



**VALLEYS RADIO (Heads of
South Wales Valleys)**
Request to co-locate this station at Neath/Port Talbot

Consultation

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Closing Date for Responses: October 17 2008

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Section 1

Summary

- 1.1 Ofcom has received a request from UTV to co-locate Valleys Radio outside its licensed area (The Heads of the South Wales Valleys) into the Neath/Port Talbot area, where it proposes to house its sister stations, Swansea Sound and The Wave.
- 1.2 Ofcom has published guidelines with regard to criteria that will be considered when stations request co-location. They are attached as part of the Background in Section 2.
- 1.3 The guidelines were drawn up to take into account the pressures on smaller stations operating stand-alone services when cost-sharing with a neighbouring station might alleviate some of the pressure. The guidelines were designed to restrict co-location arrangements to those where any move would appear, as it were, a “natural fit” and not disenfranchise the listener. Hence, they involve the distance between areas, cultural affinity, size of station and financial issues.
- 1.4 UTV’s request involves a station with a Measured Coverage Area of 475,315. The guidelines indicate that there is likely to be a stronger case for co-location where a population of less than 250,000 is involved, but Ofcom has agreed to look at requests to co-locate larger stations in exceptional circumstances.
- 1.5 In this case Ofcom has decided it cannot immediately agree to a co-location given the size of the station and the fact that UTV wishes to co-locate it outside its clearly defined licensed area (ie The Heads of the South Wales Valleys). Ofcom did not accept that “exceptional circumstances” were apparent, but offered UTV a public consultation to see if such exceptional circumstances could be established
- 1.6 UTV’s submission in support of the application is at Annex 5. It has also provided Ofcom with financial information and letters of support.
- 1.7 The consultation question is at Annex 4 and asks whether “exceptional circumstances” - needed for the request to be agreed – exist.

Section 2

Background

2.1 Ofcom's Co-Location Guidelines were published last year following consultation and form part of Ofcom's general Localness Guidelines :

Stations can apply for co-location; in deciding whether to allow co-location, the sort of factors Ofcom may take into account are:

- *Size of station: there may be a stronger case for co-location and/or programme sharing where at least one of the stations has a licensed area with a population of fewer than 250,000, and especially those under 100,000, although we would not rule out requests from larger stations in exceptional circumstances.*
- *Distance and affinity between the areas: there is likely to be a stronger case for co-location where the stations concerned are not too far apart geographically and are able to demonstrate a cultural affinity between the two areas.*
- *Financial: there may be a stronger case for co-location where stations can demonstrate that co-location is required to ensure the financial viability of the stations concerned.*

However, there may be other factors to be taken into account, and Ofcom will treat each co-location request on a case-by-case basis. Ofcom does not rule out allowing co-location for larger stations in exceptional circumstances.

2.2 Co-location should not be confused with programme sharing. Stations may make a request to share programming, but agreement to co-location does not in itself signify agreement to share programmes beyond already agreed limits. UTV are making no requests to share extra programming.

2.3 A number of stations have successfully requested co-location in the past. These include : the two Yorkshire Coast Radio stations (in Scarborough and Bridlington); the two Trax FM stations (in Doncaster and Bassetlaw); Bridge FM in Bridgend at Swansea Bay Radio; CN Radio's Rugby and Coventry stations at Honiley; UTV's Tower FM, which is co-located with Wish FM and Wire FM : Bright FM and Splash FM (in Worthing) Other stations have requested co-location as part of the process by which Ofcom is revising Formats across the commercial radio board. The results of these requests will be published in due course once all formats are agreed.

