

Local radio licence renewal: request from Sunrise Radio to add its Greater London AM licence to the list of "approved licences"

Permitting a local licence to be renewed based on the nomination of a national DAB service

CONSULTATION:

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Overview

Local analogue (i.e. AM or FM) commercial radio licences can be renewed for periods of seven, five, and ten years if the licensee is providing a local digital sound programme service on a 'relevant' local or small-scale radio multiplex service, or a national digital sound programme service on a national radio multiplex service. The period for which the licence can be renewed depends on when the licence was last granted following advertisement or re-advertisement, and/or how many times it has previously been renewed.

A local licence can be renewed in return for the provision of a national digital sound programme service (a "national nomination") only if that licence has been approved by Ofcom for that purpose.

Ofcom's policy in relation to "approved licences", and further information regarding "national nominations", can be found in the <u>Analogue licence renewals and national DAB stations addendum document</u>.

Before a licence can be approved, Ofcom is required to consult on the proposed change.

What we are proposing – in brief

- Sunrise Radio (London) Limited, holder of the Greater London AM licence broadcasting on 963 and 972 KHz, has submitted a request to Ofcom for this licence to be "approved" for the purposes of licence renewal.
- The holders of "approved licences" can choose to apply for renewal of their local commercial analogue licence on the basis of a "national nomination".
- Under section 104AA(7) of the Broadcasting Act 1990, Ofcom is required to consult on requests to approve licences.
- Ofcom is minded to approve the Greater London AM licence held by Sunrise Radio (London) Ltd., for the reasons set out in this document.

Background and legal framework

Statutory framework

- 1.1. Under the provisions of sections 104A and 104AA of the Broadcasting Act 1990, as amended¹, the holder of a local analogue (i.e. FM or AM) commercial radio licence who is providing a local digital sound programme service on a 'relevant' local or small-scale radio multiplex service can apply for a renewal of the analogue licence.
- 1.2. A 'relevant' local radio multiplex service is one with a licensed area that provides actual or potential coverage in digital form to 25% or more of the adult population within the measured coverage area (MCA) of the analogue local licence in question. A 'relevant' small-scale radio multiplex service is one with a coverage area which includes at least 25% of the adult population within the MCA of the analogue licence in question.
- 1.3. The holders of certain local analogue commercial radio licences ("approved licences") can choose to apply for renewal on the basis of a "national nomination", i.e. to nominate a national digital sound programme service that they will provide and a national radio multiplex service on which they will provide it, rather than a local digital sound programme service and a 'relevant' local or small-scale radio multiplex service.
- 1.4. The period for which a local licence can be renewed depends on when the licence was last granted following advertisement or re-advertisement, and/or how many times it has previously been renewed.
- 1.5. Section 104AA of the Broadcasting Act 1990 allows for a local licence to be renewed on three occasions, for periods of seven, five, and ten years. The Legislative Reform (Renewal of Radio Licences) Order 2020 has amended section 104AA so that a licence can be renewed on three occasions if it has previously been renewed under section 104A, or if it was last granted on or after 8 April 2010.
- 1.6. The combined effect of these statutory provision is that any local licence is eligible to be renewed, provided the relevant requirements are met.

"Approved licences"

1.7. Since 2010, the following regional FM stations have been able to apply to Ofcom to cease having to provide local material and locally-made programming as long as they are providing a version of that programme service nationally on DAB.

¹ By the <u>Digital Economy Act 2010</u>, <u>The Legislative Reform (Further Renewal of Radio Licences) Order 2015</u> and <u>The Legislative Reform (Renewal of Radio Licences) Order 2020</u>.

Station	Region(s)
Greatest Hits Radio	London, West Midlands
Capital	London, North East, Central Scotland, Yorkshire
Gem	East Midlands
Heart	London, West Midlands, Central Scotland, North East, North West, Yorkshire, South Wales, North & Mid Wales.
Kiss	London, East of England, Severn Estuary
LBC 97.3	London
Magic	London
Nation Radio	Solent
Nation Radio	South Wales
Radio X	London
Smooth Radio	London, East Midlands, West Midlands, North East, North West
Wave 105/Greatest Hits Radio	Solent

- 1.8. This policy² is designed to enable and encourage enhanced choice and competition in radio broadcasting on a UK-wide basis, and in particular has the following benefits:
 - A possible increase in UK-wide commercial radio services with the resources to provide higher quality programming, so offering a better consumer proposition.
 - Enhanced choice and competition at all locations, offsetting any 'under-provision'
 of services that may have been a consequence of a limited number of regional
 stations in any one locality.
 - Cost savings for existing regional stations which would no longer have to maintain regional bases or regional programming, freeing up resources to invest in high quality UK-wide content.
 - The possibility that relevant stations could provide UK-wide services but still offer some regionalised output and advertising, allowing stations the choice to offer such 'local' output. This proposal would therefore not necessarily forego the consumer and citizen benefits of localness, and the public purposes and strategic aims its provisions fulfil.

