



Review of the approach to community radio Key Commitments

Consultation

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Closing Date for Responses: 21 October 2015

About this document

Community radio services broadcasting on FM or AM provide social gain and other community benefits on a not-for-profit basis.

Each station is required to provide the service described in its licence, which is based on the proposals it made during the application process for the licence.

These service descriptions recorded in community radio licences are called 'Key Commitments'.

This consultation seeks views on a proposal to streamline and simplify the Key Commitments.

This will free up community radio stations, enabling them to focus on serving their target communities, adapt better to the changing needs of those communities, and deliver social gain.

Contents

Section		Page
1	Executive summary	1
2	Background	3
3	Proposed new approach to Key Commitments	8
Annex		Page
1	Responding to this consultation	22
2	Ofcom's consultation principles	24
3	Consultation response cover sheet	25
4	Statutory requirements for community radio services	27

Section 1

Executive summary

- 1.1 Since the Community Radio Order 2004 (the Order) came into force there has been a specific statutory framework for the licensing of community radio services. Ofcom made a policy decision to start licensing such services as soon as the legislation came into force. The legal framework for community radio established by the Order (as amended) provides the basis upon which Ofcom invites applications to run community radio stations, considers those applications, and awards licences to operate those services.
- 1.2 The legislation includes the requirement for each licence to include conditions that appear to Ofcom to be appropriate for securing that the character of the licensed service, as proposed by the licence holder in its application, is maintained during the period of the licence.¹ We describe these character of service obligations in a community radio licence as the 'Key Commitments'. The Key Commitments are used by Ofcom in making licence award decisions. Once a service is broadcasting, they are used to ensure that stations continue to deliver a service that is consistent with the characteristics specified in legislation and in the application. The legislation allows Ofcom to approve changes to Key Commitments provided certain specified criteria are met.²
- 1.3 Ofcom's approach to drawing up each service's Key Commitments has evolved over the ten years since we started licensing community radio services. We moved away from our initial approach whereby Key Commitments were drafted by Ofcom based on a description of the planned service in licence applications, to an approach whereby community radio applicants write their own Key Commitments as part of their application.
- 1.4 We provide guidance to applicants on how to draft their Key Commitments³, but we have found that their Key Commitments vary a great deal in a number of respects: the level of detail they contain, the level of operational flexibility they allow, how they reflect the proposals elsewhere in the licence application and their overall length.
- 1.5 When Key Commitments are very specific and detailed they may not allow for much flexibility in their delivery, but it is easier for stakeholders (including licensees and their target communities) to know precisely what a service is meant to be delivering, and for the regulator to assess whether or not a licence holder is complying with its Key Commitments. However there is also greater scope for stations to fall short of delivering very detailed Key Commitments that do not necessarily benefit the community they are meant to serve in a significant way. In our experience, the more detailed a Key Commitment is, the more likely it is that a licensee may wish to change it at some point to reflect its changing circumstances.

¹ Section 106(1) Broadcasting Act 1990, as amended by the Community Radio Order 2004 (as amended).

² Section 106(2) Broadcasting Act 1990, as amended by the Community Radio Order 2004 (as amended).

³ To date we have done this in our guidance notes -

<http://licensing.ofcom.org.uk/binaries/radio/community/thirdround/notesofguidance.pdf> - and by giving examples of Key Commitments in the application form.

- 1.6 On the other hand, when Key Commitments are less specific and detailed they allow greater flexibility in how the characteristics of the service can be delivered, for example when personnel or partners change, but stakeholders will have less certainty about the characteristics of their specific community radio service. Licence award and enforcement decisions can also become more challenging for the regulator.
- 1.7 Community radio services are small scale operations provided primarily to deliver social gain to their communities, rather than for commercial reasons. They are operated on a 'not for profit' basis, often by volunteers and enthusiasts, with profits reinvested in the service or for delivering social gain in the target community. Having regard to that core purpose, we want to ensure that the level of regulation placed on these services is appropriate and proportionate, having regard to the obligations in the legislation. At present, whilst these services are the smallest radio services licensed by Ofcom, they have a higher degree of regulation than much larger commercial radio services. Specifically, we want to consider how we might strike the right balance in setting Key Commitments with a pragmatic approach that benefits the sector and the communities it serves, while at the same time being workable from a regulatory perspective and consistent with the legal framework.
- 1.8 We are therefore proposing to adopt a new simplified approach to Key Commitments, in which we require only those elements that are specific to the character of service of an individual community radio service to be set out in detail in the licence. Other characteristics, for which the detail may have to vary over time to meet changing circumstances, would be described in more general terms. Our objective is to capture the core elements of the character of service in each community radio licence, but in a way that provides those services greater flexibility to make best use of what can be scarce resources, freeing up those services to better deliver social gain to their target communities.
- 1.9 If as a result of this consultation we decide to implement such a change, we would seek to vary all existing community radio licences to reflect the new approach, and provide revised guidance to new licence applicants.
- 1.10 We welcome views on the proposal to change our approach to Key Commitments set out in this consultation document. The consultation closes on 21 October 2015.

Section 2

Background

Statutory framework for the regulation of community radio and the role of Key Commitments in licensing

- 2.1 The specific statute that led to Ofcom's decision to start allocating spectrum to community radio services is the Community Radio Order 2004 (the Order). This Order, which has been amended on two occasions, establishes the basis of what amounts to community radio, and contains specific provisions that Ofcom has to implement in its licensing and regulatory regime.⁴
- It sets out the characteristics of community radio services, namely the reasons for their provision, attributes of the person providing the service, the presence of opportunities for the community to participate and accountability to the community served.
 - It sets out a definition of the 'community' a service is meant to serve: those people based in a geographical area or a community of interest.
 - The Order also sets out a definition of the 'social gain' that services are expected to deliver: provision of broadcasting to underserved individuals, facilitation of discussion and expression of opinion, provision of education or training and better understanding and links within the community. In addition a range of other social objectives are listed that can be included in social gain: delivery of services of a social nature, economic development, employment, work experience, social inclusion, cultural and linguistic diversity, civic participation and volunteering.
- 2.2 In addition, when granting community radio licences, Ofcom must have regard to the Broadcasting Act 1990 (section 105) (as amended by the Communications Act 2003 and modified by the Order). The next sections summarise the relevant clauses. For the fuller text see annex 4.
- 2.3 Section 105 of the Broadcasting Act 1990 contains selection criteria used by Ofcom when evaluating community radio licence proposals and awarding licences, namely:
- the ability to maintain the service;
 - catering for the tastes and interests of the relevant community;
 - broadening choice and distinctiveness from overlapped services;
 - evidence of demand or support;
 - extent of social gain;
 - accountability to the community; and
 - access and training in the use of the facilities.

⁴ This is a summary of the relevant clauses. The full text of the relevant statutory text is set out in annex 4.

