

# **Community radio**

## Eight community radio licence awards: April 2018

Statement:

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# About this document

This document announces the award of eight community radio licences.

The licences are for stations serving communities in Scotland – one for Peterhead, and two in Glasgow; and England – two in Leeds, one in Waterlooville, one in Reading and one in Coventry.

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## 1. Licence awards

- 1.1 During April 2018, Ofcom made decisions to award eight community radio licences. The licences are for stations serving communities in Scotland one for Peterhead, and two in Glasgow; and England two in Leeds, one in Waterlooville, one in Reading and one in Coventry.
- 1.2 All community radio services must satisfy certain 'characteristics of service' which are specified in legislation<sup>1</sup> Ofcom was satisfied that each applicant awarded a licence met these 'characteristics of service'. In addition, each application was considered having regard to statutory criteria<sup>2</sup>, 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 Of com has made a licence award to each of the following:
  - Buchan Radio (Buchan Community Radio CIC), Peterhead
  - Groove City Radio (Groove City Radio Limited), Glasgow
  - Revival FM (Revival FM (Glasgow) Limited), Glasgow
  - East Leeds FM (Heads Together Productions Limited), Leeds
  - Leeds Dance Community Radio (Leeds Dance Community Radio Limited), Leeds
  - The Flash (The Flash On Air Limited), Waterlooville, Hampshire
  - 2tr (Two Towns Radio) (Basingstoke Broadcasting Company Limited), Reading
  - Vanny Radio (Vanny Radio-Community Broadcasters), Coventry
- 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.

#### **Buchan Radio**

1.6 Buchan Radio will broadcast a community radio service to the population of Peterhead and surrounding areas of Buchan. The applicant has broadcast an online radio service since 2013, and a number of temporary FM radio services. It already owns broadcasting and transmission equipment. Ofcom was satisfied that the applicant had demonstrated its ability to maintain the service (1a). The applicant provided some evidence of demand and

<sup>&</sup>lt;sup>1</sup> Regulation 3 of the Community Radio Order 2004.

<sup>&</sup>lt;sup>2</sup> 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).

support for the service, including followers on social media (1d). The service will be run by volunteers: new volunteers will be given training in using the equipment, presentation skills and so on, and existing volunteers can undergo further training to advance their understanding of radio. Opportunities for work experience will also be offered (1g).

1.7 Buchan Radio will have a condition in its licence limiting income from the sale of advertising or programme or station sponsorship to a maximum of £15,000 per financial year. This is because the expected coverage of the service overlaps by 50% or more with the coverage area of Waves Radio, a local commercial radio service which has fewer than 150,000 adults living in its measured coverage area. Under the legislation (section 105(4) of the BA 1990), community radio services in such areas are prevented from seeking advertising and programme or station sponsorship revenue above a 'fixed revenue allowance' of £15,000 per year unless the local commercial radio service's licence has been varied to allow studio co-location with another service (section 106(1A)(e) of the BA 1990). Waves Radio's licence has not been varied in this way.

#### **Groove City Radio**

1.8 Groove City Radio will be a specialist music service for 20-50 year olds in Glasgow who are interested in dance, soul, electronic and house music. The applicant has run an internet radio station for four years and has experience of working with a range of stakeholders especially in the local music scene. Ofcom considered that it had demonstrated its ability to maintain the service (1a). The applicant has worked with a range of local artists, producers and DJs to develop its proposals and help it cater for the tastes and interests of its target community (1b). Social gain objectives include youth development, working with educational bodies and other groups and providing training in music and radio production related skills, as well as supporting local and emerging artists (1e). The applicant proposes to seek regular feedback from volunteers, as well as from trainees to help inform and develop its services and help ensure accountability to its target community (1f).

