



Invitation of applications for
community radio licences
broadcasting on AM:
Locations throughout the UK,
excluding London and areas within
the M25

Publication date:

6 July 2016

About this document

This document invites applications for licences to provide community radio services in localities throughout the UK, excluding London and other areas within the M25 orbital motorway.

Ofcom is inviting applications for services operating on the AM (medium wave) band only.

We offer applicants guidance on the challenges and advantages of broadcasting on AM, explain the importance of selecting an appropriate transmission site, provide details of the funding restrictions which apply to community radio services, and set out how we will assess applications.

The closing date for receipt of applications is **5 pm on Tuesday 25 October 2016**.

Contents

Section		Page
1	Introduction	3
2	Technical matters	4
3	Funding rules	8
4	Assessment of applications	10
5	Guidelines and procedures for submission of applications	12
Annex		Page
1	Map showing excluded area	14
2	Small-scale commercial radio services	15

Section 1

Introduction

- 1.1 Ofcom, in accordance with section 104(1) of the Broadcasting Act 1990 (“the 1990 Act”) (as amended by the Communications Act 2003 as modified by the Community Radio Order 2004, as itself amended by the Community Radio (Amendment) Orders 2010 and 2015) invites applications for licences to provide community radio services in localities throughout the United Kingdom, but excluding localities within London and other areas within the M25 orbital motorway (see map at Annex 1 to this notice).
- 1.2 Any applicant wishing to apply for a community radio licence to broadcast on the AM¹ band from a location within the area defined as London and other areas within the M25 orbital motorway, should see the separate invitation for that region².
- 1.3 We are inviting applications for licences for the provision of services on the AM band only, for an initial maximum period of five years from the commencement of broadcasting. (We will not accept applications for services wishing to broadcast on FM. However, any applicant wishing to apply for a community radio licence to broadcast on the FM band from a location within the area defined as London and other areas within the M25 orbital motorway, should see the separate invitation for that region (see footnote 2 below).)
- 1.4 The closing-date for the receipt of completed applications will be **5 pm on Tuesday 25 October 2016**. A non-refundable fee of £600 will be payable for each application submitted.

¹ The Medium Wave band is used for AM broadcasting. To be technically accurate the terminology varies depending on what is being described. However, in this document we use ‘AM’ throughout.

²https://www.ofcom.org.uk/_data/assets/pdf_file/0028/74368/july16_invitation_for_london_and_areas_in_m25.pdf

Section 2

Technical matters

Advantages and challenges of broadcasting on AM

- 2.1 Broadcasting on AM is significantly different to broadcasting on FM. Therefore, it is important to seek technical advice from someone familiar with the technology. The bullet points below give some guidance on transmitter site choice, as well as summarising the challenges and advantages of broadcasting on AM. Fuller information is given in paragraphs 2.2–2.8 below.
- AM transmission requires large masts, usually on the ground (as opposed to the smaller FM masts, which can be sited on rooftops). In built-up areas, appropriate sites may be hard to find and costly. Look for open spaces, workable ground, low lying land.
 - Some existing structures, such as industrial chimneys, can support sloping wire aerials.
 - Avoid proximity to overhead wires and power lines, public roads, buildings and mining.
 - AM transmission systems are generally larger and more expensive than FM. Typically they can cost five times more than FM.
 - In the UK, AM broadcasts are mono only, offer limited audio bandwidth, and RDS is not usable. Some modern radios cannot receive AM.
 - After dark, AM can suffer greater incoming interference than during daylight hours, resulting in a smaller after-dark coverage area (although many distant higher power AM services have ceased in recent years).
 - Reception of AM services is restricted in some buildings (those with steel frames or reinforced concrete)
 - Overall, AM can give better coverage within a transmission area than FM, especially in hilly terrain. (FM is line-of-sight and reception may be affected by building clutter, terrain and signal reflections, resulting in pockets of poor or non-existent coverage.)
 - The availability of AM frequencies has improved due to the closure of some UK and overseas stations (availability of suitable FM frequencies across most populated areas of the UK is increasingly limited).
- 2.2 During the early days of commercial radio broadcasting, AM services on the medium waveband were the preferred and primary broadcasting medium. Receivers were cheap and easily available, and the groundwave propagation allowed large wide area coverages.
- 2.3 However, the need for large, generally guyed, aerial masts and a good ground system was costly, and the areas required for them difficult to identify, especially in built-up areas. Ideally, the effective length of an aerial for AM broadcasts should be at least 10% of the wavelength; this equates to around 55 metres for the lowest

frequencies reducing to approximately 20 metres for the highest. The public also needs to be kept away from the radiating part of the structure. Furthermore, the transmission system is larger and normally more expensive than the FM (VHF) equivalent.