- 2.4 Finally, the legislation specifies a requirement to consider the potential economic impact on commercial radio stations of licensing community radio services, restrictions on income from the sale of on-air advertising and sponsorship and ownership restrictions.
- 2.5 Ofcom awards community radio licences to ensure that community radio services deliver these statutory purposes. When Ofcom invites applications for community radio licences, applicants complete an application form with information about their proposed service, their business plan, experience, etc. Ofcom considers whether or not the application meets the statutory requirements described above and in the case of multiple applicants in a given area, which application would best deliver the key purposes of community radio. Some of these statutory requirements only need to be considered by Ofcom when it makes licence award decisions, such as the requirement that applicant has the ability to maintain the service, or that there is evidence of demand or support. However, there are other statutory requirements – such as social gain requirements – that form part of the application and that remain relevant during the full duration of community radio licences. In order to ensure that those are delivered by individual services they are written into community radio licences as Key Commitments.
- 2.6 In addition to forming part of community radio applications and hence being relevant to the process of awarding licences for community radio, Key Commitments are also important for other aspects of the community radio licensing regime:
- compliance and enforcement: Ofcom has to ensure that licensees deliver their licensed services for the duration of their licence, and the Key Commitments enshrine what they have to deliver.
 - decisions about community radio licence variation requests: there is a process that allows Key Commitments to be changed with Ofcom consent, and in making decisions on whether or not to allow proposed changes Ofcom has to ensure that the character of service is maintained.

The current process of defining Key Commitments

- 2.7 Ofcom awards community radio licences, typically for services that cover a small geographical area with a coverage radius of around 5km. Services are run on a not-for-profit basis. They can cater for whole communities or for different areas of interest – such as a particular ethnic group, age group or interest group. The licences last for up to five years at a time, but can be extended for a further period of up to five years, twice. There are now over 200 services on air. There are many differences between individual community radio stations, and the sector is made up of many small stations, all in single ownership.
- 2.8 Ofcom's approach to Key Commitments has evolved over the ten years since we started licensing community radio services. During the first and second community radio licensing rounds, the Key Commitments which appeared in community licences were drafted by Ofcom based on the description of the planned service contained in the licence application. This approach helped to ensure that licences included measurable obligations across all of the legislative characteristics of community radio services, while still being an accurate reflection of the service proposed in the application. However, the process was time-consuming, sometimes involving extensive post-licence award negotiations between Ofcom and the prospective licensee as to what the Key Commitments should include.

- 2.9 For the (current) third round of licensing, Ofcom decided to adopt a different approach, whereby applicants draft their own Key Commitments as part of their application. This approach mirrors that used in commercial radio licensing and local TV licensing, where applicants draft their own Format and Programming Commitments respectively. This approach has improved the efficiency of the process by removing the need for the aforementioned and often prolonged post-licence award negotiation process.

The impact of our current approach to Key Commitments on stakeholders, and on Ofcom's ability to fulfil its regulatory functions for community radio

- 2.10 The Key Commitments are meant to reflect the community benefits that will be delivered by a community radio station to its target community. They are therefore an essential part of a community radio licence. However, we have found the following common problems in the way Key Commitments are drafted, which can impact on the communities served by community radio services and the stations themselves:
- i) they can be **too detailed and specific**, and **not flexible enough** to allow the station to adapt to changing circumstances in the way a service is delivered and changing community needs;
 - ii) they can be **too vague or aspirational** and as a result not give a real sense of what benefits the service would deliver for the community;
 - iii) they are **not always a complete reflection of the most important characteristics of the service** that are set out in the rest of the application, leaving out essential benefits that will be delivered for the community; and
 - iv) because we have taken different approaches to the process of drafting Key Commitments in the different phases of licensing community radio services, there is a significant **difference in length and tone between Key Commitments** for different stations, making it difficult for stakeholders to compare services.
- 2.11 In addition, undue focus on the Key Commitments can have negative effects for the use of resources by community radio licensees and by consequence for their target communities. Overly prescriptive Key Commitments may divert resources from vital aspects of the services and result in a 'box ticking' approach to compliance. They reduce a licensee's flexibility to best deploy what may be limited resources to deliver social gain to target communities and they might become outdated. Vague or aspirational obligations may create uncertainty on the part of licensees as to what obligations they are supposed to discharge. The compliance, enforcement and variation process associated with the current Key Commitments process all have the potential to divert resources away from the effective day-to-day running of the service.
- 2.12 Each of these issues can also have an impact on the three aspects of Ofcom's regulatory functions identified previously, i.e.:
- i) making **licence award decisions and capturing the character of service in licences**;

Whilst very specific Key Commitments in a licence application can create greater clarity about the proposed service, it can also be the case that detail that is not

essential to the service is highlighted in Key Commitments, whilst other aspects of an applicant's overall proposal (as described in the application) are not clearly and adequately reflected in the Key Commitments they have drafted. More consistency in the way Key Commitments are written would make it easier to compare applications where they are competing for a licence, and better capture the character of service as expressed in each application.

- ii) ensuring that stations continue to deliver a service that is consistent with the characteristics specified in its licence (**compliance and enforcement**);

The more detailed Key Commitments are, the easier it might be for the regulator to assess whether or not they have been met as licence conditions. However, very detailed operational Key Commitments, when taken in isolation, may not be particularly significant in the context of the overall character of service that is being provided, and in these cases a regulatory action to assess whether a station is in breach of its licence can potentially be disproportionate.

- iii) considering **licence variation requests** (requests to change Key Commitments)

Changes to the service at any point during the licence period can be accommodated because the statutory scheme gives Ofcom the power to vary a licensee's Key Commitments, normally having considered a request from a licensee. Clearly, the way in which a licensee's Key Commitments have been drafted can have an impact on whether, or how often, that licensee may seek to change them. For example, many licensees find that the proposals they made when they applied for their licence need to be amended to reflect external developments and changing community needs (such as, for example, the development of social media as a means of listeners communicating with radio stations instead of listener panels). In general, it can be said that the more detailed and 'time-bound' a Key Commitment is, the more likely it is that a licensee may wish to change it at some point.

2.13 Table 1 summarises the negative impacts on Ofcom's regulatory work.

Table 1: Summary of the impacts of current approach to Key Commitments on Ofcom's regulatory functions

	Impact on licence award decisions	Impact on compliance and enforcement decisions	Impact on decisions regarding licence change requests
Key Commitments are too detailed and specific, and not flexible enough	<p>Specific Key Commitments can mean greater clarity of proposal and therefore easier decision-making.</p> <p>Some applicants over-promise by setting detailed targets in a bid to win a licence.</p>	<p>This can result in complaints about detailed aspects of Key Commitments which are not significant in terms of the overall service or the community benefits it delivers.</p> <p>Very specific Key Commitments remove the need for subjective judgements when assessing compliance.</p> <p>Non-compliance can occur if a service omits to request Key Commitments</p>	<p>This increases likelihood that licensee will need to request changes as circumstances are likely to change over the licence period.</p>

	Impact on licence award decisions	Impact on compliance and enforcement decisions	Impact on decisions regarding licence change requests
		changes to reflect changes over time.	
Key Commitments are too vague and aspirational	Lack of clarity makes decision-making more challenging.	Enforcement decisions can become more subjective and therefore more prone to being challenged. Key Commitments may become unenforceable.	Change requests are less likely as licensees have greater flexibility to adjust their service within existing Key Commitments.
Key Commitments are not a complete reflection of the application proposal	Ofcom can only award a licence on the basis of the draft Key Commitments, even if they don't fully reflect proposal.	Ofcom cannot consider complaints about aspects of a service not enshrined in its licence.	No impact
Key Commitments are inconsistent in length and tone between licences	This can make it more difficult to compare applicants competing to serve the same target community.	This can make enforcement decisions more subjective and therefore more prone to being challenged.	Inconsistency in Key Commitments can make it difficult to adopt a consistent approach to Key Commitments change requests.

