

## Five community radio licence awards in the south east of England: May 2016

Ofcom awarded five community radio licences in May 2016. The licences are for services in the south east England region (outside the M25).

All community radio services must satisfy certain 'characteristics of service' which are specified in regulation 3 of the Community Radio Order 2004. Ofcom was satisfied that the applicants (below) awarded a licence met these 'characteristics of service'. In addition, the applications were considered having regard to the criteria set out in section 105 of the Broadcasting Act 1990 ('BA 1990') (as modified by the Community Radio Order 2004, as itself amended by the Community Radio (Amendment) Orders 2010 and 2015). A summary of these criteria is set out below. The key considerations in relation to these criteria, which formed the basis of Ofcom's decisions to award the licences, are also set out below. Where applicable, the relevant sub-paragraph of section 105(1) of the BA 1990 is noted in brackets. (Please see specific community radio licence award criteria, set out below, for full details of each subsection.)

### Applicants awarded a licence

Ofcom has made a licence award to each of the following:

- Vectis Radio (Vectis Radio Limited) Newport, Isle of Wight
- Andover Radio (Andover Radio Limited), Andover, Hampshire
- Kennet Radio (Kennet Community Radio), Newbury, Berkshire
- BFBS Brize Norton (BFBS Brize Norton Limited), Carterton, Oxfordshire
- BFBS Shorncliffe (BFBS Shorncliffe Ltd), Folkestone, Kent

These services will be licensed for a period of five years from the date of their launch. All five services will be licensed to broadcast on FM.

Ofcom was satisfied that the new services would not prejudice unduly the economic viability of any other local analogue commercial radio service (section 105(3) of the BA 1990).

### Vectis Radio

Vectis Radio is a radio station for Newport, Isle of Wight with a particular focus on serving young people, local musicians and community groups. Ofcom considered in particular that the emphasis on output for young people and music from local musicians, along with a proposal to play a variety of music including album tracks and specialist genres, would distinguish the station's output from that of existing commercial stations in the area (1c). Ofcom was satisfied with the group's social gain proposals which include plans to train young people and involve them in producing output. Ofcom noted the group's experience of delivering training, working in conjunction with the local authority and schools (1e).

Vectis Radio will have a condition in its licence limiting income from the sale of advertising or programme or station sponsorship to a maximum of £15,000 per financial year. This is because the expected coverage of the service overlaps by 50% or more with the coverage area of Isle of Wight Radio, a local commercial radio service which has fewer than 150,000

adults living in its measured coverage area. Under the legislation (section 105(4) of the BA 1990), community radio services in such areas are prevented from seeking advertising and programme or station sponsorship revenue above a 'fixed revenue allowance' of £15,000 per year unless the local commercial radio service's licence has been varied to allow studio co-location with another service (section 106(1A)(e) of the BA 1990). Isle of Wight Radio's licence has not been varied in this way.

### Andover Radio

Andover Radio will be a community service for the general population of Andover in Hampshire. Ofcom noted that members of the applicant group have good relevant experience, including in local radio broadcasting, the third sector, fund-raising and local business. This experience along with a sensible business plan led Ofcom to be satisfied that the applicant could maintain the service (1a). Ofcom considered that the applicant demonstrated evidence of demand and support for the service (1d), which includes in-kind support in the form of studio premises at the local college. Ofcom considered that the applicant had put forward good accountability proposals, which include an advisory board with representatives from various sectors in the local community (1f). These should help the service to maintain close links with the target community.

### Kennet Radio

Kennet Radio is a station for the people of Newbury and Thatcham in Berkshire. Ofcom considered that the group had demonstrated its ability to maintain the service. It has existing assets with some secured funding and in-kind support for the pre-launch period and year one, and the group has gained useful experience of broadcasting in the area (1a). In addition Ofcom had regard to the evidence of demand and support for the proposed service from individuals and a range of organisations in the area (1d). Ofcom was satisfied with the social gain proposals which set out how the service would be a platform for community organisations and an information resource for the local community, as well as offering training to volunteers and developing further training in partnership with local educational bodies (1e).

### BFBS Brize Norton

BFBS Brize Norton is for the military community based at Brize Norton in Carterton, Oxfordshire. Ofcom noted that the applicant company already has considerable assets and stable financial backing, and as a result was satisfied it could maintain the service (1a). Ofcom considered that the service would broaden choice by having a strong military focus (1c), and would provide social gain through welfare support and other proposals relevant to the target community (1e).