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² As set out in <u>Statement on commercial radio localness regulation</u>, 15 April 2010.

- 1.9. To ensure that any such stations can still apply for, or maintain, licence renewal, as noted above the legislation allows them to nominate a national DAB service instead of a local one as the basis of the renewal. Ofcom can grant such a renewal provided the national DAB service and the regional FM service are substantially the same³.
- 1.10. This option to make a national nomination is restricted to licences approved by Ofcom, following consultation.
- 1.11. Sunrise Radio (London) Limited has made a request to Ofcom for its Greater London AM licence to be approved so that it may make a national nomination as the basis of its local analogue commercial licence renewal.
- 1.12. In our <u>Analogue licence renewals and national DAB stations addendum</u>, we said any station whose licence has not been "approved" for the purposes of licence renewal could ask for their licence to be so approved, and that we would have to consult on any such request. We also set out our rationale and objectives for approving licences for this purpose, and said that requests will only be granted in exceptional circumstances, such as where the licensee satisfies us that approval of their licence would be consistent with that rationale and those objectives.
- 1.13. In the next section we provide our preliminary view on whether we are minded to approve the Greater London AM licence held by Sunrise Radio (London) Ltd, having regard to the aforementioned rationale and objectives.

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³ The national DAB service must in each calendar month include at least 80% of the programmes included in the analogue service.

Consideration of the request and Ofcom's preliminary view

Policy background

- 2.1 The primary objective for the policy of allowing certain 'regional' stations to in effect become national services was to promote competition and choice in radio services provided nationally, whilst maintaining the appropriate level of provision of local analogue services and the "localness" they provide.
- 2.2 In addition, in order to meet this objective we considered it appropriate to limit the number of licences to be approved for the purpose of the new renewal provisions.
- 2.3 We selected the FM stations which were provided on a 'regional' basis⁴ (including those serving the Greater London area) on the basis they were generally focused on providing an extension of music choice, as well as the required locally made programming and local (regional) material, and thus were more apt to be given the flexibility to link their renewal to a national DAB station.
- 2.4 This was contrasted with stations whose primary purpose was to provide a locally-focused service for a smaller geographical area. We said the localness provided by these stations should be preserved (and therefore their licences should not be "approved" to enable them to become national services), as this would maintain the citizen and consumer benefits localness provides, and the public purposes and strategic aims its provision fulfils, in line with our statutory duties.
- 2.5 We also noted that the original proposal in the Government's Digital Britain report of 2009 which informed the legislation specifically aimed "to ensure that regional stations which do become national DAB stations do not lose their current or future renewal"⁵. This suggested to us that the focus of the legislative policy was firmly on the larger regional stations.
- In its request for its Greater London AM licence to be approved, Sunrise Radio said it "currently simulcasts its London AM service on the Sound Digital National Multiplex" which, in its view, satisfies the requirements set out in the 2010 Statement on Commercial Radio Localness Regulation and updated by the addendum 'Analogue Licence Renewals and National DAB Stations'. It also stated its view that approval of the licence "would be consistent with the rationale and policy objectives set out in the addendum". Sunrise Radio's request is at Annex 1 to this consultation document.

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⁴ This means the services provided under local licences which allow for coverage of a large region. In both statutory and licensing terms, these are still local services.