Section 3

Proposed new approach to Key Commitments

- 3.1 To remedy the challenges identified in the previous section, we propose a new approach to the way Key Commitments are written and recorded in licences. We want to ensure that the essential characteristics of the community radio service are captured in the licence, but in a way that is sufficiently flexible and proportionate having regard to the nature of these services. This proposed new approach, if adopted, would apply to all future applications for community radio licences, but would also be rolled out to all community radio licences in issue at the time that the new approach is implemented.
- 3.2 The statutory scheme defines community radio by setting out certain characteristics that a community radio service should demonstrate, namely: serve a target community, provide social gain, invite participation, and be accountable to its target community. In addition, a service should broaden listener choice and it should cater for the tastes and interests of its target community. We consider that the latter two requirements can be captured in a description of the amount and type of programming provided.
- 3.3 In addition, to ensure that a service fulfils the statutory criteria of providing access and participation as well as providing locally-produced output, we require the studio to be based in the licensed coverage area.
- 3.4 Based on these requirements, we consider that Key Commitments recorded in licences should continue to include the following information about the community radio service:
 - i) A definition of the target community;
 - ii) The social gain objectives, e.g. how it will strengthen community links, arrangements for providing training;
 - iii) Access and participation arrangements for the target community, e.g. how it will involve volunteers and members of the target community in the running of the service;
 - iv) How it will be accountable to the community it serves;
 - v) The amount and type of programming to be broadcast, e.g. the main types of music and speech output, the amount of original output, amount of locally-produced output, the languages in which the services will broadcast; and
 - vi) Where the studio is based.
- 3.5 In addition, to enhance the clarity about what a community radio service aims to achieve, we propose to continue with the current practice that any community radio licence should include a short summary of the main purpose, and the primary functions and activities of the service. There are a small number of services that do not have this summary in their current Key Commitments, and we propose that it should always be included in Key Commitments. The description of the target

community, because it is closely linked to the main purpose of a community radio station, will be included in this summary.

- 3.6 However, what we now propose to do is draw a distinction between those elements of paragraphs 3.4 and 3.5 above which should be bespoke to each set of Key Commitments, and those which can be incorporated in more general terms on a standardised basis across all community radio licences.
- The characteristics of each community radio service that distinguish it from other services and that can be captured in relatively future-proof Key Commitments are the main purpose, primary function and activities, the target community, and the amount and type of programming output. We propose that each community radio service's Key Commitments therefore should continue to describe these aspects as they do now, but in much less detail than has been the case for many licences hitherto.
 - We propose that the remaining purposes of community radio can be captured in a more general way in each licence, leaving licensees with greater flexibility as to how they deliver those purposes. In other words, for the following aspects of community radio we propose to replace self-written bespoke Key Commitments with a set of standardised requirements applicable to all community radio services, based on the requirements of the legal framework: how a service delivers social gain, accountability and participation. We consider that this should be a sufficient safeguard to ensure that the purposes of community radio are fulfilled while giving stations flexibility to evolve and best deploy their resources to the benefit of their target community.
- 3.7 Under this proposal, we would still require details from community radio licence applicants in their applications about how they would provide social gain, where their studio will be located, what access and participation arrangements they will have in place and how they will ensure accountability to their target community. This information will still be required for the purposes of considering applications for licence award. However, the detail of these proposals would not be incorporated in a successful applicant's licence when granted. We expect that in a small number of applications, Ofcom could in future still find that aspects that form an essential part of the character of service are not adequately reflected by the applicant in proposed Key Commitments. In such cases, we would reflect this in award decisions and consequently remedy this by adding the essential clauses to the Key Commitments when granting the licence.
- 3.8 We consider that this proposed simplification of our approach to Key Commitments retains an appropriate balance between incorporating the character of service requirements in community radio licences, balancing the needs of community radio stakeholders and our regulatory duties. Further, we consider that our proposed approach will ensure that an appropriate and proportionate level of regulation is imposed on community radio services, which are by their nature small, local-run operations. We prefer this proposal to the status of quo of retaining the existing approach to recording Key Commitments. As such, we consider that our proposal would remedy the challenges set out in paragraphs 2.10 to 2.13, increase the clarity of the key aspects of a station's character of service for stakeholders and decrease the level of regulatory activity required to ensure compliance, enforcement and to assess licence variation requests.

Table 2: Benefits of the proposed new approach to Key Commitments for community radio services and the communities they serve

Impact on community benefits	Impact on applicants and licensees
<p>The services will be able to react more quickly to changing community needs as Key Commitments will be less restrictive and more flexible.</p> <p>Services will be able to better focus their resources on delivering social gain to their target communities.</p>	<p>This will create more flexibility for licensees to respond to changes, e.g. in community needs, partnerships, social media use etc.</p> <p>Services will benefit from more focused Key Commitments that guarantee the character of service.</p>

Table 3: Benefits of the proposed new approach to Key Commitments for Ofcom's regulatory functions

Impact on licence award decisions	Impact on compliance and enforcement and	Impact on KC change requests
<p>Greater consistency will make it easier to compare competing applications.</p> <p>It will become less likely that Key Commitments will not reflect the essence of the application proposals.</p>	<p>There will be fewer complaints about minute detail that is not a significant element of the overall service or the benefits it delivers to the community.</p>	<p>This will result in fewer Key Commitment change requests regarding 'high level' elements which a service will be able to adjust and evolve over time without needing to ask for a licence variation.</p>

Proposed new Key Commitments template

3.9 A new Key Commitments template, putting the proposals outlined above into practice, would look like this:

Service name	XXX
Licence area	XXX and surrounding area (as shown in the licensed coverage area map)
Frequency	XXX MHz

Description of character of service

describe, in no more than 80 words:

- the main purpose of the service:
- its target community(communities):
- its primary functions or activities:

The service broadcasts:

- Music (if relevant): The main types of music⁵ broadcast over the course of each week are: [insert in maximum 30 words]
- Speech (if relevant): The main types of speech output⁶ broadcast over the course of each week are: [insert in maximum 30 words]
- The service provides original output⁷ for a minimum of XX hours per day.
- The service provides locally-produced output⁸ for a minimum of XX hours per day.
- [If relevant] Programming in [insert language(s)]

The studio is located within the licensed coverage area.