#### **Revival FM**

1.9 Revival FM will provide a community radio service with a Christian perspective for Glasgow. Members of the applicant group have experience in running a business, business development, community and commercial radio broadcasting, sales, etc. It has sufficient assets and funding in place for the pre-launch period, as well as some funding for year one. Ofcom was satisfied that the applicant had demonstrated its ability to maintain the proposed service (1a). The service will include Christian-based programming and Christian music to cater to the tastes and interests of its target community (1b). Ofcom considered that the proposed service would broaden radio choice in Glasgow (1c).

#### **East Leeds FM**

1.10 East Leeds FM will be an arts-based community radio service targeting disadvantaged communities in East Leeds. The applicant has some years' experience in running an arts-based project in the area, and it has secured grant funding in place. It has also gained

experience in broadcasting by running an internet radio service as well as temporary FM radio services. Ofcom considered that the applicant had demonstrated its ability to maintain the proposed service (1a). The applicant has knowledge of how to deliver social gain to its target community and works with a range of partner organisations, for example educational bodies, to deliver training. Ofcom considered that its experience and partnerships will help the applicant to deliver its social gain objectives for its target community (1e). The applicant provided evidence of demand and support for its proposed service (1d).

#### Leeds Dance Community Radio

1.11 Leeds Dance Community Radio will broadcast a specialist urban and dance music service in Leeds. The directors have many years' experience of broadcasting on the internet and FM, including in presenting and technical roles, as well as working in business, the public sector, with youth enterprise projects, and training. Ofcom was satisfied that the applicant had demonstrated its ability to maintain the proposed service (1a). The group has used its online experience to help ensure that its content will cater for the tastes and interests of the target community (1b). Ofcom considered that a service with an urban and dance music focus will broaden radio choice in the area (1c). It has worked with local DJs and music producers and has some other links in place which will help it to deliver training in DJ skills, music production and radio presenting to young people and others in the target community (1g).

#### The Flash

1.12 The Flash will serve musicians and the wider community of Waterlooville with a service focusing on original music from local musicians and music genres such as rock, blues and folk. The applicant has run an internet radio service since 2012, several temporary FM services and broadcasts on DAB. It has premises, studio and transmission equipment, a realistic budget and some income streams already in place. Ofcom considered that the applicant had demonstrated its ability to maintain the service (1a). The proposed service includes a range of different music genres, and Ofcom considered that it will broaden radio choice in the area (1c). The applicant proposes a service run entirely by volunteers, and already has a large team in place. It will invite local musicians to be involved in the service, for example performing live on-air (1g). It provided evidence of demand and support for the service, including from local organisations and local musicians (1d).

#### 2tr

1.13 2tr will be a community radio service for Reading with a particular focus on the under-40s. Members of the applicant group have experience of BBC and commercial radio broadcasting in the area, voluntary work and fundraising. Ofcom was satisfied that the applicant had demonstrated its ability to maintain the proposed service (1a). It has developed its proposed programme service using group members' local broadcasting experience and feedback from a range of local stakeholders, and this should help it deliver a service that will cater for the tastes and interests of its target community (1b). It proposes a well-thought out plan for training, including some accredited training, and will work with local educational partners to achieve it (1g). The applicant provided evidence of demand and support for the service, and already has links in place with a number of local organisations (1d).

#### Vanny Radio

1.14 Vanny Radio will serve BME communities and young people (under 25) in Coventry. The group has gained experience of running an online radio station for the past four years. It has premises and equipment already in place, as well as some funding for the service confirmed. Ofcom considered that the applicant had demonstrated its ability to maintain the service (1a). The group has used its online experience to propose programming that will cater for the tastes and interests of the target communities (1b). It proposes to provide opportunities for training and work experience for members of its target communities (1g). The applicant provided evidence of demand and support for the service from a wide range of organisations in Coventry and from a survey as well as focus groups (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: <u>https://www.ofcom.org.uk/\_\_data/assets/pdf\_file/0016/101860/Community-radio-guidance.pdf</u>
- 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 (wher 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 Director of Content Standards, Licensing and Enforcement, Ofcom's Director, Broadcast Licensing and Ofcom's two Principals, Broadcast Licensing.

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