- 2.4 The limited audio bandwidth of the AM signal is significantly poorer than that of FM as only mono can be broadcast with a restricted dynamic range. Signals are more susceptible to interference from electrical noise. In addition interference from distant stations at night can have a dramatic impact on coverage during darkness hours, and from mid-afternoon during winter months. Building construction can also have a detrimental effect on coverage, especially within structures with steel frames or reinforced concrete.
- 2.5 These factors have led to a general move from AM to FM listening. Listeners prefer the better audio quality; stereo with a much wider audio bandwidth and less impulse noise. Transmitting aerials are much smaller, a few metres at most, and can be sited more easily on existing structures and rooftops. Broadcasters can process the signal in order to produce the 'sound' of their station. In addition, other services such as RDS can be broadcast within the FM signal. There is also no loss of coverage due to night-time interference. Many new radios, especially those with DAB, now no longer have the ability to demodulate AM signals.
- 2.6 FM is not a panacea and its more line-of-sight signal propagation can lead to areas of poor or no coverage, especially in hilly terrain. In many such cases AM services will give much more contiguous coverage. FM can also suffer from signal reflections which can cancel out the wanted service.
- 2.7 Following forty years of FM expansion, including three rounds of community radio licensing, there is a severe scarcity of frequencies. This applies to most if not all urban areas, as well as many rural ones. However, on AM many of the distant high power services which degraded night time coverage are ceasing, or have ceased, transmission, and are not expected to re-commence. As a result of these factors, Ofcom now proposes to carry out a round of AM-only licensing. (Applicants should note that if a licence is applied for, and awarded, as an AM service, Ofcom will not subsequently consider changing this to FM if a licensee decides it would rather broadcast on FM, or has difficulties establishing an AM service.)
- 2.8 Prospective applicants should take account of all of the issues above before making an application, and take appropriate advice from transmission providers experienced with AM systems.

Coverage policy for AM transmissions

- 2.9 Ofcom is willing to consider licensing (daytime) coverage areas that are larger than is our usual policy for community services on FM (a usual maximum of a 5km radius), regardless of whether the service wishes to target an urban or rural area. Each applicant needs to consider who their target community is, and where it is, in order to justify the target area they require (as a guide, we are willing to consider licensing services of around a 10km radius or more, in daytime, subject to the availability of suitable frequencies).

AM frequency availability

- 2.10 For the purposes of this invitation to apply, we will accept applications for services proposing to operate on the AM band only for any location in the UK, except in

London and other areas within the M25 orbital motorway. All applications will first be assessed for frequency availability before any further analysis is undertaken, to ensure that only those applications for which there is an available frequency will be considered for the award of a community radio licence. This is likely to result in some applications being rejected before a full assessment against the statutory criteria has been carried out, but will ensure that only those applications for which a suitable frequency has been identified are further considered against the statutory criteria.

- 2.11 While a full frequency analysis has not been carried out, Ofcom believes that AM frequencies are generally available in most areas of the UK.

Transmission arrangements

- 2.12 In the application form (section 25), we require applicants to provide details of the transmission site they intend to use, and (in section 3) a description of the geographical area intended to be served from this site. It is our usual policy to license community radio services utilising only one transmission site; all applications should therefore be based on the use of a single site only. Any information about further transmission sites will not be considered.
- 2.13 On receipt of an application, we will check that the proposed site is technically appropriate for AM transmission, we will use the proposed transmission site to check whether there is a suitable frequency available, and whether the proposed service area can be adequately served from this site. **As a result, applicants should note the importance of identifying a transmission site that is appropriate for AM transmission as well as suitable for the area they wish to serve.**
- 2.14 We will use our standard community radio planning criteria to ascertain whether a proposed site is capable of delivering the required coverage. We will be looking to see at what power level (EMRP) the desired service area will be served, during daytime, at a field strength of 66 dB μ V/m or greater from the transmission site identified in the application.
- 2.15 If we conclude that an applicant's chosen transmission site is suitable to deliver the proposed coverage, we will then determine whether there is an AM frequency available for the proposed service area from that site, and that incoming interference during daytime does not encroach the 76dB μ V/m coverage contour. Our frequency planning will be based on internationally agreed frequency planning approaches. Applicants may wish to refer to Ofcom's analogue radio coverage policy, which is on our website here:
https://www.ofcom.org.uk/data/assets/pdf_file/0018/54621/analogue-coverage-policy.pdf
- 2.16 We recommend that applicants consider seeking expert frequency planning advice before making an application. It is important to note that, we cannot guarantee that a frequency will be available at the particular transmission site proposed. Applicants should note that doing a live frequency scan at a particular site (or listening for a quiet spot on the frequency dial) does not constitute proper frequency planning and does not indicate that there is a frequency available from a site. This is because such a frequency scan does not guarantee that a coverage area can be achieved in the face of incoming interference, nor does it take into account whether a service would cause interference elsewhere to other services on air.
- 2.17 We anticipate that some applications are likely to be rejected at this stage of the process. In other words, if the site is not suitable for AM transmissions, not