The service provides a range of community benefits (social gain) for the target community, both on-air and off-air, and in doing so, achieves the following objectives:

- the facilitation of discussion and the expression of opinion,
- the provision (whether by means of programmes included in the service or otherwise) of education or training to individuals not employed by the person providing the service, and
- the better understanding of the particular community and the strengthening of links within it.

Members of the target community contribute to the operation and management of the service.

The service has mechanisms in place to ensure it is accountable to its target community.

Illustrations of proposed new Key Commitments applied to existing licensees

3.10 This section illustrates how the changes would affect existing licences if we decided (following this consultation) to apply the new Key Commitments approach. The examples are fictional, but they are based on typical existing licence requirements. Three examples are given illustrating what current Key Commitments for different types of service look like; and what the Key Commitments for the same service would look like if the new proposal is adopted.

⁵ e.g. mainstream pop, urban etc.

⁶ e.g. local news, what's on etc.

⁷ Original output is output that is first produced for and transmitted by the service, and excludes output that was transmitted elsewhere before. Original output can be live or voice-tracked. Repeat broadcasts of original output do not count towards the minimum requirement.

⁸ Locally-produced output is output made and broadcast from a studio located within the service's licensed coverage area.

Example 1: Current Key Commitments: STATION SERVING A GEOGRAPHICAL AREA

This is an example of current Key Commitments. (It includes examples of the sorts of commitments made by existing stations, for illustrative purposes.)

Station name	Town FM
Community to be served	The residents of XXX and the surrounding area
Licence area	XXX (as shown in the licensed coverage area map)

Character of service

Town FM is a local radio service for the community of XXX and the surrounding area, providing entertainment, education and information for the community, from the community.

Programming output

- Music forms a large part of the output. Specialist music programmes include jazz, blues, country, classic rock, soul and classical music. There are occasional live broadcasts from local music venues.
- Speech content is around 25% of output and includes local news, 'What's on' information, interviews, phone in discussions, studio debates and input from listeners by text and email, along with occasional documentary and local history programmes.
- Daytime programmes are mostly live and locally produced, with some automation during off peak times and overnight. Some specialist music programmes may be pre-recorded.

Social gain and other commitments

- By broadcasting from within the town it serves, knowing its audience and understanding life in the community (e.g. by assisting at local events), the station integrates with and involves its audience both in the town and in the outlying areas.
- We have links with local jobcentres and businesses and we broadcast employment opportunity bulletins twice a week.
- Town FM has an 'open door' policy towards the use of facilities by groups wishing to acquire the necessary skills to communicate effectively through the medium. Broadcast training courses are provided to all members of the local community on request, and are promoted on air and through the station website.
- An audience advisory panel consisting of up to six people comprised of members of the public, town council, students, business people and others considers feedback from the community on the station's performance and broadcast output.
- The station's website carries a 'guestbook' feature, where comments, suggestions and criticisms can be posted by listeners.
- Annual surveys are run involving a representative sample of listeners. They seek feedback regarding the station's performance. The results are published on the station's website, and broadcast on air.

Example 1: New Key Commitments: STATION SERVING A GEOGRAPHICAL AREA

This is what the Key Commitments for Town FM might look like under the new proposals.

Station name	Town FM
Licence area	XXX (as shown in the licensed coverage area map)

Description of character of service

Town FM is a truly local radio service for the community of XXX and the surrounding area, providing entertainment, education and information for the community, from the community.

The service broadcasts:

- Music. The main types of music broadcast over the course of each week are mainstream chart music with some specialist music including jazz, blues, country, classic rock, soul and classical music
- Speech. The main types of speech output broadcast over the course of each week are: local news, ‘What’s on’ information, interviews, phone in discussions, studio debates and input from listeners by text and email.
- The service provides original output for a minimum of 10 hours per day.
- The service provides locally-produced output for a minimum of 20 hours per day.
- The studio is located within the licensed coverage area.

The service provides a range of community benefits (social gain) for the target community, both on-air and off-air, and in doing so, achieves the following objectives:

- the facilitation of discussion and the expression of opinion,
- the provision (whether by means of programmes included in the service or otherwise) of education or training to individuals not employed by the person providing the service, and
- the better understanding of the particular community and the strengthening of links within it.

Members of the target community contribute to the operation and management of the service.

The service has mechanisms in place to ensure it is accountable to its target community.

Example 2: Current Key Commitments: STATION SERVING A COMMUNITY OF INTEREST

This is an example of current Key Commitments for a community of interest service. (It includes examples of the sorts of commitments made by existing stations, for illustrative purposes.)

Station name	Youth and Music FM (YMFM)
Community to be served	Young people, especially those aged 15-24 years old, in XXX with an emphasis on urban and dance music
Licence area	XXX (as shown in the licensed coverage area map)

Character of service

YMFM serves young people with a service focusing on urban and dance music. The station aims to represent a broad cross-section of youth culture within XXX by providing locally-relevant programming with an emphasis on promoting the needs and aspirations of the target audience.

Programming output

- Original output comprises 80% music and 20% speech.
- Music: A high proportion of urban and dance music genres, including grime, dubstep, house and funky for example, characterise the service.
- Speech programming includes local and community news and information of interest to the target community, a what's on guide with local gig news, interviews and discussions programmes dealing with issues affecting young people in XXX.
- There are opportunities for listeners to engage with the service through phone-ins, the station website and social networking sites.
- The majority of the output is locally produced with the addition of some third-party programming from other community stations serving a similar target audience elsewhere in the UK.

Social gain and other commitments

- The station broadcasts to young people living, working and undergoing training in XXX, with the majority of programming presented and/or produced by young people and for young people.
- The station's issues-based programming raises awareness of local services in the target community and YMFM creates a platform for dialogue and discussion.
- YMFM offers both informal and more structured training. Training focusses on music production, dj skills and radio skills. 25 young people are trained each year.
- Six work placements for volunteers and members of the target community are available each year.
- A mentoring scheme is in operation for all volunteers.
- The station has relationships with schools, youth and community centres and other appropriate organisations in the locality. Relevant groups are offered opportunities to participate in programming such as discussion shows about topical issues affecting the target audience.
- The station participates in relevant music and youth events and broadcasts from some external music-based events which may be of interest to its listeners.

- Young people are encouraged through social networking sites to become members of the station and are entitled to stand for election for a station committee, participating in decision-making and programming meetings.
- YMFM uses the internet, the station website and social networking sites and forums as a mechanism to connect with its listeners.
- The station operates an open door policy for young people and volunteers wanting to work with the station and undertake radio skills training.
- The station has a steering group and a listener panel which give advice and feedback to station management to provide a means of accountability to the target community.
- The station's online suggestion box encourages engagement from members of the target community. Contact is also be encouraged by various appropriate means such as through phone-ins, email and the station website. Suggestions are considered at board level.
- The station has a complaints procedure for listeners (available on the station website) and a grievance policy for staff and volunteers. In addition, all staff members undergo a CRB check or other appropriate checks, as necessary.