2.4 In this case, Ofcom believes a consultation is needed in order to make judgement on whether or not there are exceptional circumstances which lead us to conclude that such a large station (almost half a million people) could be located outside its licensed area (albeit by, perhaps, only a few miles) without the result being detrimental for the listener. The Heads of the Valleys area is defined by the Welsh Assembly Government at

http://new.wales.gov.uk/docrepos/40382/4038231141/403821125611/HofV_Strategy_Oct_06.pdf?lang=en

- 2.5 UTV have, for understandable business reasons, yet to guarantee a final location for its Swansea HQ at which it wishes Valleys Radio to be co-located, but it will be in the Neath/Port Talbot borough area. This area is outside the boundary as defined. UTV's location of choice is the Swansea Gate Business Park, situated 15 miles as the crow flies (25 miles by road) from the Neath/Port Talbot area boundary.
- 2.6 Ofcom accepts that (depending on the final choice of location) the new station might still be operating up to 15 miles of its licensed area boundary. Nevertheless, the station is a large one with a very well defined cultural remit. This consultation is being held to get the public's view on UTV's argument that Ofcom should accept that there are exceptional circumstances in play which should lead to the request being granted.
- 2.7 Valleys Radio, which launched twelve years ago, has traditionally been on AM, Ofcom recently approved a change to the station's transmission arrangements which means it will broadcast with a mixture of AM and FM transmitters in the future.

Annex 1

Responding to this consultation

How to respond

- A1.1 Ofcom invites written views and comments on the issues raised in this document, to be made **by 5pm on October 17 2008**.
- A1.2 Ofcom strongly prefers to receive responses using the online web form at <http://www.ofcom.org.uk/consult/condocs/valleysconsult/howtorespond/form>, as this helps us to process the responses quickly and efficiently. We would also be grateful if you could assist us by completing a response cover sheet (see Annex 3), to indicate whether or not there are confidentiality issues. This response coversheet is incorporated into the online web form questionnaire.
- A1.3 For larger consultation responses - particularly those with supporting charts, tables or other data - please email: martin.campbell@ofcom.org.uk attaching your response in Microsoft Word format, together with a consultation response coversheet.
- A1.4 Responses may alternatively be posted or faxed to the address below, marked with the title of the consultation.
- Valleys Radio Co-Location
Martin Campbell, Chief Advisor, Radio,
Ofcom
Riverside House
2A Southwark Bridge Road
London SE1 9HA
- Fax: 020 7981 3806
- A1.5 Note that we do not need a hard copy in addition to an electronic version. Ofcom will acknowledge receipt of responses if they are submitted using the online web form but not otherwise.
- A1.6 It would be helpful if your response could include direct answers to the questions asked in this document, which are listed together at Annex 4. It would also help if you can explain why you hold your views and how Ofcom's proposals would impact on you.

Further information

- A1.7 If you want to discuss the issues and questions raised in this consultation, or need advice on the appropriate form of response, please contact Martin Campbell on 020 7981 3850.

Confidentiality

- A1.8 We believe it is important for everyone interested in an issue to see the views expressed by consultation respondents. We will therefore usually publish all responses on our website, www.ofcom.org.uk, ideally on receipt. If you think your response should be kept confidential, can you please specify what part or whether

all of your response should be kept confidential, and specify why. Please also place such parts in a separate annex.

- A1.9 If someone asks us to keep part or all of a response confidential, we will treat this request seriously and will try to respect this. But sometimes we will need to publish all responses, including those that are marked as confidential, in order to meet legal obligations.
- A1.10 Please also note that copyright and all other intellectual property in responses will be assumed to be licensed to Ofcom to use. Ofcom's approach on intellectual property rights is explained further on its website at <http://www.ofcom.org.uk/about/accoun/disclaimer/>

Next steps

- A1.11 Following the end of the consultation period, Ofcom intends to publish a statement.
- A1.12 Please note that you can register to receive free mail Updates alerting you to the publications of relevant Ofcom documents. For more details please see: http://www.ofcom.org.uk/static/subscribe/select_list.htm

