

Small-scale radio multiplex licence award: Blackpool

Background

Ofcom has decided to award a new small-scale radio multiplex licence for Blackpool to Fun Coast Digital Community Interest Company.

In considering the applications it receives for small-scale radio multiplex licences, Ofcom is required to have regard to each of the statutory criteria set out in section 51(2) of the Broadcasting Act 1996 as modified by the Small-scale Radio Multiplex and Community Digital Radio Order 2019. These are as follows:

1. the extent of the coverage area (within the area or locality specified in the Ofcom notice inviting applications) proposed to be achieved by the applicant in the technical plan submitted in its application; (section 51(2)(a))
2. the ability of the applicant to establish the proposed service; (section 51(2)(c))
3. the desirability of awarding the licence to an applicant that:
 - a. is a person providing or proposing to provide a community digital sound programme service in that area or locality, or
 - b. has as a participant a person providing or proposing to provide a community digital sound programme service in that area or locality; (section 51(2)(ca))
4. the extent to which there is evidence that, amongst persons providing or proposing to provide community or local digital sound programme services in that area or locality, there is a demand for, or support for, the provision of the proposed service; (section 51(2)(f)) and
5. whether, in contracting or offering to contract with persons providing or proposing to provide community or local digital sound programme services, the applicant has acted in a manner calculated to ensure fair and effective competition in the provision of those services. (section 51(2)(g)).

The legislation does not rate these requirements in order of priority, but it may be that Ofcom will regard one or more of the criteria as being particularly important in view of the characteristics of the licence to be awarded and the applications for it.

North west England and north east Wales, of which this locality is part, was designated as a 'macro area' because there was potentially insufficient spectrum available to enable to award a licence in all localities advertised. Ofcom therefore adopted a two-stage process. Firstly, we provisionally decided whether and to whom to award a licence in each individual locality applying the statutory criteria. Secondly, having reached a provisional view in relation to each area, we assessed whether there was sufficient spectrum to award licences in all areas where acceptable applications had been received. The notice inviting applications set out that, if there was insufficient spectrum to enable us to make

an award in all areas, we would give priority to areas where more capacity was reserved for community digital sound programme services (as specified in the notice) and, where there were equal numbers of reserved slots, to areas with more existing licensed community analogue services whose coverage area overlaps substantially with the proposed small-scale multiplex.

Assessment of applications

On 1 June 2021, Ofcom published a notice inviting applications for licences to provide small-scale radio multiplex services in several localities, including in Blackpool.

Ofcom received three applications in response to its notice inviting applications for this locality by the closing date of applications which was 1 September 2021. These were from: Fun Coast Digital Community Interest Company ('Fun Coast Digital'), Three Piers Radio Limited, and Tower DAB Ltd. Copies of the non-confidential parts of the applications were made available for public scrutiny on the Ofcom website, and public comment was invited as required under section 50(7).

Ofcom colleagues assessed the detail of applications, including carrying out assessments of the technical plan required to be submitted as part of all applications. The provisional decision in relation to Blackpool was made by a panel of Ofcom decision makers which convened on 5 November 2021. They carefully considered the applications, public comments received, and professional advice from Ofcom colleagues, and applied the statutory criteria in reaching their provisional decision on whether and to whom to award a licence. Reasons for their decision are summarised below.

In relation to section 51(2)(a), the successful applicant, Fun Coast Digital, proposed a single transmitter, situated on Blackpool Tower, to provide a service to the area that was advertised. Ofcom calculations indicate that this would result in a high proportion (just under 90%) of the adult population in the advertised area being able to receive the service. We noted that the applicant's proposed transmission arrangement would also keep potential interference to other radio broadcast services to a minimum. Our coverage predictions showed that the population overlap between the coverage area of the proposed multiplex and the existing Lancashire local radio multiplex remained under the required 40% limit, and would ensure that coverage outside the advertised area was kept under 30%. Taken together, this provided a good level of confidence that limited changes should be needed to finalise the technical plan, and that the predicted coverage was likely to be achieved. Details of the coverage likely to be achieved after completion of the frequency allocation process for the north west England and north east Wales 'macro area' are set out below.

In relation to section 51(2)(c), Ofcom considered financial and business plans, technical plans, the timetable for coverage roll-out, and evidence of relevant expertise and experience. Ofcom considered the applicant would be in a position to establish the service within 18 months of the date of award as required by the legislation. In particular, we noted that the estimated funding requirement for establishing the multiplex would be provided by means of relatively modest loans from each of Fun Coast Digital's directors, and that the applicant had demonstrated positive engagement with the owner of their proposed transmitter site. The application included well-developed plans detailing the steps required to launch the service, and we noted that the applicant proposed to engage an experienced technical contractor to install and provide technical

management of the multiplex. As noted above, Ofcom's technical assessment indicated that the technical plan provided was robust and relatively unlikely to require substantial changes.

In relation to section 51(2)(ca), Ofcom noted that Fun Coast Digital is not proposing to provide its own community digital sound programme service nor does it have as a participant a person proposing to provide such a service. We noted that involvement of such a person is a desirable feature but not a necessity for applicants.

In relation to section 51(2)(f), Ofcom considered evidence of demand or support from persons providing or proposing to provide community or local digital sound programme services in the advertised area. The applicant had secured the support of a relatively limited number of potential programme service providers albeit this included two online radio stations (Sands Radio and Fylde Coast Radio) which are already operating, while some locally-based community organisations had also expressed interest in providing programme services on the multiplex. It was noted that Fun Coast Digital's evidence of demand and support also included three proposed services which would be operated by Blackpool Council, and that these faced additional barriers to launch as, with limited exceptions, local authorities are not able to hold programme service licences.

In relation to section 51(2)(g) and based on the evidence received, Ofcom was satisfied that the applicant had, in contracting or offering to contract with persons providing or proposing to provide community or local digital sound programme services, acted in a manner calculated to ensure fair and effective competition in the provision of those services.

A panel of Ofcom decision makers convened again on 7 April 2022 to consider whether there was sufficient spectrum to award licences in all localities in the north west England and north east Wales 'macro area' where an acceptable application had been received and, if not, in which areas to confirm the provisional decision to make an award. Under the spectrum plan that was agreed at this meeting, the Blackpool multiplex has been allocated frequency block 8B, which we estimate would enable the proposed multiplex to cover just under 89% of the population in the coverage area advertised by Ofcom .

It is noted that the award of a licence does not confer on the awardee the right to implement all elements of the technical plan submitted to Ofcom as part of the successful application. Ofcom will treat proposals in that plan, on the basis of which the award was made, as things the successful applicant has committed to achieve within the 18 month period allowed between award and launch. However, for spectrum planning reasons, Ofcom may also require amendments to proposals between award and licence grant.

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