



Invitation of applications for community radio licences: LONDON and other areas within the M25

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About this document

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

Ofcom is inviting applications for services operating on either FM or AM throughout this region – no areas are excluded on the basis of frequency availability.

We offer applicants guidance on the availability of suitable frequencies in different parts of the area, 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**.

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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 within London and other areas within the M25 orbital motorway. The exact area for which applications are invited is shown as Area 10 on the map in Annex 1 to this notice.
- 1.2 We are inviting applications for licences for the provision of services on either the FM (VHF) waveband or the AM (medium wave) band, for an initial maximum period of five years from the commencement of broadcasting.
- 1.3 We will not accept applications in relation to any areas or localities in the United Kingdom outside the region described in paragraph 1.1¹.
- 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 As long as the transmitter is located within the M25, a target area which includes places outside London and the M25 is permitted.

Section 2

Frequency availability and transmission arrangements

Frequency availability

- 2.1 Our previous practice when inviting applications for community radio licences in a given area was to set out a list of localities for which applications were not accepted, on the basis that there were unlikely to be FM frequencies available in those areas. Last year, we changed our process in response to concerns expressed by applicants that we may have excluded areas in which it might have been possible to identify a suitable frequency when a specific site was chosen. Conversely, we also had one or two instances of being unable to identify suitable frequencies in ‘non-excluded’ areas.
- 2.2 As a result, we will accept applications for services proposing to operate on FM or AM throughout this region; we are not excluding any areas from the applications process on frequency availability grounds as we have done in the past. However, applicants should note that there is a shortage of suitable FM frequencies throughout this area. Because of this, 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 a suitable frequency available 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.
- 2.3 As guidance for applicants, we assess FM spectrum availability across a region in the following way:
- Red areas are where we have concluded that there are unlikely to be any suitable frequencies, based on recent frequency planning work we have done in these areas. However, as stated above, we accept that it might be possible to plan a service at some locations depending on the specific site chosen;
 - In amber areas there may be some limited availability; and
 - Green areas are where we have identified frequencies suitable for community radio.
- 2.4 We regard the whole of London and the area within the M25 as ‘amber’. This is because we have identified very few suitable FM frequencies (each of which has become available as a result of a community service ceasing broadcasts). These are:
- 101.4 MHz: formerly used in Hammersmith (west London), but usable for some locations in west and central London
 - 94.0 MHz: formerly used in the West Ham area (east London), and likely to be usable only in this area
 - 96.5MHz: formerly used in Gants Hill, Ilford (east London), and likely to be usable only in this area

- 92.2 MHz: only usable at some locations in east London.
- 2.5 Using a number of nominal transmission sites in locations across the area, we have checked frequency availability across the entire FM broadcasting band but have been unable to identify any more frequencies which would work at these sites. However, it is possible that there are some frequencies that may work in small localised areas, and we will continue to seek to identify further frequencies based on the transmission sites proposed by applicants (as set out in paragraph 2.10 below). We will consider all available frequencies whose use would not cause interference to existing licensed services. If any other frequencies become available during this process (for example because a current broadcaster stops broadcasting), they will also be considered.
- 2.6 A number of suitable AM (medium wave) frequencies may also be available for community radio services within this region (all areas are classified as 'green' for AM frequency availability).

Transmission arrangements

- 2.7 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.
- 2.8 On receipt of an application, 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 the chosen site. **Applicants should therefore note the importance of identifying a transmission site that is suitable for the area they wish to serve (see guidance on choosing a transmission site in paragraph 2.17 below).**
- 2.9 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 if, at a power level of 50 watts erp (per plane), a service of around a 5km radius at 54 dB microV/m, is achievable from the transmission site identified in the application, and that this area is what the applicant has described in section 3 of the application as the proposed coverage area for the service. We have decided to use a power level of 50 watts erp (per plane), rather than the usual 25 watts erp (per plane), to maximise reliability of reception in urban and suburban areas, in the light of the levels of incoming interference and the general degree of frequency congestion which are particular characteristics of the Greater London area.
- 2.10 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 FM frequency available for the proposed service area from that site. Our frequency planning will be based on internationally agreed frequency planning approaches. For further details, please refer to Ofcom's analogue radio coverage policy, which is on our website: https://www.ofcom.org.uk/_data/assets/pdf_file/0018/54621/analogue-coverage-policy.pdf
- 2.11 We recommend that applicants consider seeking expert frequency planning advice before making an application. It is important to note, however, that while we have identified some frequencies, we cannot guarantee that a frequency will be available

at the particular transmission site proposed. Because we have identified relatively few frequencies in our initial planning study for the London area, it is highly likely that few additional frequencies will be identified at new sites, and so there is a significant risk that a high proportion of applications may be rejected on the grounds of lack of frequency availability.

