

Imagine Radio

Request to create a new approved area

CONSULTATION:

Publication date: 30 October 2020

Closing date for responses: 27 November 2020

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1. Overview

Most local analogue commercial radio stations are required to produce a certain number of hours of locally-made programming. Under legislation passed in 2010, these stations are not only able to broadcast their locally-made hours from within their licence area, but may instead broadcast from studios that are based within a larger area approved by Ofcom. These wider areas are known as 'approved areas'. Stations can also share their local hours of programming with other stations located in the same approved area.

Ofcom has approved an area for every local radio licence in the UK, to give stations more flexibility in their broadcasting arrangements. However, a licensee can ask Ofcom to approve a bespoke area, since the statutory framework allows for an approved area in relation to each local analogue service.

What we are consulting on - in brief

Imagine FM Limited ('Imagine') has asked Ofcom to approve the creation of a new bespoke approved area for the Buxton and Stockport FM local radio licences, both of which broadcast as 'Imagine Radio.' The Buxton licence is currently in the Central Ofcom approved area, while the Stockport licence is in the North West of England Ofcom approved area. If approved, the new approved area would be known as 'Stockport & Buxton (Imagine Radio)'.

We are seeking views on Imagine's proposal, before we decide whether or not to approve the requested area. Our preliminary view is that we are minded to approve this request, for the policy reasons set out in Section 3 of this document.

The consultation closes at 5pm on 27 November 2020.

2. Details and background information

- 2.1 In relation to any given local commercial radio station, a locally-made programme is defined (in statute) as one which is made at premises in the area the station broadcasts to, or at premises located somewhere else but still within a larger area which includes the station's broadcast area. The latter is called an 'approved area', because it must be approved by Ofcom (after consultation). The concept of approved areas was established in 2010 to give local stations greater flexibility over where they make their programmes in practice, it has enabled the larger commercial radio groups to rationalise the number of studios they operate, and stations in relatively close geographical proximity to share their locally-made programmes (providing the output can still be considered to be locally-relevant to listeners in each of the individual broadcast areas).
- An approved area relates to an individual station, which means that every local station can, in theory, have a different approved area. Historically, Ofcom has taken a mixed approach, whereby it first (in 2010) approved a set of areas such that every station in a defined geographical area of the UK had the same approved area¹, but also subsequently permitted different approved areas for some stations (for example, where two or more stations were located in more than one of the already approved areas) in response to individual requests from licensees.
- 2.3 In August 2018, Ofcom consulted on a new set of approved areas which were mostly larger than those set in 2010 on the basis that the findings of our research suggested that the location of presenters was not considered to be as important as the delivery of local material, and that technological developments have made it easier to gather and produce local material without having to be physically located in the local area. We also said that the larger approved areas would give licensees greater freedom to determine where to locate their studios and make their content, and that this flexibility would enable radio groups which own multiple licences in the same region to put more resources into programme making and less into the "bricks and mortar" costs of maintaining separate local studios.
- The new approved areas were designed to broadly match (with a few differences) the ITV regions. This was on the basis that the ITV regions are an already well-established framework for the delivery of sub-UK-wide broadcast programming, which both audiences and advertisers have a degree of familiarity with. We approved these areas in our statement of October 2018 (for England, Northern Ireland and the Channel Islands) and, following a second consultation process, in March 2019 (for Scotland and Wales). In the October 2018 statement, we recognised that some licensees may wish to seek approval of a different approved area for their stations for reasons including the strategic and commercial interests of the radio groups concerned.

¹ The only exceptions to this were Greater London and northern Scotland. Any stations located in these areas needed to ask Ofcom to approve an area on a case-by-case-basis.

- 2.5 We said that any licensee who wishes to have a different approved area for its stations may submit a request to us to approve the proposed area. In accordance with the statute, any such requests will need to be consulted on before Ofcom can approve them². We also said that these requests will continue to be considered on a case-by-case basis using the criteria of station size, affinities between the station areas concerned, distance between stations and financial viability, as set out in our current guidance on the regulation of Format changes.
- 2.6 Imagine FM Limited ('Imagine') owns the local FM licence for Stockport, and is also the owner of High Peak Radio Limited, which holds the local FM licence for Buxton. In September 2020, we received a request from Imagine asking that Ofcom designate an approved area (which we have labelled as 'Stockport & Buxton (Imagine Radio)'), as an approved area for the purposes of Section 314 of the Communications Act 2003, for the two licences. The Stockport licence is currently in the North West of England approved area, while the Buxton licence is currently in the Central approved area. Imagine's request in full is set out at Annex 5