Example 2: New Key Commitments: STATION SERVING A COMMUNITY OF INTEREST

This is what the Key Commitments for YMFM might look like under the new proposals.

Station name	Youth and Music FM (YMFM)
Licence area	XXX (as shown in the licensed coverage area map)

Description of character of service

YMFM serves young people aged 15-24 years old with a service focusing on urban and dance music. The station represents a broad cross-section of youth culture within XXX by providing locally-relevant programming with an emphasis on promoting the needs and aspirations of the target audience.

The service broadcasts:

- Music. The main types of music broadcast over the course of each week are urban and dance music genres.
- Speech. The main types of speech output broadcast over the course of each week are: local and community news and information of interest to the target community, a what's on guide with local gig news, interviews and discussions programmes dealing with issues affecting young people in XXX.
- The service provides original output for a minimum of 8 hours per day.
- The service provides locally-produced output for a minimum of 18 hours per day.
- The studio is located within the licensed coverage area.

The service provides a range of community benefits (social gain) for the target community, both on-air and off-air, and in doing so, achieves the following objectives:

- the facilitation of discussion and the expression of opinion,
- the provision (whether by means of programmes included in the service or otherwise) of education or training to individuals not employed by the person providing the service, and
- the better understanding of the particular community and the strengthening of links within it.

Members of the target community contribute to the operation and management of the service.

The service has mechanisms in place to ensure it is accountable to its target community.

Example 3: Current Key Commitments: STATION SERVING A RELIGIOUS COMMUNITY OF INTEREST

This is an example of current Key Commitments for a community of interest service. (It includes examples of the sorts of commitments made by existing stations, for illustrative purposes.)

Station name	Religion FM
Community to be served	The [specific religious group] population of XXX
Licence area	XXX and surrounding area (up to a 5km radius from the transmission site)

Character of service

Religion FM provides a local service for the XXX area, reflecting the social, spiritual and cultural needs of XXX's [specific religious group] population. The service educates, informs and entertains through its locally relevant programming and the majority of the output is locally produced.

Programming output

- Religion FM is predominantly speech based with 60% speech and 40% music in daytime.
- Music: The station includes contemporary religious music, world music and occasional live music, with a higher proportion of music broadcast during the night.
- Speech programming includes local and community news and information, religious material, local history, poetry and readings, live interviews and discussion programmes.
- Topical phone-in shows encourage debate on issues and topics relevant to the target community.
- Programming delivered in English and XXXX with other relevant community languages (as demand and the availability of volunteers allows).
- Original and live output will feature for 12 hours per day. (Live programming may include pre-recorded inserts, if applicable). The majority of the output is locally produced.

Social gain and other commitments

- Religion FM meets the needs of the local [specific religious group] population by broadcasting programming, including religious material, aimed specifically at this target community, and with programmes offered in various community languages.
- The station provides opportunities for discussion and debate and to express ideas and views by appropriate means including through on-air phone-ins and discussions, the station's website, social networking sites, text message etc.
- Training in radio production is offered to volunteers and other members of the target community. 50 individuals will be trained each year.
- A formal accredited radio training scheme, delivered in partnership with XXXX College, is also available for suitable candidates.

- The station is embedded in the local [specific religious group] community and has links with a range of organisations within the target community including religious and educational bodies.
- The station promotes awareness of community groups and local services, by broadcasting information on events, initiatives and services as appropriate and participating in relevant community events.
- Members and volunteers may participate in the management of the service by voting for the management committee or standing for election to it.
- The station's premises are available to local groups and other members of the target community for appropriate events and occasional radio production training.
- The management committee is elected by the members of the target community and is accountable to the target community by means such as open meetings.
- The station employs various mechanisms to facilitate accountability to the target community, including encouraging and accepting community feedback by phone, email, the station website and social networking sites. Feedback from the community is considered by station management and the board.
- The station has complaints and grievance procedures which are available on the station's website.

Example 3: New Key Commitments: STATION SERVING A RELIGIOUS COMMUNITY OF INTEREST

This is what the Key Commitments for Religion FM might look like under the new proposals.

Station name	Religion FM
Licence area	XXX and surrounding area (up to a 5km radius from the transmission site)

Character of service

Religion FM provides a service for the [specific religious group] population of XXX. It reflects the social, spiritual and cultural needs of XXX’s [specific religious group] population. The service educates, informs and entertains through its locally relevant programming.

The service broadcasts:

- Music. The main types of music broadcast over the course of each week are contemporary religious music and world music.
- Speech. The main types of speech output broadcast over the course of each week are: local and community news and information, religious material, local history, poetry and readings, interviews, phone-ins and discussion programmes.
- Programming is in English and XXXX (output in other relevant community languages may also feature).
- The service provides original output for a minimum of 12 hours per day.
- The service provides locally-produced output for a minimum of 20 hours per day.
- The studio is located within the licensed coverage area.

The service provides a range of community benefits (social gain) for the target community, both on-air and off-air, and in doing so, achieves the following objectives:

- the facilitation of discussion and the expression of opinion,
- the provision (whether by means of programmes included in the service or otherwise) of education or training to individuals not employed by the person providing the service, and
- the better understanding of the particular community and the strengthening of links within it.

Members of the target community contribute to the operation and management of the service.

The service has mechanisms in place to ensure it is accountable to its target community.

Changing existing licences

- 3.11 If this proposed approach is adopted, our proposal is to vary all existing community radio licences accordingly. We would do this in discussion with each licensee. It is our view that we would not be changing the character of each individual service or adding obligations to the licence, but that instead we would be expressing the character of service differently in a more succinct and relevant way.

Compliance with the proposed new format for Key Commitments

- 3.12 As each station has a different target community and a different way of working, how it provides social gain, invites participation and ensures it is accountable differs from station to station. Reference to these requirements would continue to be a licence obligation via the inclusion of Key Commitments because they are an important part of what community radio stations do, and they are the activities that make community radio stations different from other types of radio service.
- 3.13 Under our proposed new approach to Key Commitments, each station would need to take greater responsibility for planning its own social gain, participation and accountability activities. Stations would need to communicate with their target community about what they do, and let people know how they could get involved. Stations would need to consider the best way to do this for their members and for their target community, but Ofcom would expect a station to have clear statements on its website about its activities. We accept that these will change from time to time. We also acknowledge that many stations already do this.
- 3.14 In the event of a complaint or if we wish to understand how a station is delivering its Key Commitments, we would continue to ask for an explanation and evidence of what it is doing, when and how. Community radio licensees would also be expected to continue to keep on file a record of their activities in relation to the provision of social gain, participation in the service and accountability. This will help ensure that the station can justify its activities by ensuring that it holds a complete record of the work it has undertaken towards the achievement of its licence obligations.
- 3.15 For example, we would expect a station to be able to answer the following questions, and provide evidence to demonstrate their activities:
- Social gain: what community benefits does the station provide? What opportunities are there for discussion and expressing opinions? What training or educational opportunities are there? How does the station strengthen community links?
 - Access and participation: How can members of the target community get involved? How can they contribute to both the operation of the service, and to its management?
 - Accountability: how is the station accountable to its target community? How can people feedback their views on the service?