- 2.12 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.
- 2.13 We anticipate that some applications are likely to be rejected at this stage of the process. In other words, if the site is not appropriate for the proposed service area, or there is no suitable FM 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.
- 2.14 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 a frequency availability assessment (from the frequency planning study), if appropriate.
- 2.15 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.
- 2.16 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 operators should note that applications are made entirely at their own risk.

Guidance on choosing an FM transmission site

- 2.17 We advise applicants to seek professional technical advice on transmission issues, including where to site the transmitter. However, here are some general points you will need to consider for FM transmitters:
 - 'Height is might'; as a general rule, the higher the transmitter is in relation to the desired coverage area, the better in terms of likely coverage (if your antenna is surrounded by taller buildings, coverage will be adversely affected).
 - In simple terms FM coverage is usually by 'line of sight' - What you see from where the antenna is planned is what you are likely to cover (although incoming interference and other factors may affect the signal too).

- Is the site secure? Would access be difficult?
- Will it be cost effective and affordable over the duration of the licence? Is planning permission required? Listed buildings can be particularly problematic.
- What would be required for the transmitter to be linked to the studio site?
- Are there health and safety implications?
- Is there an available electricity supply?
- How easy would it be to install the antenna and equipment or would there be cost implications?
- Are there other users or local residents to be borne in mind?

Some issues to consider if applying for a licence to broadcast on AM (medium wave)

- 2.18 Broadcasting on AM is significantly different to broadcasting on FM. Therefore, it is important to seek technical advice from an engineer familiar with the technology.
- 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.
 - Some existing structures, such as industrial chimneys, can support sloping wire aerials.
 - Look for open spaces, workable ground, low lying land.
 - Avoid proximity to overhead wires and power lines, public roads, buildings and mining.
 - AM transmission systems are generally larger and more expensive than FM.
 - In the UK, AM broadcasts are mono only; offer limited audio bandwidth; and RDS is not usable.
 - 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 medium wave 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).

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 the 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 service² (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 MCA³ 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

² For the purpose of this economic impact assessment, this concept refers to local services other than community radio services.

³ 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 There are no local commercial radio services in London and the area within the M25 with an MCA population of 150,000 adults or fewer. As a result, any community radio station licensed in this area is likely to be allowed to take 50% of its relevant income from the sale of on-air advertising and sponsorship in addition to its fixed revenue allowance. (subject to paragraph 3.2 above).
- 3.5 For the avoidance of doubt, programme sponsorship includes station or channel sponsorship, and commercial communications.
- 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 licences may need to be changed.
- 3.7 There are currently no planned launches of new small-scale local commercial radio services in this region. 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 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.
- 4.2 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. Given that we are not excluding any areas on the basis of lack of suitable frequencies (see section 2), we anticipate a large number of applications for this region. As a result, we have made some changes to our processes.
- 4.3 As detailed in section 2, we will check whether an applicant's desired coverage is achievable from its proposed transmission site, and whether there is a suitable FM frequency available. If the site is not appropriate for the proposed service area or there is no suitable FM frequency to support the service, the application will be rejected at this stage.
- 4.4 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'⁴.
- 4.5 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*".
- 4.6 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 members' 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.
- 4.7 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 https://www.ofcom.org.uk/_data/assets/pdf_file/0021/37209/notesofguidance.pdf

- 4.8 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’⁵.
- 4.9 Applicants should note that following the Ofcom consultation: ‘Review of the approach to community radio key commitments’⁶ 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 to reflect this.
- 4.10 Applicants may also find it useful to read ‘10 years of community radio licensing: Advice for licence applicants’⁷.

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

⁶ https://www.ofcom.org.uk/_data/assets/pdf_file/0010/51121/Review-of-the-approach-to-community-radio-Key-Commitments-statement.pdf

⁷ 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 1

Map of the region

Applications are invited for licences to provide community radio services in localities within London and other areas within the M25 (as shown in area 10 on the map below).