Ofcom's consultation processes

- A1.13 Ofcom seeks to ensure that responding to a consultation is easy as possible. For more information please see our consultation principles in Annex 2.
- A1.14 If you have any comments or suggestions on how Ofcom conducts its consultations, please call our consultation helpdesk on 020 7981 3003 or e-mail us at consult@ofcom.org.uk . We would particularly welcome thoughts on how Ofcom could more effectively seek the views of those groups or individuals, such as small businesses or particular types of residential consumers, who are less likely to give their opinions through a formal consultation.
- A1.15 If you would like to discuss these issues or Ofcom's consultation processes more generally you can alternatively contact Vicki Nash, Director Scotland, who is Ofcom's consultation champion:

Vicki Nash
Ofcom
Sutherland House
149 St. Vincent Street
Glasgow G2 5NW

Tel: 0141 229 7401
Fax: 0141 229 7433

Email vicki.nash@ofcom.org.uk

Annex 2

Ofcom's consultation principles

A2.1 Ofcom has published the following seven principles that it will follow for each public written consultation:

Before the consultation

A2.2 Where possible, we will hold informal talks with people and organisations before announcing a big consultation to find out whether we are thinking in the right direction. 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

A2.3 We will be clear about who we are consulting, why, on what questions and for how long.

A2.4 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 to give us a written response. If the consultation is complicated, we may provide a shortened Plain English Guide for smaller organisations or individuals who would otherwise not be able to spare the time to share their views.

A2.5 We will consult for up to 10 weeks depending on the potential impact of our proposals.

A2.6 A person within Ofcom will be in charge of making sure we follow our own guidelines and reach out to the largest number of people and organisations interested in the outcome of our decisions. Ofcom's 'Consultation Champion' will also be the main person to contact with views on the way we run our consultations.

A2.7 If we are not able to follow one of these principles, we will explain why.

After the consultation

A2.8 We think it is important for everyone interested in an issue to see the views of others during a consultation. We would usually publish all the responses we have received on our website. In our statement, we will give reasons for our decisions and will give an account of how the views of those concerned helped shape those decisions.

Annex 3

Consultation response cover sheet

- A3.1 In the interests of transparency and good regulatory practice, we will publish all consultation responses in full on our website, www.ofcom.org.uk.
- A3.2 We have produced a coversheet for responses (see below) and would be very grateful if you could send one with your response (this is incorporated into the online web form if you respond in this way). This will speed up our processing of responses, and help to maintain confidentiality where appropriate.
- A3.3 The quality of consultation can be enhanced by publishing responses before the consultation period closes. In particular, this can help those individuals and organisations with limited resources or familiarity with the issues to respond in a more informed way. Therefore Ofcom would encourage respondents to complete their coversheet in a way that allows Ofcom to publish their responses upon receipt, rather than waiting until the consultation period has ended.
- A3.4 We strongly prefer to receive responses via the online web form which incorporates the coversheet. If you are responding via email, post or fax you can download an electronic copy of this coversheet in Word or RTF format from the 'Consultations' section of our website at www.ofcom.org.uk/consult/.
- A3.5 Please put any parts of your response you consider should be kept confidential in a separate annex to your response and include your reasons why this part of your response should not be published. This can include information such as your personal background and experience. If you want your name, address, other contact details, or job title to remain confidential, please provide them in your cover sheet only, so that we don't have to edit your response.

Cover sheet for response to an Ofcom consultation

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	<input type="checkbox"/>	Name/contact details/job title	<input type="checkbox"/>
Whole response	<input type="checkbox"/>	Organisation	<input type="checkbox"/>
Part of the response	<input type="checkbox"/>	If 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)

Annex 4

Consultation question

One Question

A4.1

Q 1. Should Ofcom accept that the level of exceptional circumstances as outlined by UTV is such that we should agree to the co-location of Valleys Radio in the Neath/Port Talbot borough at Swansea Gate Business Park?

(If the final location turns out not to be Swansea Gate, Ofcom may use relevant responses to help determine whether or not a second consultation is required)

Annex 5

UTV's Request for the Co-Location of Valleys Radio



Format Change Request Form OfW 332

Station Name:

Valleys Radio

Name of Person Proposing Format Change:

Chris Hurst
ILR Managing Director UTV Radio (GB)

Outline Format Change(s) Proposals:

Co-location of Valleys Radio with 96.4FM The Wave and Swansea Sound in UTV Radio's new South Wales Media Centre being proposed in the County Borough of Neath Port Talbot (or closer to the Valleys licensed area if we are unsuccessful in securing commercial premises at Swansea Gate).