Next steps

- 3.16 We are now seeking views on our proposed new approach. Following the closing date of this consultation, we will evaluate the responses before deciding whether to adopt our proposed new streamlined approach to community radio Key Commitments. We shall then publish a statement on our decision.

Consultation question:

Do you agree with the proposal to revise Key Commitments as set out in this consultation? Please explain the reasons for your view.

Annex 1

Responding to this consultation

How to respond

- A1.1 Ofcom invites written views and comments on the consultation questions in annex 4, to be made **by 5pm on 21 October 2015**.
- A1.2 Ofcom strongly prefers to receive responses using the online web form at <http://stakeholders.ofcom.org.uk/consultations/key-commitments/howtorespond/form>, as this helps us to process the responses quickly and efficiently. We would also be grateful if you could assist us by completing a response cover sheet (see Annex 3), to indicate whether or not there are confidentiality issues. This response coversheet is incorporated into the online web form questionnaire.
- A1.3 For larger consultation responses - particularly those with supporting charts, tables or other data - please email community.radio@ofcom.org.uk attaching your response in Microsoft Word format, together with a consultation response coversheet.
- A1.4 Responses may alternatively be posted or faxed to the address below, marked with the title of the consultation.
- Leen Petré
Ofcom – Content Policy team
5th floor
Riverside House
2A Southwark Bridge Road
London SE1 9HA
- A1.5 Note that we do not need a hard copy in addition to an electronic version. Ofcom will acknowledge receipt of responses if they are submitted using the online web form but not otherwise.
- A1.6 It would be helpful if your response could include direct answers to the question asked in this document, in Annex 4. It would also help if you can explain why you hold your views and how Ofcom's proposals would impact on you.

Further information

- A1.7 If you want to discuss the issues and questions raised in this consultation, or need advice on the appropriate form of response, please contact the Content Policy Team on community.radio@ofcom.org.uk

Confidentiality

- A1.8 We believe it is important for everyone interested in an issue to see the views expressed by consultation respondents. We will therefore usually publish all responses on our website, www.ofcom.org.uk, ideally on receipt. If you think your response should be kept confidential, can you please specify what part or whether

all of your response should be kept confidential, and specify why. Please also place such parts in a separate annex.

- A1.9 If someone asks us to keep part or all of a response confidential, we will treat this request seriously and will try to respect this. But sometimes we will need to publish all responses, including those that are marked as confidential, in order to meet legal obligations.
- A1.10 Please also note that copyright and all other intellectual property in responses will be assumed to be licensed to Ofcom to use. Ofcom's approach on intellectual property rights is explained further on its website at <http://www.ofcom.org.uk/terms-of-use/>

Next steps

- A1.11 Following the end of the consultation period, Ofcom intends to publish a statement in January 2016.
- A1.12 Please note that you can register to receive free mail Updates alerting you to the publications of relevant Ofcom documents. For more details please see: <http://www.ofcom.org.uk/email-updates/>

Ofcom's consultation processes

- A1.13 Ofcom seeks to ensure that responding to a consultation is easy as possible. For more information please see our consultation principles in Annex 2.
- A1.14 If you have any comments or suggestions on how Ofcom conducts its consultations, please call our consultation helpdesk on 020 7981 3003 or e-mail us at consult@ofcom.org.uk . We would particularly welcome thoughts on how Ofcom could more effectively seek the views of those groups or individuals, such as small businesses or particular types of residential consumers, who are less likely to give their opinions through a formal consultation.
- A1.15 If you would like to discuss these issues or Ofcom's consultation processes more generally you can alternatively contact Graham Howell, Secretary to the Corporation, who is Ofcom's consultation champion:

Graham Howell
Ofcom
Riverside House
2a Southwark Bridge Road
London SE1 9HA

Tel: 020 7981 3601

Email Graham.Howell@ofcom.org.uk

Annex 2

Ofcom's consultation principles

A2.1 Ofcom has published the following seven principles that it will follow for each public written consultation:

Before the consultation

A2.2 Where possible, we will hold informal talks with people and organisations before announcing a big consultation to find out whether we are thinking in the right direction. If we do not have enough time to do this, we will hold an open meeting to explain our proposals shortly after announcing the consultation.

During the consultation

A2.3 We will be clear about who we are consulting, why, on what questions and for how long.

A2.4 We will make the consultation document as short and simple as possible with a summary of no more than two pages. We will try to make it as easy as possible to give us a written response. If the consultation is complicated, we may provide a shortened Plain English Guide for smaller organisations or individuals who would otherwise not be able to spare the time to share their views.

A2.5 We will consult for up to 10 weeks depending on the potential impact of our proposals.

A2.6 A person within Ofcom will be in charge of making sure we follow our own guidelines and reach out to the largest number of people and organisations interested in the outcome of our decisions. Ofcom's 'Consultation Champion' will also be the main person to contact with views on the way we run our consultations.

A2.7 If we are not able to follow one of these principles, we will explain why.

After the consultation

A2.8 We think it is important for everyone interested in an issue to see the views of others during a consultation. We would usually publish all the responses we have received on our website. In our statement, we will give reasons for our decisions and will give an account of how the views of those concerned helped shape those decisions.

Annex 3

Consultation response cover sheet

- A3.1 In the interests of transparency and good regulatory practice, we will publish all consultation responses in full on our website, www.ofcom.org.uk.
- A3.2 We have produced a coversheet for responses (see below) and would be very grateful if you could send one with your response (this is incorporated into the online web form if you respond in this way). This will speed up our processing of responses, and help to maintain confidentiality where appropriate.
- A3.3 The quality of consultation can be enhanced by publishing responses before the consultation period closes. In particular, this can help those individuals and organisations with limited resources or familiarity with the issues to respond in a more informed way. Therefore Ofcom would encourage respondents to complete their coversheet in a way that allows Ofcom to publish their responses upon receipt, rather than waiting until the consultation period has ended.
- A3.4 We strongly prefer to receive responses via the online web form which incorporates the coversheet. If you are responding via email, post or fax you can download an electronic copy of this coversheet in Word or RTF format from the 'Consultations' section of our website at <http://stakeholders.ofcom.org.uk/consultations/consultation-response-coversheet/>.
- A3.5 Please put any parts of your response you consider should be kept confidential in a separate annex to your response and include your reasons why this part of your response should not be published. This can include information such as your personal background and experience. If you want your name, address, other contact details, or job title to remain confidential, please provide them in your cover sheet only, so that we don't have to edit your response.