appropriate for the proposed service area, or there is no suitable AM frequency to support the service, the application will be rejected and we will not take the application forward for consideration against the selection criteria set out in the legislation. The application fee is non-refundable under these circumstances, so we strongly recommend that applicants seek expert frequency planning advice and take particular care when selecting their transmission site.

- 2.18 We are not able to enter into correspondence about transmission arrangements. The only exception to this is if we need to seek clarification from you about your transmission arrangements. However, if we reject an application we will provide feedback to each applicant on our decision, including a predicted coverage map and bandscan (from the frequency planning study) if appropriate.
- 2.19 It should be clear from the above that transmission site selection is of crucial importance. Furthermore, a licence award will be made on the basis of the transmission site included in the application (and on which the assessment of coverage suitability and frequency availability will have been based). Therefore, Ofcom is unlikely to agree to any request to change a transmission site once a licence has been awarded, unless the change is as a result of circumstances beyond the prospective licensee's control.
- 2.20 Applicants should note that Ofcom cannot guarantee the availability of suitable frequency resources to meet the needs of any applicant group. This being the case, prospective community radio licensees should note that applications are made entirely at their own risk.

Section 3

Funding rules

The restrictions on income from on-air commercial revenues

- 3.1 In March 2015, the Community Radio (Amendment) Order 2015 changed funding rules for community radio services. In summary:
- every station is allowed a 'fixed revenue allowance' of £15,000 per financial year from paid for on-air advertising and sponsorship;
 - in addition, some stations are also allowed to obtain up to 50% of their total relevant income per financial year (i.e. disregarding the 'fixed revenue allowance') from paid-for on-air advertising and sponsorship.
- 3.2 In deciding to whom (and on what terms) to grant a community radio licence, Ofcom must have regard to a number of matters set out in legislation, including the need to ensure that any service provided under that licence does not prejudice unduly the economic viability of any other local service³ (by virtue of section 105 of the 1990 Act, as modified by the Community Radio Order 2004 and further modified by the Community Radio (Amendment) Orders 2010 and 2015).
- 3.3 Without prejudice to the generality of this economic impact requirement, Ofcom is required to impose conditions in community radio licences to secure the following statutory requirements:
- each community radio station may obtain up to £15,000 per financial year from the sale of on-air advertising and sponsorship. This is known as the 'fixed revenue allowance';
 - a community radio station whose coverage overlaps with that of a small local commercial radio service (defined as one whose MCA⁴ population is 150,000 adults (aged 15+) or fewer) may not obtain any income from the sale of on-air advertising and sponsorship over and above the fixed revenue allowance. However, if the small local commercial radio service's Format allows it to provide its locally-made programmes from a location outside its own licensed area, this restriction does not apply (and the applicable requirements are those set out below);
 - a community radio station whose coverage – (i) overlaps with that of any other local commercial radio service (defined as those with an MCA population of 150,000 adults or more); (ii) does not overlap with that of a local commercial radio service at all; or (iii) overlaps with a small local commercial radio service whose Format allows it to provide its locally-made programmes from a location

³ For the purpose of this economic impact assessment, this concept refers to local services other than community radio services.

⁴ Measured Coverage Area – the area covered by a local commercial radio service, as defined by the area within which signals of a specified strength are received.

outside its licensed area – may obtain up to 50% of its income over and above the fixed revenue allowance from the sale of on-air advertising and sponsorship.