### BFBS Shorncliffe

BFBS Shorncliffe is for Gurkha soldiers and their families based at the Sir John Moore Barracks near Folkestone, in Kent. Ofcom considered that the service will cater for the tastes and interests of a specific community of interest (1b) and significantly broaden choice locally (1c) by broadcasting informative speech, as well as music, predominantly in Nepali. Ofcom noted that the target community is underserved and will benefit from the social gain provided

by this FM service which will broadcast relevant forces-led content, as well as providing a valuable means to keep the language, traditions and culture of Nepal alive within the local Gurkha and Nepalese community (1e).

### Statutory requirements relating to community radio licensing

The following pages set out the statutory requirements relating to community radio licensing, and details of the licensing process. Further information about these, and detailed information relating to community radio, can be found at:

[licensing.ofcom.org.uk/binaries/radio/community/thirdround/notesofguidance.pdf](https://licensing.ofcom.org.uk/binaries/radio/community/thirdround/notesofguidance.pdf)

In carrying out all of its functions, Ofcom is required to have regard to the general duties set out in section 3 of the Communications Act 2003. In addition, under section 85(2)(b) BA 1990, it is the duty of Ofcom to do all that it can to secure the provision within the UK of a range and diversity of local radio services.

### The characteristics of a community radio service

In respect of the licensing of community radio services in particular, all community radio licensees must satisfy 'characteristics of service' requirements which are specified in Article 3 of the Community Radio Order 2004. The characteristics of community radio services are:

- That they are local services provided primarily for the good of members of the public, or of particular communities, and 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;
- That the service is intended primarily to serve one or more communities (whether or not it also serves other members of the public);
- That the person providing the service does not do so in order to make a financial profit by so doing, and 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 the delivery of social gain to members of the public or the community that the service is intended to serve;
- That members of the community it is intended to serve are given opportunities to participate in the operation and management of the 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.

Article 2 of the Community Radio Order 2004 includes four mandatory “social gain” objectives. “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.

Article 2 also includes a number of other objectives of a social nature which may be considered to represent "social gain".

### Specific community radio licence award criteria

There are seven specific selection criteria set out in section 105(1) BA 1990 that Ofcom must have regard to when considering whether to make a community radio licence award. In summary these are:

- The ability of each applicant to maintain its proposed service over the licence period (section 105(1)(a));
- The applicant's ability to cater for the tastes and interests of the target community (section 105(1)(b));
- The extent to which each applicant would broaden the range of local radio services available in the area, and have a content distinct from those services (section 105(1)(c));
- The extent to which there is evidence of local demand or support for a proposed service (section 105(1)(d));
- The extent to which the service would deliver social gain benefits to the public or relevant community (section 105(1)(e));
- Provisions for making the operator of service accountable to the relevant community (section 105(1)(f));
- Provisions for allowing access by members of the public or the relevant community to the station facilities, and the provision of training in the use of those facilities (section 105(1)(g)).

In considering whether, or to whom (and on what conditions), to grant a community radio licence, Ofcom must also 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.

Furthermore, 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 from paid advertising and sponsorship of programmes except in the following respects:

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

For the avoidance of doubt, programme sponsorship includes station or channel sponsorship, and commercial communications.

### Process for assessment of applications

On 30 June 2015 Ofcom invited applications for licences to provide community radio services in locations in the south east of England (outside the M25). Licences were offered for the provision of services on either the FM (VHF) or AM (medium wave) wavebands (see Ofcom's 'invitation to apply' on our website at

[http://licensing.ofcom.org.uk/binaries/radio/community/thirdround/Invitation\\_for\\_south\\_east\\_Engl\\_and\\_June\\_15.pdf](http://licensing.ofcom.org.uk/binaries/radio/community/thirdround/Invitation_for_south_east_Engl_and_June_15.pdf)

Ofcom received 26 applications for community radio services at locations in this region. The non-confidential sections of all applications are available for public scrutiny on our website.

The Ofcom Board has delegated the discharge of certain of its functions in relation to television and radio broadcast licensing to one or more senior executives from Ofcom's Content Group (namely, Ofcom's Director of Content Standards, Licensing and Enforcement, Ofcom's Director, Broadcast Licensing and Ofcom's Director, Standards and Audience Protection). Each of those individuals, on their own or together, have responsibility for deciding on the award of community radio licences.

The decision-makers for these latest licence awards were Ofcom's Director of Content Standards, Licensing and Enforcement, and Ofcom's Director, Broadcast Licensing.

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