Cover sheet for response to an Ofcom consultation

BASIC DETAILS

Consultation title:

To (Ofcom contact):

Name of respondent:

Representing (self or organisation/s):

Address (if not received by email):

CONFIDENTIALITY

Please tick below what part of your response you consider is confidential, giving your reasons why

Nothing	<input type="checkbox"/>	Name/contact details/job title	<input type="checkbox"/>
Whole response	<input type="checkbox"/>	Organisation	<input type="checkbox"/>
Part of the response	<input type="checkbox"/>	If there is no separate annex, which parts?	

If you want part of your response, your name or your organisation not to be published, can Ofcom still publish a reference to the contents of your response (including, for any confidential parts, a general summary that does not disclose the specific information or enable you to be identified)?

DECLARATION

I confirm that the correspondence supplied with this cover sheet is a formal consultation response that Ofcom can publish. However, in supplying this response, I understand that Ofcom may need to publish all responses, including those which are marked as confidential, in order to meet legal obligations. If I have sent my response by email, Ofcom can disregard any standard e-mail text about not disclosing email contents and attachments.

Ofcom seeks to publish responses on receipt. If your response is non-confidential (in whole or in part), and you would prefer us to publish your response only once the consultation has ended, please tick here.

Name

Signed (if hard copy)

Annex 4

Statutory requirements for community radio services

This is a summary of the key statutory requirements for licensing community radio services. It includes:

- Characteristics of community radio services
- Definition of ‘community’
- Definition of ‘social gain’
- Selection criteria
- Other legislative requirements
- Ownership restrictions

(Direct quotes from the legislation are presented in italics.)

Characteristics of community radio services

By definition, a ‘community radio service’ is a ‘local service’ [⁹] having the following characteristics (as set out in Article 3 of the Community Radio Order 2004):

(1) It is a characteristic of community radio services that they are local services provided primarily

(a) for the good of members of the public, or of particular communities, and

(b) in order to deliver social gain,

rather than primarily for commercial reasons or for the financial or other material gain of the individuals involved in providing the service.

(2) It is a characteristic of every community radio service that it is intended primarily to serve one or more communities (whether or not it also serves other members of the public).

(3) It is a characteristic of every community radio service that the person providing the service –

(a) does not do so in order to make a financial profit by so doing, and

(b) uses any profit that is produced in the provision of the service wholly and exclusively for securing or improving the future provision of the service, or for delivery of social gain to members of the public or the community that the service is intended to serve.

(4) It is a characteristic of every community radio service that members of the community it is intended to serve are given opportunities to participate in the operation and management of the service.

(5) It is a characteristic of every community radio service that, in respect of the provision of that service, the person providing the service makes himself accountable to the community that the service is intended to serve.

⁹ By definition, a service is a ‘local service’ if it is a sound broadcasting service which (without being a national service) is provided with a view to its being: (1) broadcast otherwise than only from a satellite: and (2) broadcast for reception in a particular area or locality in the United Kingdom.

Definition of 'community'

"Community" means –

(a) the persons who live or work or undergo education or training in a particular area or locality, or

(b) persons who (whether or not they fall within paragraph (a)) have one or more interests or characteristics in common.

Definition of 'social gain'

In relation to a community radio service, "social gain" means the achievement, in respect of individuals or groups of individuals in the community that the service is intended to serve, or in respect of other members of the public, of the following objectives:

- *the provision of sound broadcasting services to individuals who are otherwise underserved by such services,*
- *the facilitation of discussion and the expression of opinion,*
- *the provision (whether by means of programmes included in the service or otherwise) of education or training to individuals not employed by the person providing the service, and*
- *the better understanding of the particular community and the strengthening of links within it.*

Social gain "may also include the achievement of other objectives of a social nature and, in particular":

- *the delivery of services provided by local authorities and other services of a social nature and the increasing, and wider dissemination, of knowledge about those services and about local amenities;*
- *the promotion of economic development and of social enterprises;*
- *the promotion of employment;*
- *the provision of opportunities for the gaining of work experience;*
- *the promotion of social inclusion;*
- *the promotion of cultural and linguistic diversity;*
- *the promotion of civic participation and volunteering.*

Selection criteria

In determining whether, or to whom, to grant a community radio licence Ofcom shall have regard to the Broadcasting Act 1990 Section 105(1) selection criteria (as amended by the Communications Act 2003 and modified by the Community Radio Order 2004):

Section 105(1)(a) – Ability to maintain service:

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.

Section 105(1)(b) – Catering for the tastes and interests of the relevant community:

The extent to which any such proposed service would cater for the tastes and interests of persons comprising the relevant community, and, where it is proposed to cater for any particular tastes and interests of such persons, the extent to which the service would cater for those tastes and interests.

Section 105(1)(c) – Broadening of choice and distinctiveness from overlapped services: *The extent to which any proposed service would broaden the range of programmes available by way of local services to persons living in the area or locality in which it would be provided, and, in particular, the extent to which the service would be of a nature or have a content distinct from that of any other local service the licence for which would overlap^[10] with the licence for the proposed service.*

Section 105(1)(d) – Evidence of demand or support: *The extent to which there is evidence that, amongst persons living in that area or locality, there is a demand for, or support for, the provision of the proposed service.*

Section 105 (1)(e) – Extent of social gain: *The extent to which the provision of any such proposed service would result in the delivery of social gain to the public or relevant community.*

Section 105(1)(f) – Accountability to the community: *The provision that each of the applicants proposes to make in order to render himself accountable to the relevant community in respect of the provision of the proposed service.*

Section 105(1)(g) – Access and training in the use of the facilities: *The provision each of the applicants proposes to make to allow for access by members of the relevant community to the facilities to be used for the provision of the service and for their training in the use of those facilities.*

Other legislative requirements

There are further requirements set out in Broadcasting Act 1990 Section 105 (as amended by the Communications Act 2003 and modified by the Community Radio Order 2004, as itself amended by the Community Radio (Amendment) Order 2010 and the Community Radio (Amendment) Order 2015).

In considering whether, or to whom (and on what conditions), to grant a community radio licence, Ofcom must have regard to the need to ensure that any service provided under that licence does not prejudice unduly the economic viability of any other local commercial radio service (see references to section 105(3) below).

