

Small-scale radio multiplex licence award: Glossop & Buxton

Background

Ofcom has decided to award a new small-scale radio multiplex licence for Glossop & Buxton to High Peak One Digital Limited ('HPOD').

In considering the applications it receives for small-scale radio multiplex licences, Ofcom is required to have regard to each of the statutory criteria set out in section 51(2) of the Broadcasting Act 1996 as modified by the Small-scale Radio Multiplex and Community Digital Radio Order 2019. These are as follows:

1. the extent of the coverage area (within the area or locality specified in the Ofcom notice inviting applications) proposed to be achieved by the applicant in the technical plan submitted in its application; (section 51(2)(a))
2. the ability of the applicant to establish the proposed service; (section 51(2)(c))
3. the desirability of awarding the licence to an applicant that:
 - a. is a person providing or proposing to provide a community digital sound programme service in that area or locality, or
 - b. has as a participant a person providing or proposing to provide a community digital sound programme service in that area or locality; (section 51(2)(ca))
4. the extent to which there is evidence that, amongst persons providing or proposing to provide community or local digital sound programme services in that area or locality, there is a demand for, or support for, the provision of the proposed service; (section 51(2)(f)) and
5. whether, in contracting or offering to contract with persons providing or proposing to provide community or local digital sound programme services, the applicant has acted in a manner calculated to ensure fair and effective competition in the provision of those services. (section 51(2)(g)).

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.

North west England and north east Wales, of which this locality is part, was designated as a 'macro area' because there was potentially insufficient spectrum available to enable to award a licence in all localities advertised. Ofcom therefore adopted a two-stage process. Firstly, we provisionally decided whether and to whom to award a licence in each individual locality applying the statutory criteria. Secondly, having reached a provisional view in relation to each area, we assessed whether there was sufficient spectrum to award licences in all areas where acceptable applications had been received. The notice inviting applications set out that, if there was insufficient spectrum to enable us to make

an award in all areas, we would give priority to areas where more capacity was reserved for community digital sound programme services (as specified in the notice) and, where there were equal numbers of reserved slots, to areas with more existing licensed community analogue services whose coverage area overlaps substantially with the proposed small-scale multiplex.

Assessment of applications

On 1 June 2021, Ofcom published a notice inviting applications for licences to provide small-scale radio multiplex services in several localities, including in Glossop & Buxton.

Ofcom received one application in response to its notice inviting applications for this locality by the closing date of applications which was 1 September 2021, from HPOD. A copy of the non-confidential parts of the application was made available for public scrutiny on the Ofcom website, and public comment was invited as required under section 50(7).

Ofcom colleagues assessed the detail of the application, including carrying out an assessment of the technical plan required to be submitted as part of all applications. The provisional decision in relation to Glossop & Buxton was made by a panel of Ofcom decision makers which convened on 25 February 2022. They carefully considered the application, public comments received, and professional advice from Ofcom colleagues, and applied the statutory criteria in reaching their decision on whether to award a licence. Reasons for their decision are summarised below.

In relation to section 51(2)(a), the applicant proposed a technical plan based on the use of four transmitter sites. Ofcom's assessment indicated that these four transmitters could provide coverage of around 76% of the adult population within the advertised area, which was considered a good level of coverage, particularly given that the topography of the area presents technical challenges. The population overlaps between the coverage area of the proposed multiplex and the local multiplexes for Derbyshire and also Manchester were each below the 40% limit, and predicted coverage outside the advertised area was under 30%. Ofcom's assessment indicated that the risk of interference being caused to other small-scale multiplexes using the same frequency block elsewhere was low, as was the risk of causing hole punching in the coverage of other radio multiplex services. The risk of mitigations being required which may reduce coverage within the advertised area materially was therefore considered by Ofcom to be low. Details of the coverage likely to be achieved after completion of the frequency allocation process for the north west England and north east Wales 'macro area' are set out below.

In relation to section 51(2)(c), Ofcom considered financial and business plans, technical plans, the timetable for coverage roll-out, and evidence of relevant expertise and experience. It was noted that 50% of start-up costs are due to be met by grant funding, which is unsecured at this stage. It was also noted that, whilst understandable in the context of the terrain, a four-transmitter network adds cost and complexity and therefore presents some risk to establishing the service. Despite this, it was considered that there was a reasonably good prospect of the applicant being in a position to establish the service within 18 months of the date of award as required by the legislation.

In relation to section 51(2)(ca), HPOD itself plans to provide two new C-DSP services on the multiplex; High Peak One and Artist Controlled Radio. The applicant is therefore a person proposing to provide C-DSP services, which is a desirable feature under the award criteria.

In relation to section 51(2)(f), Ofcom considered evidence of demand or support from persons providing or proposing to provide community or local digital sound programme services in the advertised area and concluded that there was sufficient evidence of support, with 15 services expressing an interest evidenced by signed heads of terms agreements, to justify the award of a licence. Two of these were from prospective C-DSPs (to be provided by the applicant), which was considered reasonably good given the relatively low population and reservation of capacity for three community services.

In relation to section 51(2)(g), Ofcom did not see any evidence that the applicant had not, in contracting or offering to contract with persons providing or proposing to provide community or local digital sound programme services, acted in a manner calculated to ensure fair and effective competition in the provision of those services.

A panel of Ofcom decision makers convened again on 7 April 2022 to consider whether there was sufficient spectrum to award licences in all localities in the north west England and north east Wales 'macro area' where an acceptable application had been received and, if not, in which areas to confirm the provisional decision to make an award. Under the spectrum plan that was agreed at this meeting, the Glossop & Buxton multiplex has been allocated frequency block 8B, which we estimate would enable the proposed multiplex to cover just under 69% of the population in the coverage area advertised by Ofcom.

It is noted that the award of a licence does not confer on the awardee the right to implement all elements of the technical plan submitted to Ofcom as part of the successful application. Ofcom will treat proposals in that plan, on the basis of which the award was made, as things the successful applicant has committed to achieve within the 18-month period allowed between award and launch. However, for spectrum planning reasons, Ofcom may also require amendments to proposals between award and licence grant.

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