Proposed 'Stockport and Buxton (Imagine Radio)' approved area

- 2.7 If the creation of the Stockport & Buxton (Imagine Radio) approved area is approved by Ofcom following this consultation, Imagine will be able to request for the two stations it owns within in this area a Format change to provide the locally-made programming on those stations from studios located anywhere within the new approved area.
- 2.8 In accordance with our published policy, we would also be likely to approve any Format change requests we might receive relating to programme sharing where all the stations involved are located within the same approved area, provided we are satisfied that the stations involved will continue to meet their licence obligations to provide local material relevant to the listeners in their individual licence areas. This would mean that, if the creation of the Stockport & Buxton (Imagine Radio) approved area is approved, Ofcom would be likely to give consent to any programme sharing requests between the licences listed at paragraph 2.6, provided we are satisfied that those stations will continue to meet such obligations.

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² Under s.314(9) of the Communications Act 2003.

3. Consideration of the request

- 3.1 Annex 5 contains Imagine's request to create a new approved area, which we have called 'Stockport & Buxton (Imagine Radio)'. The request has been made on the basis of section 314 of the Communications Act 2003.
- 3.2 In its request, Imagine has provided a number of reasons why it believes the proposed new Stockport & Buxton (Imagine Radio) approved area would be appropriate in relation to the two licences concerned, based on considerations of distances between stations, local factors and financial viability.
- 3.3 Ofcom's preliminary view of Imagine's request is that we are minded to approve the creation of the Stockport & Buxton (Imagine Radio) area.
- 3.4 Our preliminary view is based upon the fact that:
 - The proposed new area would be consistent with our view that approved areas should not generally be larger than ITV regions; in fact, it would be considerably smaller than any other approved area.
 - The proposed area matches the strategic and commercial interests of the licensee, given that it would encompass the licensed areas of the two licences it owns in this region, and should help it to put more resources into programme making and less into the "bricks and mortar" costs of maintaining separate local studios. This is particularly important given that the Buxton service has a licensed area with a population of fewer than 100,000 adults.
 - There are likely to be affinities between the Stockport area and the most northerly
 parts of the Buxton licensed area given their close geographical proximity and
 transport links (albeit we acknowledge that the licensed area of the Buxton service also
 includes Ashbourne, Wirksworth and Uttoxeter, all of which are considerably further
 away from Stockport and arguably look more towards Derby than Manchester and
 Stockport).

Consultation question

Do you agree that for the purposes of where locally-made programming may come from, Ofcom should approve the 'Stockport & Buxton (Imagine Radio)' area in relation to the two local licences listed in Section 2 of this document? If you do not agree, please give reasons.

A1. Responding to this consultation

How to respond

- A1.1 Ofcom would like to receive views and comments on the issues raised in this document, by 5pm on 27 November 2020.
- A1.2 You can download a response form from https://www.ofcom.org.uk/consultations-and-statements/category-3/imagine-radio-approved-area-request. You can return this by email to the address provided in the response form.
- A1.3 If your response is a large file, or has supporting charts, tables or other data, please email it to approved.areas@ofcom.org.uk, as an attachment in Microsoft Word format, together with the cover sheet. This email address is for this consultation only, and will not be valid after 27 November 2020.
- A1.4 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.
- A1.5 We will publish a transcript of any audio or video responses we receive (unless your response is confidential)
- A1.6 We do not need a paper copy of your response as well as an electronic version. We will acknowledge receipt if your response is submitted via the online web form, but not otherwise.
- A1.7 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.
- A1.8 It would be helpful if your response could include direct answers to the question asked in the consultation document. The question is listed at Annex 4. 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.
- A1.9 If you want to discuss the issues and questions raised in this consultation, please contact Jon Heasman on 020 7783 4509, or by email to jon.heasman@ofcom.org.uk.

Confidentiality

A1.10 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 all responses on our website, www.ofcom.org.uk, as soon as we receive them.
- A1.11 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.
- A1.12 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.
- A1.13 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

- A1.14 Following this consultation period, Ofcom plans to publish a statement in December 2020.
- A1.15 If you wish, you can <u>register to receive mail updates</u> alerting you to new Ofcom publications.

Ofcom's consultation processes

- A1.16 Ofcom aims to make responding to a consultation as easy as possible. For more information, please see our consultation principles in Annex 2.
- A1.17 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.
- A1.18 If you would like to discuss these issues, or Ofcom's consultation processes more generally, please contact the corporation secretary:

Email: corporationsecretary@ofcom.org.uk

A2. Ofcom's consultation principles

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

Before the consultation

A2.1 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

- A2.2 We will be clear about whom we are consulting, why, on what questions and for how long.
- A2.3 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 for people to give us a written response. If the consultation is complicated, we may provide a short Plain English / Cymraeg Clir guide, to help smaller organisations or individuals who would not otherwise be able to spare the time to share their views.
- A2.4 We will consult for up to ten weeks, depending on the potential impact of our proposals.
- A2.5 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.
- A2.6 If we are not able to follow any of these seven principles, we will explain why.

