



## **Ofcom Consultation: Restricted services – proposals to increase available spectrum and simplify our approach to licensing**

The Community Media Association (CMA) is a non-profit making organisation founded in 1983 to support community radio and other community-based media projects. The CMA represents the community media sector to Government, industry, and regulatory bodies.

Our membership brings together established organisations, aspirant groups and individuals within the sector. The CMA provides a range of advice, information, and consultancy, offering support to anyone with an interest in the sector.

The Community Media Association (CMA) welcomes the invitation from Ofcom to respond to the consultation to review proposals to increase available spectrum and simplify its approach to licensing restricted services.

### **Question 1: Do you have any comments on Ofcom's proposals to make more frequencies available for restricted services?**

The Community Media Association (CMA) welcomes Ofcom's plans to make more broadcast frequencies available for restricted services as we believe that such a measure is likely to increase the number of opportunities for more community groups to get involved in radio broadcasting.

However, the CMA advises that particular consideration should be given to the potential impact on existing community radio stations with regard to competition for advertising, grant funding, and access to volunteers on which community radio stations depend for their survival. The effect of the pandemic and other aspects of the economic downturn have made the already competitive environment in which community radio stations operate much more difficult and increasing the number of broadcasters operating in a given area will only add to the pressures that incumbent broadcasters are operating.

Community radio stations with a remit to broadcast to a particular faith group, for example Islamic stations, will use religious festivals and holidays as an opportunity to develop new sales and marketing campaigns to establish partnerships that may last for the year ahead. This echoes the increase in economic activity that is associated with Christmas and so on in the general population.

Therefore care and consideration should be given with regard to the impact of increasing the number of short-term restricted services licences permitted in a locality that already has a significant and existing community radio presence.

### **Question 2: Do you have any comments on Ofcom's proposed restricted service standard form Broadcasting Act licence?**

The CMA agrees with Ofcom's proposal to simplify and replace the current SRSL and LRSL licence types with just one type of licence – a restricted service licence to consolidate the BA SRSL and LRSL licences that will be granted for:

- restricted services which are broadcast for the purposes of a particular event;
- restricted services which are broadcast to a particular establishment or other defined location in the UK.

**Question 3: Do you have any comments on Ofcom's proposal to issue existing extended duration SRSL licensees with a restricted service licence on a new frequency at the end of their existing licence term, should they apply for a new licence?**

The CMA agrees with Ofcom's proposal to issue existing extended duration SRSL licensees with a restricted service licence on a new frequency at the end of their existing licence term, should they apply for a new licence.

**Question 4: Do you have any comments on Ofcom's proposal to issue existing LRSL licensees with limited coverage frequencies (if available) at the end of their existing licence term, should they apply to renew their licence?**

The CMA agrees with Ofcom's proposal to issue existing LRSL licensees with limited coverage frequencies (if available) at the end of their existing licence term, should the licensee submit a licence renewal application.

Furthermore, a CMA member comments as follows:

With regard to moving existing LPFM licences to new frequencies, Ofcom should consider moving all LPFM licences on 87.x MHz. However, the nine LPFM services that are on frequencies above 88 MHz should be allowed to retain their existing frequency as the cost and inconvenience of them changing frequency is unlikely to outweigh the benefits. These nine services are a small fraction of the current LPFM licences issued, the vast majority being on the SRSL 87.x MHz frequencies.

**Question 5: Do you have any comments on these changes to our application process, as set out in the revised guidance at Annex 4?**

The CMA welcomes the broad principle of widening opportunities for more grassroots community-based broadcasters to access broadcast spectrum. However, again, the overarching principle should be borne in mind by the regulator of the impact made on incumbent community broadcasters by the short-term influx of new broadcasters to a small locality that will be operating in broadly the same economic *milieu*.

A CMA member comments as follows:

With regard to points 4.21 to 4.23 within the consultation document that relates to licence applications made during a period of high demand when there is more than one frequency available, a number of points should be considered.

When Ofcom has allocated the first service from the draw, the regulator should initially consider discarding applications for other similar services that are to cover the same event in the same coverage area. This will therefore ensure that multiple applications to cover similar religious festivals and holidays will be reduced and duplication of broadcast services will be minimised.

Effectively, preference should be given to fairly allocating the RSL spectrum between different communities for different overlapping events. If spectrum is available then multiple similar services can be licensed after all the different events have had an opportunity to obtain a RSL in order to maximize diversity of opportunity for broadcasters and volunteers, and variety for listeners.

**Question 6: Do you have any comments on Ofcom's proposal to invite the Secretary of State for DCMS to consider making an order which would provide an exception for certain services from the need to hold a Broadcasting Act licence?**

The CMA agrees with Ofcom's proposal to invite the Secretary of State for DCMS to consider making an order which would provide an exception for certain services from the need to hold a Broadcasting Act licence.

Additionally, a CMA member comments as follows:

While Ofcom is taking the opportunity to invite the Secretary of State to amend the legislation that would provide exceptions for audio distribution systems and emerging short-range broadcast services from the requirement to hold a BA licence, the regulator should also consider widening the scope of the changes.

Ofcom should also consider inviting the Secretary of State to remove the single contiguous site and non-resident population requirements for a AM LRSL. This will allow Ofcom, should they so wish, to create a new tier of "on demand" light AM licenses that will cover a small area. It is clear there is some demand for LPAM licences as a form of light local licence - and this would provide a very "light touch" form of regulation to access the AM spectrum that has no other use other than for broadcasting.

With respect to this new method of spectrum planning that enables additional FM frequencies to be found, Ofcom should consider if such a change could allow substandard mono-only assignments to be created, particularly for local AM stations that have no other means of broadcast. This is essential as the long-term outlook for AM appears to be poor and several existing broadcasters on AM have been refused FM spectrum and are unlikely to be able to get onto SSDAB for several years. Additionally, SSDAB is unlikely to be able to completely replicate the wide area regional coverage available from AM.

Without considering such a change it is likely that the AM spectrum may sit idle for many years as the resources required to run a full competitive AM licensing round are likely to be better spent elsewhere. This appears to be an ideal opportunity to deregulate the AM spectrum in an appropriate way, as has happened in several other countries around the world.

**Question 7: Do you have any comments on Ofcom’s proposed fees for restricted services?**

The CMA agrees with Ofcom’s proposals to simplify the fee structure that applies to licences for restricted services and we acknowledge that the proposed fee structure reflects the costs incurred by the regulator in administering the licensing process.

A CMA member comments as follows:

With regard to the fees cap at £2100 per annum for an RSL transmitting above 2W, Ofcom should be mindful that it could be possible for a broadcaster to run consecutive RSL services for different events. This could potentially allow a broadcaster to abuse the licensing system by running a full-time service "through the backdoor" by having consecutive RSL licences in different months for different events whilst only paying £2100 per annum. Consideration needs to be given to this - perhaps the fees should be capped at £2100 per RSL which would be fair for something such as a temporary COVID RSL or an extended duration RSL - but for multiple consecutive RSL licences for the same licensee then this will incur a fee of £2100 per RSL licence.