- 3.4 For the avoidance of doubt, programme sponsorship includes station or channel sponsorship, and commercial communications.
- 3.5 Details of the local commercial radio services in the UK with a measured coverage area which contains a population of 150,000 adults (aged 15+) or fewer, and whose licences have not at any time been varied pursuant to section 106(1A)(e) BA 1990 (i.e. their Format does not include a studio co-location agreement) are contained in Annex 2. You can check whether the area you want to broadcast to falls within the Measured Coverage Area of any of these services by looking at the commercial radio coverage maps on our website:
<http://www.ofcom.org.uk/static/radiolicensing/mcamaps/MCAs.htm>
- 3.6 Applicants should also note that the obligation upon Ofcom to include conditions in community radio licences to limit on-air paid-for advertising and sponsorship of programmes to just a fixed revenue allowance in certain circumstances is a continuing obligation. Should the circumstances in relation to a particular community radio service change (such as the size of the population in an overlapping commercial radio station's measured coverage area), the applicable funding conditions in the relevant community radio licence may need to be changed.
- 3.7 There are currently no planned launches of new small-scale local commercial radio services. Ofcom nonetheless reserves the right to advertise licences for such services in the future, if we consider it appropriate to do so (and applicants should note that any community radio licences awarded as a result of this round of licence applications will be awarded on the basis that conditions relating to funding restrictions may need to be changed in future).
- 3.8 These restrictions are additional to other rules that apply to community radio services. More information is contained in the notes of guidance, and statement of general information Ofcom has produced for applicants (see section 5 of this document).

Section 4

Assessment of applications

- 4.1 It is important to note that broadcasting on AM brings different technical, site and cost considerations, for example, from FM services. Applicants will need to address these and demonstrate a thorough understanding of requirements of broadcasting on AM in their application.
- 4.2 The assessment of an application for a community radio licence will be based primarily on the proposals presented in the completed application. In the course of assessing an application Ofcom may seek clarification and or/amplification of proposals from an applicant.
- 4.3 Our objective is to consider all applications within six months of submission, although this is subject to, among other things, the number of applications submitted.
- 4.4 As detailed in section 2, we will check whether an applicant's proposed site is technically suitable for AM transmission, whether an applicant's desired coverage is achievable from the proposed transmission site and whether there is a suitable AM frequency available. If the site is not technically suitable, appropriate for the proposed service area or there is no suitable AM frequency to support the service, the application will be rejected at this stage.
- 4.5 We will then assess those applications for which there is an available frequency and a suitable transmission site. In determining the most suitable applicant for the award of a community radio licence, Ofcom is obliged to have regard to the special requirements set out in Section 105(1) of the Broadcasting Act 1990 (as amended by the Communications Act 2003 and modified by the Community Radio Order 2004). These seven 'selection criteria' are detailed in our 'Notes of guidance for community radio licence applicants and licensees'⁵.
- 4.6 We will first assess applications by reference to criterion (a), which is: *"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"*.
- 4.7 In relation to this criterion, we need to consider whether an applicant either has, or is likely to have, access to sufficient financial and other resources to establish and maintain the proposed service. The application form includes questions on what broadcasting and off-air activities are planned, the cost and resources required, how the applicant intends to fund these, and what human resources are involved, as well as the group's and individual member's relevant experience and what appropriate linkages the applicant has already established. Applicants need a clear financial and operating plan to show how they propose to set up their service and maintain it once on air. We require detailed financial information – budgets and funding – for set-up and the first year of operation only. Without a well thought-through plan it is unlikely that an applicant will be able to demonstrate its ability to maintain the proposed service.

⁵ https://www.ofcom.org.uk/_data/assets/pdf_file/0021/37209/notesofguidance.pdf

- 4.8 If we consider that an applicant has not sufficiently demonstrated its ability to maintain the service by reference to the material submitted in the application, we will reject the application at this stage.
- 4.9 All remaining applications will then be assessed in relation to each of the other selection criteria in Section 105(1), as well as the community radio 'characteristics of service' and other statutory requirements. These are all detailed in our 'Notes of guidance for community radio licence applicants and licensees'⁶.
- 4.10 Applicants should note that following the Ofcom consultation: 'Review of the approach to community radio key commitments'⁷ we decided to streamline and simplify community radio Key Commitments. As a result, the draft key commitments section of the application form was revised in March this year.
- 4.11 Applicants may find it useful to read '10 years of community radio licensing: Advice for licence applicants'⁸.

⁶ https://www.ofcom.org.uk/_data/assets/pdf_file/0021/37209/notesofguidance.pdf

⁷ https://www.ofcom.org.uk/_data/assets/pdf_file/0010/51121/Review-of-the-approach-to-community-radio-Key-Commitments-statement.pdf

⁸ https://www.ofcom.org.uk/_data/assets/pdf_file/0026/27584/advice_for_applicants.pdf

