

Renewal procedure for local radio multiplex licences: update

Ofcom always strives to have as few regulatory barriers in place as possible when it comes to the provision of diverse broadcast services throughout the UK.

In that spirit, we are today revising our position on the procedure to renew local multiplex licences, which we believe will help to preserve the availability of a wide range of radio services throughout the UK.

Requirements set out in September 2020

In September 2020, we published the '[Renewal procedure for local radio multiplex licences](#)', which set out the requirements each multiplex licensee must meet in order to secure the renewal of their multiplex licence to December 2030. In that document, we said:

“For the purposes of determining whether the holder of a local radio multiplex licence has “completed the works necessary to ensure that, as a minimum, coverage of the multiplex service in the area or locality in which the licence is granted complies with the coverage plan for that area or locality”, the licensee must confirm to Ofcom that it is providing the necessary level of coverage, as shown in the relevant coverage plan.”

The coverage plans were developed and published by Ofcom in connection with the Framework Agreement on Local DAB Expansion. The Framework Agreement set out two lists of transmitter sites that would help local DAB coverage to match existing FM coverage. The first, the 'Expansion Plan', set out the 'Step 1 sites', comprising 182 new transmitters and modifications to 49 existing transmitters. The second list detailed a number of 'Step 2 sites', which were to be built out by the relevant multiplex operators no later than one year before a government-mandated analogue switch-off date.

Our position on local multiplex renewal

The effect of our September 2020 document and the coverage plans was that local multiplex licensees would be required to build out both the 'Step 1' and 'Step 2' sites set out in the Framework Agreement.

However, for various reasons outlined below, we have considered our position on local multiplex renewal. We will be reissuing coverage maps that remove the 'Step 2' sites. This means that the building of those 'Step 2' sites will no longer be a requirement in order to seek renewal of the multiplex licences to 31 December 2030 under the Broadcasting Act 1996 (Renewal of Local Radio Multiplex Licences) Regulations 2015.

Here, we will explain our reasoning behind this, as we want to be absolutely clear on what this does and does not mean for multiplex radio services. Firstly, we looked at what additional DAB coverage each 'Step 2' site would contribute towards matching the coverage of the most relevant existing analogue (FM) service. In the majority of cases, we found that the 'Step 2' sites would add only a very small number of households to the coverage, with some adding just a handful of new households.

We also carefully considered those sites which would add a larger number of additional households, and found that, in general, they too would not significantly extend DAB coverage to match the equivalent FM coverage. Where there were exceptions to this, such as the Rumster Forest site near Inverness, we reached a decision by weighing up the degree to which the additional DAB coverage increased the extent of FM-matching against the considerations set out below.

We then considered our duty to ensure the availability throughout the UK of a wide range of radio services, bearing in mind the industry context and recommendations set out in the Government's Digital Radio and Audio Review.

One of the conditions for the renewal of a local radio multiplex licence is that the licensee must maintain the existing level of coverage at the point of renewal. So, maintaining that coverage becomes a condition of the licence for the renewed period, which then secures the availability of those services on that multiplex in the areas they are currently available.

The crux of the matter for us is this: in the event that a local radio multiplex service does not meet the criteria for renewal, the only way for coverage to continue would be for Ofcom to re-advertise the licence. The incumbent licensee would need to reapply for the licence if it wished to continue providing its local radio multiplex service. Applicants for a local radio multiplex licence are required to specify the area they wish to cover, as one of the matters Ofcom must consider when deciding on the licence award is the extent of coverage proposed by an applicant. However, there is no guarantee that any applicant for a re-advertised local radio multiplex licence would propose to provide the same level of coverage offered by the existing licensee. Against a context of increased energy prices and licensees seeking to reduce costs, there is a very real risk that coverage would actually be smaller under a new licence award. There is also the risk that neither the incumbent nor a potential new operator applies for the new licence, leaving the area without a local radio multiplex service at all.

One other important factor is that, in the absence of a government-mandated switch off date, the terms of the Framework Agreement do not yet require that parties to the Agreement build out the relevant 'Step 2' sites. This could be seen as further evidence to suggest that incumbent local radio multiplex licensees who have not yet built their 'Step 2' sites are unlikely to do so in order to secure licence renewal, and would instead seek to re-apply for their licences in an open competition.

Conclusion

Taking all of this into account, we consider that the appropriate action to secure the current level of local DAB coverage would be to remove the 'Step 2' sites from the coverage plans which must be met to secure renewal.

We are reissuing coverage maps for the following multiplexes along with this statement:

- [Aberdeen](#)
- [Inverness](#)
- [Lincolnshire](#)
- [Mid & West Wales](#)
- [Northern Ireland](#)
- [Somerset](#)
- [Suffolk](#)
- [Tayside](#)