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## Dear Neil

DCMS published its consultation on key requirements for the licensing and regulation of small scale DAB ('SSDAB') multiplexes in January 2018. In the document, the Minister made clear our intention to ask Ofcom to extend the existing ten SSDAB trial multiplex licences for a further period until the new arrangements come into place.

We are pleased to note that there are now around 150 small community and commercial radio stations successfully broadcasting in DAB/DAB+ on the ten SSDAB trial multiplexes. This represents a significant increase from when the trials were first set up in 2015 with the multiplexes carrying 72 stations, and more choice for radio listeners covered by the new services.

The technical work by Ofcom has clearly demonstrated the viability of using an open source software-based approach to broadcasting on DAB at a small scale. However, the long-term licensing of small scale multiplexes needs modernising. Following the change in law with the Broadcasting (Radio Multiplex Services) Act 2017, DCMS is now consulting on the key requirements for the licensing and regulation of SSDAB multiplexes, which will then have to be set out in secondary legislation.

It is our aim to get the new arrangements in place by the end of 2018, though this will be subject to Parliamentary timetables and approval. Following the introduction of the draft Orders, we understand Ofcom would look to consult on its approach to the permanent licensing regime of SSDAB multiplexes.

The SSDAB trial multiplex licences will expire from April 2018 onwards. It is our view that there is more valuable information to be gathered from extending the trials to inform the further work required to design the permanent licensing regime, as well as enabling listeners in the trial areas to continue enjoying services whilst the new licensing regime is being put in place.

There are several areas where the extension of the existing trials would provide useful information that will support the design of the licensing and regulation of SSDAB multiplexes. In particular, the extension could provide useful information on operational and technical aspects of the multiplex

trials. This could include aspects like the configuration of transmitters, power levels and network arrangements to maximise spectrum utilisation. As such it would be helpful if Ofcom could provide us with any updates it considers relevant.

Given this, we believe it would be appropriate for Ofcom to extend the duration of the ten existing SSDAB trial multiplex licences until a date of its choosing in the first half of 2020 (albeit potentially with earlier termination provisions if it proves possible to award new licences more promptly) to allow sufficient time for DCMS and Ofcom to do the necessary work on the new permanent licensing regime.

Given the timescales for the award of licences under the new legislation, DCMS do not consider it would be appropriate for Ofcom to issue additional SSDAB trial licences at this time, unless it considers any to be necessary on technical grounds. It should be made clear in granting this extension to the existing ten trials that there is no new funding from Government to support licensees with on-going running costs, and that all current SSDAB multiplex trial licences will eventually be replaced by competitively awarded SSDAB multiplex licences under the new licensing regime.

Yours sincerely

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