Section 5

Guidelines and procedures for submission of applications

- 5.1 The application form and other relevant documentation may be obtained from the Ofcom website at: <https://www.ofcom.org.uk/manage-your-licence/radio-broadcast-licensing/apply-for-a-radio-broadcast-licence> It comprises:
- an application form (please ensure you complete and submit an up-to-date copy of the form, i.e. version 5, which was updated in March 2016);
 - ‘Notes of guidance for community radio licence applicants and licensees’.
- 5.2 If you have any queries, please contact us by email at community.radio@ofcom.org.uk or by post: Community Radio Licensing, 5th Floor, Ofcom, Riverside House, 2a Southwark Bridge Road, London SE1 9HA.
- 5.3 The completed application form should be submitted by email, in either Word (.doc) or RTF format, to community.radio@ofcom.org.uk . We do not require a paper copy of the completed document (although if any of the permissible supporting documentation is only available as paper copies, these should be sent to the address given in 5.2 above). At least one typed copy of an application in English should be submitted.
- 5.4 One electronic copy of a completed application form, and any paper copies of the permissible supporting documentation, must be received by Ofcom no later than the closing-date specified in Section 1 of this Notice. Applications received after the specified date will not normally be accepted. Receipt of an application will be acknowledged (usually by email). If you have not received a personalised response after sending in an application, you will need to contact Ofcom (at the email address specified above) to check that the submission has been received (automated delivery messages cannot be relied upon; nor can ‘bounceback’ messages be guaranteed in the event that an email is rejected by Ofcom’s server) .
- 5.5 In connection with the electronic submission of documents, applicants should be aware that e-mail is not an instant means of communication, especially when there are large attachments. If you have a number of large documents to submit, you may need to send them by separate emails (or as compressed files). It is recommended that an email should not have attachments larger than 10 megabytes in total size to reach Ofcom’s community radio email inbox. Applicants are strongly advised to submit e-mail applications at least 48 hours in advance of the closing date, so that urgent steps can be taken by the applicant if no acknowledgement from Ofcom is received.
- 5.6 No material amendments to the application may be made by the applicant after the closing date without the agreement of Ofcom. If any amendments need to be made by any applicant through circumstances outside its control, then Ofcom should be informed immediately. Ofcom will not agree to any such amendment which it considers would be unfair to any other applicant applying for a community radio licence in that round.

- 5.7 Payment of the application fee must also be received by the closing-date specified in Section 1 of this Notice. Applicants may submit their payment by any of the following methods:
- a) Payment by BACS into the Ofcom bank account (sort code: 30-97-90, account number: 00782415, account name: Ofcom). Please note that any payments made using this method will take at least three working days to reach the Ofcom account. In the mandate reference field of your payment, please write 'CR' followed by the applicant's company name or proposed station name.
 - b) Payment by CHAPS into the Ofcom bank account (details as above). Please note that although this is a 'same day' payment method, applicants intending to submit their payment on the closing-date itself should confirm with their bank the deadline for ensuring that it is received by Ofcom on that date. In the mandate reference field of your payment, please write 'CR' followed by the applicant's company name or proposed station name.
 - c) Payment by cheque. Cheques must be made payable to 'Ofcom', and posted to the address given in 3.2 above. If an applicant wishes to submit a cheque without an accompanying paper copy of the application, the cheque must be accompanied by a note detailing the applicant's company name or proposed station name. Any cheques must be sent to Ofcom in such time that Ofcom will be in possession of cleared funds by the application closing date.
- 5.8 Failure to comply with any of the above guidelines is likely to result in the disqualification of the application.

Annex 2

Small-scale commercial radio services

Listed below are the local commercial radio services in the UK which have a measured coverage area which contains a population of 150,000 adults (aged 15+) or fewer, and whose licences do not have a studio co-location agreement. See section 3 for further information about how an overlap with one of these stations may affect a community radio service licence.

Licence area	Station name
Arbroath	RNA FM
Aylesbury	Mix 96
Borders	Radio Borders
Buxton	High Peak Radio/Ashbourne Radio
Chester	Dee 106.3
Dumfries & Galloway	Westsound FM
Dundee	Wave 102
Inverurie	NECR
Isle of Wight	Isle of Wight Radio
Kendal & Windermere	Lakeland Radio
King's Lynn	KLFM
Kintyre, Islay & Jura	Argyll FM
Ludlow & South Shropshire	Sunshine Radio
Oban	Oban FM
Peterhead & Fraserburgh	Waves Radio Peterhead
Rutland	Rutland Radio
Salisbury	Spire FM
Shetland	SIBC
Skye & Lochalsh	Cuillin FM
South west Scotland	Westsound FM
Western Isles	Isles FM
Weymouth & Dorchester	Wessex FM

You can check whether the area you want to broadcast to falls within the Measured Coverage Area of any of these services by looking at the commercial radio coverage maps on our website here <http://www.ofcom.org.uk/static/radiolicensing/mcamaps/MCAs.htm>