⁵ <u>Digital Britain</u>, June 2009, p.102

Preliminary view

- 2.7 As set out in our localness guidelines,⁶ AM stations generally need not produce locally-made programmes (although we expect at least 10 hours during weekday daytimes to be broadcast from within the UK nation where the station is based) nor broadcast local material. The licence for which Sunrise Radio is seeking approval is an AM licence, which means there is already flexibility for Sunrise Radio to become more of a national than a local service if it so wishes.
- 2.8 In fact, Sunrise Radio's Format still includes a requirement for at least four hours of programming each day during weekday daytimes and weekends to be broadcast from within its licensed area of Greater London, and the overall 'character of service' is described as "A MUSIC-LED SERVICE FOR LONDON ASIANS PRIMARILY TARGETING THOSE AGED 15 TO 34 WITH A MIX OF ASIAN MUSIC AND OTHER MORE MAINSTREAM MUSIC WHERE APPROPRIATE."
- 2.9 However, we do not consider that these licence requirements indicate a need for Sunrise Radio to exhibit a specific local character in the way a locally-focused service for a smaller geographical area is required to do. Rather, they reflect the circumstances of where the station is based. The primary purpose of the service is clearly to serve Asian listeners.
- 2.10 We also recognise that Ofcom has already approved the eight Greater London licences which allow for broadcasting on FM for the purposes of becoming national services on DAB and seeking licence renewal on that basis. We cannot see any reason why any of the Greater London licences which allow for broadcasting on AM should be treated differently in this respect.
- 2.11 Finally, as the service is already broadcasting to London on AM, as well as nationally on DAB, Ofcom is of the view that approving the request is unlikely to adversely impact London listeners.
- 2.12 Ofcom is therefore minded, on a preliminary basis, to approve the request to add the Greater London AM licence held by Sunrise Radio (London) Ltd to the list of "approved licences" for the following reasons:
 - as an AM licence, the service already has the flexibility to be national rather than local in character;
 - as a licence for Greater London, it offers coverage of a large geographical area akin to that of a 'regional' FM licence, all of which we have previously approved;
 - the service is already broadcasting nationally on DAB, and thus there is unlikely to be any impact on listeners.
- 2.13 We consider these factors to mean that approval of the licence would be consistent with the relevant policy rationale and objectives, but seek views from stakeholders before reaching our final decision.

 $^{^{6}\,\}underline{\text{https://www.ofcom.org.uk/tv-radio-and-on-demand/information-for-industry/radio-broadcasters/localness}}$

Question: Do you agree with our Preliminary View to approve Sunrise Radio's request for its London AM licence to be added to the list of "approved licences"?

Please provide evidence in support of your views.

A1. Request from Sunrise Radio



Ofcom Riverside House 2a Southwark Bridge Road London SE1 9HA 12 April 2023

Dear John

Sunrise Radio Licence Renewal

Thank you for your email dated 27 March 2023 regarding analogue commercial licence renewals

Please accept this letter as a formal request to add Licence AL100581/BA1 (currently operated as Sunrise Radio by Sunrise Radio London Ltd) to the list of 'approved licences' eligible to nominate a national digital sound programme service they will provide and a national DAB multiplex on which they will provide it for the purposes of section 104A(5) of the Broadcasting Act 1990.

Sunrise Radio currently simulcasts its London AM service on the Sound Digital National Multiplex. The output, in our view satisfies the requirements set out in the Statement on Commercial Radio Localness Regulation and updated by the addendum 'Analogue Licence Renewals and National DAB Stations. Adding the station to the list of approved licences would be consistent with the rationale and policy objectives set out in the addendum.

I am aware that to add Sunrise Radio the list of approved licences OFCOM will need to put this out for consultation. If there is any further information that you require please let me know.

Yours sincerely

Tony Lit Managing Director

A2. Responding to this consultation

How to respond

- A2.1 Ofcom would like to receive views and comments on the issues raised in this document, by 5pm on 6 October 2023.
- A2.2 You can download a response form from https://www.ofcom.org.uk/consultations-and-statements/category-3/local-radio-licence-renewal-request-from-sunrise-radio. You can return this by email or post to the address provided in the response form.
- A2.3 If your response is a large file, or has supporting charts, tables or other data, please email it to broadcast.licensing@ofcom.org.uk, as an attachment in Microsoft Word format, together with the cover sheet.
- A2.4 Responses may alternatively be posted to the address below, marked with the title of the consultation:

Broadcast Licensing Team Ofcom Riverside House 2A Southwark Bridge Road London SE1 9HA

- A2.5 We welcome responses in formats other than print, for example an audio recording or a British Sign Language video. To respond in BSL:
 - send us a recording of you signing your response. This should be no longer than 5 minutes. Suitable file formats are DVDs, wmv or QuickTime files; or
 - upload a video of you signing your response directly to YouTube (or another hosting site) and send us the link.
- A2.6 We will publish a transcript of any audio or video responses we receive (unless your response is confidential)
- A2.7 We do not need a paper copy of your response as well as an electronic version. We will acknowledge receipt of a response submitted to us by email.
- A2.8 You do not have to answer all the questions in the consultation if you do not have a view; a short response on just one point is fine. We also welcome joint responses.
- A2.9 It would be helpful if your response could include direct answers to the questions asked in the consultation document. The questions are listed at Annex 5. It would also help if you could explain why you hold your views, and what you think the effect of Ofcom's proposals would be.
- A2.10 If you want to discuss the issues and questions raised in this consultation, please contact John O'Reilly on 020 7981 3148, or by email to john.oreilly@ofcom.org.uk.

