

Small-scale radio multiplex licence award: Plymouth

Background

Ofcom has decided to award a new small-scale radio multiplex licence for Plymouth to PlymDAB Limited.

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.

Assessment

On 14 July 2022, Ofcom published a notice inviting applications for licences to provide small-scale radio multiplex services in localities including Plymouth.

By the closing-date of 14 October 2022, Ofcom had received two applications for Plymouth. These were from Plymouth DAB Limited and PlymDAB Limited (“PlymDAB”). Copies of the non-confidential parts of the applications were 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 applications, including carrying out an assessment of the technical plans required to be submitted as part of all applications. The decision in relation to Plymouth was made by a panel of Ofcom decision makers which convened on 17 February 2023. They carefully considered the applications and professional advice from Ofcom colleagues, and applied the statutory criteria in reaching their decision on whether and to whom to award a licence. Reasons for their decision to award the licence to PlymDAB are summarised below.

In relation to section 51(2)(a), the successful applicant proposed using two transmitters to provide its service. Ofcom calculations indicate that this would result in just under 74% of the adult population in the advertised licence area being able to receive the service. Ofcom’s coverage predictions indicated that the proposed small-scale radio multiplex service would be available to under 40% of the population in the licensed area of the overlapping Plymouth & Cornwall local radio multiplex service, and that overspill outside the advertised area was well under 30% of the population of the advertised area. Therefore, no mitigations would be required to comply with these thresholds. Ofcom also considered that mitigations were unlikely to be required to address any hole-punching or interference issues. Decision makers considered the predicted level of coverage was good, including providing robust coverage in the city of Plymouth and nearby significant population centres including Saltash and Torpoint, although coverage did not extend to the north of the advertised area.

In relation to section 51(2)(c), Ofcom considered the applicant’s financial and business plan, technical plan, the timetable for coverage roll-out, and evidence of relevant expertise and experience. Decision makers noted that the applicant had chosen appropriate sites with low risks around availability and implementation, and the technical plan did not appear likely to require mitigations. Individuals involved in the application demonstrated extensive experience of and commitment to the radio sector locally (albeit some of this was focused on east Devon more than Plymouth and east Cornwall) and a reasonable business plan had been provided. Overall, decision makers concluded that they had a high level of confidence in the applicant’s ability to establish the service within the 18 month period allowed by legislation.

In relation to section 51(2)(ca), one prospective C-DSP service, Hospital Radio Plymouth, is a participant in the applicant company, and the applicant itself also proposed to provide a C-DSP service (Devon 20Twenty). Decision makers noted that Hospital Radio Plymouth is not an existing analogue community radio service but is an established radio service operating under a restricted service licence, and this provided a good level of confidence that the service would be available on the multiplex from launch. Whilst its 10% shareholding was relatively modest, its involvement was viewed positively. In relation to the applicant itself, decision makers noted that, although potential new services were to be welcomed, this was not an existing service (either broadcast or online) and the rolling news and information service proposed was likely to be challenging to establish. As such,

decision makers viewed the proposal positively but also noted the significant risks around whether the service would be available on launch of the multiplex.

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 (C-DSP and DSP services) in the advertised area. As well as the two prospective C-DSP services referred to above, the applicant had provided evidence of interest from four other prospective C-DSP services including community analogue, online and student services, as well as from 13 DSP services. Decision makers considered that, whilst this included expressions of interest from participants in the applicant and services varied in likelihood of being available on the multiplex at launch, this nevertheless represented a reasonably good level of support for the proposed multiplex from both community and commercial radio sectors, and evidence indicated that discussions with prospective providers were generally at a well-advanced stage.

In relation to section 51(2)(g) and based on the evidence received, Ofcom was satisfied that the applicant had, 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. Decision makers noted that the applicant had provided evidence of proactive engagement with a range of prospective providers, and the support noted above, which came from a range of service providers, was indicative of the positive efforts made by PlymDAB in this regard.

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.

February 2023