After the consultation

A2.7 We think it is important that everyone who is interested in an issue can see other people's views, so we usually publish all the responses on our website as soon as we receive them. 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.

A3. Consultation coversheet

BASIC DETAILS

Consultation title: Imagine Radio – request to create a new approved area	
To (Ofcom contact): Jon Heasman	
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	
f 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)

A4. Consultation question

Do you agree that for the purposes of where locally-made programming may come from, Ofcom should approve the 'Stockport & Buxton (Imagine Radio)' area in relation to the two local licences listed in Section 2 of this document? If you do not agree, please give reasons.

A5. Imagine Radio's request to create a new approved area

Introduction

This document is written as a request to Ofcom, to allow a boundary change of the Ofcom approved area for Imagine Radio (Buxton), operated by High Peak Radio Ltd under licence AL100969BA/3.

This request is to generate a new Ofcom approved area, to allow Imagine Radio (Buxton) to operate from within the Imagine Radio (Stockport) licence area, rather than the Midlands approved area.

Current Operation

Imagine Radio (Buxton) currently operates and broadcasts from a number of sites within the Midlands region (Chapel-En-Le-Frith, Buxton and Glutton Bridge). Local programming predominantly comes from Ashbourne and Chapel-En-Le-Frith, with local travel from Glutton Bridge. Occasional programming is also broadcast from a presenter's premises within the approved area.

During hours outside of the local programming provision, Imagine Radio (Buxton) currently broadcast a network feed from Imagine Radio (Stockport).

Proposed Request

It is requested that Imagine Radio (Buxton) licence area and Imagine Radio (Stockport) licence area are combined to generate a new Ofcom approved area. This would allow Imagine Radio (Buxton) to then co-locate with Imagine Radio (Stockport). This will allow Imagine Radio (Buxton) to join the new broadcast hub that has been built and established within Stockport. Currently 20 employees and freelancers work from the new Stockport hub.



Justification

- 1. The current Ofcom regions have taken into account the county, however not the geographical location of each station within the county. Although being predominantly based in Derbyshire, it's the very North West of the county. The main populated area of the TSA is closer to Manchester than it is Derby.
- 2. The TSA for Imagine Radio (Buxton) is around 95000 people. The most populated area is to the North of the TSA. The transport links across this area include:
 - Regular bus link to Stockport and Manchester.
 - Direct train link to Stockport and Manchester.
 - Closest airport is Manchester.
- 3. The TSA for Imagine Radio (Buxton) is very rural, with Buxton having the largest number of residents, with a population 23000. With this being so rural, a large proportion of the population have to travel to Stockport or Manchester City Centre for job opportunities. It has a real affinity to Stockport and often associated with it.
- 4. From Chapel-En-Le-Frith to Stockport, the travel distance is only 13 miles and you only need to follow one road.

- 5. The vast majority of the TSA has a postcode starting with SK. This postcode relates to Stockport and the Stockport postal area.
- 6. Being such a small TSA, it is challenging to make the business profitable. Many businesses are small, therefore having smaller budgets for advertising and marketing. This has been made more difficult by the COVID-19 pandemic. The change of approved areas, will allow the business to save cost on real estate and maintain a good level of local programming and content despite a lower income that would be expected from a large town or a city.
- 7. The landlords of our Chapel-En-Le-Frith property are wanting us to vacate the building. A planning application is in to redevelop the site and turn it into 2 houses. This means we would have to find a new location to broadcast on. This is difficult from a connectivity perspective in a rural location. Stockport has a gigabit 99.95% uptime availability line available for transmission and then distribution to each transmission area within the TSA. Many areas within the High Peak area do not have high speed fibre broadband.
- 8. The landlords of our building in Ashbourne have asked if we would like to vacant the office and studio area, despite having a lease until December 2022. They would like the office space for themselves and their ongoing business. This will allow us to introduce a cost saving and also consolidate real estate.

High Peak Radio Ltd trading under the Like Media Group name are committed to providing an enjoyable and local service to the current TSA we serve. We have an enhanced new service and local travel news within peak times. The local programming is also "hyper local" and tailored directly to the TSA. This will continue, however from the shared facility within Stockport.

These changes would have no impact on the current service.