Confidentiality

- A2.11 Consultations are more effective if we publish the responses before the consultation period closes. In particular, this can help people and organisations with limited resources or familiarity with the issues to respond in a more informed way. So, in the interests of transparency and good regulatory practice, and because we believe it is important that everyone who is interested in an issue can see other respondents' views, we usually publish responses on the Ofcom website at regular intervals during and after the consultation period.
- A2.12 If you think your response should be kept confidential, please specify which part(s) this applies to, and explain why. Please send any confidential sections as a separate annex. If you want your name, address, other contact details or job title to remain confidential, please provide them only in the cover sheet, so that we don't have to edit your response.
- A2.13 If someone asks us to keep part or all of a response confidential, we will treat this request seriously and try to respect it. But sometimes we will need to publish all responses, including those that are marked as confidential, in order to meet legal obligations.
- A2.14 To fulfil our pre-disclosure duty, we may share a copy of your response with the relevant government department before we publish it on our website. This is the Department for Business, Energy and Industrial Strategy (BEIS) for postal matters, and the Department for Culture, Media and Sport (DCMS) for all other matters.
- A2.15 Please also note that copyright and all other intellectual property in responses will be assumed to be licensed to Ofcom to use. Ofcom's intellectual property rights are explained further in our Terms of Use.

Next steps

- A2.16 Following this consultation period, Ofcom plans to publish a statement in Autumn 2023.
- A2.17 If you wish, you can <u>register to receive mail updates</u> alerting you to new Ofcom publications.

Ofcom's consultation processes

- A2.18 Of com aims to make responding to a consultation as easy as possible. For more information, please see our consultation principles in Annex 3.
- A2.19 If you have any comments or suggestions on how we manage our consultations, please email us at consult@ofcom.org.uk. We particularly welcome ideas on how Ofcom could more effectively seek the views of groups or individuals, such as small businesses and residential consumers, who are less likely to give their opinions through a formal consultation.
- A2.20 If you would like to discuss these issues, or Ofcom's consultation processes more generally, please contact the corporation secretary:

Corporation Secretary
Ofcom
Riverside House
2a Southwark Bridge Road
London SE1 9HA

Email: corporationsecretary@ofcom.org.uk

A3. Ofcom's consultation principles

Ofcom has seven principles that it follows for every public written consultation:

Before the consultation

A3.1 Wherever possible, we will hold informal talks with people and organisations before announcing a big consultation, to find out whether we are thinking along the right lines. 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

- A3.2 We will be clear about whom we are consulting, why, on what questions and for how long.
- A3.3 We will make the consultation document as short and simple as possible, with an overview of no more than two pages. We will try to make it as easy as possible for people to give us a written response.
- A3.4 We will consult for up to ten weeks, depending on the potential impact of our proposals.
- A3.5 A person within Ofcom will be in charge of making sure we follow our own guidelines and aim to reach the largest possible number of people and organisations who may be interested in the outcome of our decisions. Ofcom's Consultation Champion is the main person to contact if you have views on the way we run our consultations.
- A3.6 If we are not able to follow any of these seven principles, we will explain why.

After the consultation

A3.7 We think it is important that everyone who is interested in an issue can see other people's views, so we usually publish the responses on our website at regular intervals during and after the consultation period. After the consultation we will make our decisions and publish a statement explaining what we are going to do, and why, showing how respondents' views helped to shape these decisions.

A4. Consultation coversheet

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	
Name/contact details/job title					
Whole response					
Organisation					
Part of the response					
If there is no separate annex, which parts?					
still publish a reference to the contents of yo general summary that does not disclose the s	e or your organisation not to be published, can Ofcom ur response (including, for any confidential parts, a specific information or enable you to be identified)?				
DECLARATION					
that Ofcom can publish. However, in supplyir publish all responses, including those which a	with this cover sheet is a formal consultation responseing this response, I understand that Ofcom may need to are marked as confidential, in order to meet legal ail, Ofcom can disregard any standard e-mail text about ts.				
• • • • • •	ntervals during and after the consultation period. If your part), and you would prefer us to publish your response tick here.				
Name Signe	ed (if hard copy)				

A5. Consultation question

A5.1 We invite views from stakeholders on the following question:

Question: Do you agree with our Preliminary View to approve Sunrise Radio's request for its London AM licence to be added to the list of "approved licences"?

Please provide evidence in support of your views.