Sections 105(4 and (5) advertising & sponsorship income restrictions

Without prejudice to the generality of that economic impact requirement, section 105(4) BA 1990 requires Ofcom to impose conditions to ensure, in effect, that any community radio service is prohibited from taking any 'relevant income' [¹¹] from paid advertising and sponsorship of programmes except in the following respects:

- (i) a 'fixed revenue allowance' totalling £15,000 per financial year of the licensee for such relevant income – this exception applies to any community radio service where that service overlaps with any local commercial radio service serving a potential

¹⁰ An overlap is defined as follows: *two local sound broadcasting licences overlap if (but only if) the potential audience of the service provided under either of those licences includes 50 per cent or more of the potential audience of the service provided under the other licence.*

¹¹ By definition, 'relevant income', in relation to any community radio licence, means *any payment or other financial benefit (whether direct or indirect) attributable to the provision of the service under that licence which any relevant person has received, will receive or is or will be entitled to receive in the financial year in question.* In this context, 'relevant person' means *the holder of that licence and every person who is connected with him.*

audience of no more than 150,000 persons who have attained the age of 15 years or older;

- (ii) a 'fixed revenue allowance' totalling £15,000 per financial year of the licensee for such relevant income plus a proportion of the total relevant income (specified by Ofcom in the licence), but which must not exceed 50% of the total relevant income (disregarding the fixed revenue allowance) for the licence in question in that year – this exception applies to all community radio services other than a community radio service referred to in (i) above. It should be noted that a community radio service that overlaps with any local commercial radio service serving a potential audience of no more than 150,000 persons who have attained the age of 15 years or older, which has at any time been varied pursuant to section 106(1A)(e) BA 1990, is also covered by this exception.

Section 105(3) – Potential economic impact

Where OFCOM have published a notice under section 104(1), in the case of a proposal of theirs to grant a licence to provide a community radio service, or where OFCOM is considering a variation of such a licence under section 86(5) to include conditions set out in subsection (5) [¹²] they shall, in determining—

(a) whether, or to whom, to grant the licence in question (or, as the case may be, whether to vary the licence in question pursuant to section 86(5)), and

(b) if they grant it, the terms on which it is granted (or, as the case may be, the terms of the variation of the licence in question pursuant to section 86(5)),

have regard to the need to ensure that any service provided under that licence does not prejudice unduly the economic viability of any other local service, other than a community radio service.

Ownership restrictions

Disqualified persons include:

- Any person unless Ofcom is satisfied that he is a 'fit and proper' person to hold a licence. [¹³] (The application form includes a 'declaration' which includes questions designed to enable Ofcom to achieve this objective.)
- Any person who is not a body corporate. [¹⁴]
- Any body corporate which holds at least one 'relevant Broadcasting Act licence' [¹⁵] or a body that is connected with a person who holds one or more such licences. [¹⁶] The relevant BA licences listed include local commercial radio licences.

¹² Subsection 5 of section 105 of the Broadcasting Act 1990 contains the above-mentioned requirement on Ofcom to impose conditions to ensure that certain community radio licences are permitted to take a 'fixed revenue allowance' totalling £15,000 plus a proportion of the total relevant income (specified by Ofcom in the licence) up to 50% of the total relevant income (disregarding the fixed revenue allowance) for the licence in question in that year.

¹³ Section 3(3)(a) of the Broadcasting Act 1990.

¹⁴ Article 6(2)(a) of the Community Radio Order 2004.

¹⁵ By definition, a 'relevant Broadcasting Act licence' is a Broadcasting Act licence which is not a licence to provide one of the following services: (a) a community radio service; (b) a digital sound

- Any C4 company or S4C company that would not otherwise be a disqualified person by virtue of the third bullet point above. [¹⁷]
- A local authority [¹⁸] except where the service is exclusively for the purposes of carrying out the functions of a local authority and providing information relating to their activities [¹⁹].
- A body whose objects are wholly or mainly political, or a body affiliated to a body whose objects are wholly or mainly political. [²⁰]
- Any body controlled as follows: [²¹]
 - (g) a body corporate which is an associate of a body corporate falling within paragraph (d) or (e);*
 - (h) a body corporate in which a body falling within any of paragraphs (c) to (e) and (g) is a participant with more than a 5 per cent interest;*
 - (hh) a body corporate which is controlled by a body corporate falling within paragraph (h);*
 - (i) a body which is controlled by a person falling within any of paragraphs (c) to (g) or by two or more such persons taken together; and*
 - (j) a body corporate in which a body falling within paragraph (i), other than one which is controlled—*
 - (i) by a person falling within paragraph . . . (f), or*
 - (ii) by two or more such persons taken together,**is a participant with more than a 5 per cent interest.*
- A person is a disqualified person if in Ofcom's opinion any person is, by the giving of financial assistance or otherwise, exerting influence over the activities of that person, and that influence has led, is leading or is likely to lead to results which are adverse to the public interest. [²²]
- The BBC. [²³] A BBC company is also a disqualified person in relation to provide a national, local or restricted service within the meaning of Part III of the Broadcasting Act 1990. [²⁴]
- The Welsh Authority. [²⁵]

programme service; (c) a restricted service; (d) a radio licensable content service; (e) a restricted television service; (f) a television licensable content service; and (g) a local digital television programme service.

¹⁶ Article 6(2)(b) of the Community Radio Order 2004.

¹⁷ Article 6(2)(c) of the Community Radio Order 2004.

¹⁸ Paragraph 1(1)(c) of Part II of Schedule 2 to the Broadcasting Act 1990.

¹⁹ Where a service is provided exclusively for the purposes of the carrying out of the functions of a local authority under section 142 of the Local Government Act 1972 (provision by local authorities of information relating to their activities), a person is disqualified by virtue of paragraph 1(1) of Part II of Schedule 2 to the Broadcasting Act 1990 in relation to a licence to provide that service only if he would be so disqualified disregarding paragraph (c) of that sub-paragraph, i.e. a local authority.

²⁰ Paragraphs 1(1)(d) and (e) of Part II of Schedule 2 to the Broadcasting Act 1990.

²¹ Paragraphs 1(1)(g) to (j) of Part II of Schedule 2 to the Broadcasting Act 1990.

²² Paragraph 4(1) of Part II of Schedule 2 to the Broadcasting Act 1990.

²³ Paragraph 5(a) of Part II of Schedule 2 to the Broadcasting Act 1990.

²⁴ Paragraph 5A of Part II of Schedule 2 to the Broadcasting Act 1990.

²⁵ Paragraph 5(b) of Part II of Schedule 2 to the Broadcasting Act 1990.

- An advertising agency, including: [²⁶]
 - an associate of an advertising agency;
 - any body which is controlled by an advertising agency or an associate of an advertising agency, or by two or more such persons taken together;
 - any body corporate in which a person falling within any of the above is a participant with more than a 5 per cent interest.
- Anyone convicted of unauthorised broadcasting offences in the past 5 years as referred to in section 89 of the Broadcasting Act 1990.
- No body corporate may hold more than one community radio licence at any one time. [²⁷]
- Any body corporate which is connected with another such body which holds such a licence shall be treated as if it also were a holder of that licence. [²⁸]
- If the applicant is a religious body, Ofcom needs to make a determination (under paragraph 15 of Part 4 of Schedule 14 to the Communications Act 2003) on whether it is appropriate for the applicant to hold a community radio licence.

²⁶ Paragraph 6 of Part II of Schedule 2 to the Broadcasting Act 1990.

²⁷ Article 7(1) of the Community Radio Order 2004.

²⁸ Article 7(2) of the Community Radio Order 2004.