirement, section 105(4) BA 1990 requires Ofcom to impose conditions to ensure, in effect, that any community radio service is prohibited from taking any relevant income from paid advertising and sponsorship of programmes except in the following respects:

- A 'fixed revenue allowance' totalling £15,000 per financial year of the licensee for such relevant income - this exception applies to any community radio service where that service overlaps with any local commercial radio service serving a potential audience of no more than 150,000 persons who have attained the age of 15 years or older.
- A 'fixed revenue allowance' totalling £15,000 per financial year of the licensee for such relevant income plus a proportion of the total relevant income (specified by Ofcom in

the licence), but which must not exceed 50% of the total relevant income (disregarding the fixed revenue allowance) for the licence in question in that year - this exception applies to all community radio services other than a community radio service referred to in (i) above. It should be noted that a community radio service that overlaps with any local commercial radio service serving a potential audience of no more than 150,000 persons who have attained the age of 15 years or older, which has at any time been varied pursuant to section 106(1A)(e) BA 1990, is also covered by this exception.

- 2.9 For the avoidance of doubt, programme sponsorship includes station or channel sponsorship, and commercial communications.

Process for assessment of applications

- 2.10 The Ofcom Board has delegated the discharge of certain of its functions in relation to television and radio broadcast licensing to one or more senior executives from Ofcom's Content & Media Policy Group. Each of those individuals, on their own or together, have responsibility for deciding on the award of community radio licences.
- 2.11 The decision-makers for these licence awards were Ofcom's Head of Radio & Broadcast Licensing Policy and Ofcom's two Principals, Broadcast Licensing.

May 2018