Operators of analogue local radio licences may apply to Ofcom to have the station's Format amended. Any application should be made using the layout shown on this form, and should be in accordance with Ofcom's published procedures for Format changes (available on our website).

Under section 106(1A) of the Broadcasting Act 1990 (as amended*), Ofcom may consent to the change only if it is satisfied that *at least one* of the following four criteria is satisfied:

- (a) *that the departure would not substantially alter the character of the service;*
- (b) *that the departure would not narrow the range of programmes available by way of relevant independent radio services to persons living the area or locality for which the service is licensed to be provided;*
- (c) *that the departure would be conducive to the maintenance or promotion of fair and effective competition; or*

- (d) *that there is evidence that, amongst persons living in that area or locality, there is a significant demand for, or significant support for, the change that would result from the departure.*

Only one of these four criteria need be satisfied in order for Ofcom to consent to the proposed change. However, even if Ofcom is of the opinion that the proposed change satisfies one or more of the statutory criteria, there may be reasons (depending on the particularly circumstances of the case) why Ofcom may not consent to the proposed change.

In addition, applicants should note that, under section 106ZA of the same Act (as amended*), a proposed change that *does not* satisfy the first of these criteria (i.e. a change that Ofcom considers *would or could* substantially alter the character of the service) must, if it is to be considered further under any of the other three criteria, be consulted upon. #.

In the event that Ofcom receives a request for Format change and considers that criterion (a) is *not* satisfied, it will seek confirmation from the applicant as to whether it wishes to proceed with the request (and, if so, whether it wishes to amend or replace its submission in light of the necessity to make it public).

Section 106(a) relevance...

(a) Moving Valleys Radio into UTV Radio's purpose built South Wales Media Centre ("SWMC") at Swansea Gate Business Park will not alter the station's Character of Service. Valleys Radio will continue to serve the Valleys communities as it has done for the past twelve years, and will always remain "a locally focused music and information station for the Valleys".

In terms of output, listeners will hear only improvements to the service (details of which are outlined in more depth later in this application). Valleys Radio will remain totally committed to delivering the required level of locally relevant programming.

As will be demonstrated later in the financial section of this application, moving Valleys Radio into the new SWMC is a truly positive step forward for this heritage local community service. It will ensure the station has the resources to continue to deliver, and invest in, high quality content that directly caters for the tastes and interests of listeners in the licensed area.

Section 106 (b), (c) and (d) relevance...

(b) As demonstrated in Section (a) above, given there will be no changes to the character of the Valleys Radio service, the co-location of the station will in no way narrow the range of locally relevant services available to listeners in the licensed area.

Speech output will continue to be relevant to, and cater for, the tastes and interests of listeners in the Valleys area. The levels of key, highly demanded speech elements will remain unchanged following the move, and will continue to include essential

information for the Valleys community such as locally relevant traffic and travel, weather, what's-on, jobs, crime-stoppers, financial and sports news.

Strong local news output will also remain an important ingredient of the station with no change to the frequency of bulletins, and we will continue with our weekly on-air link-up with local newspaper, the Cynon Valley Leader. The paper also carries a weekly Valleys Radio column as does the Gwent Gazette.

UTV Radio believes that strong programme management, high quality effective training and application of industry best practice is absolutely crucial to ensure the delivery of a high quality local radio service that meets the needs of local listeners.

While the new studios will be based marginally outside the licensed area, UTV Radio firmly believes this fact will in no way lead to any deterioration in the relevance of Valleys Radio's local programming.

Indeed since its inception, Valleys Radio's programme policy, finance, engineering, IT, evening and overnight programming and commercial production have all been delivered from Swansea. Moreover, for the last eight years, Valleys Radio's news output has also been delivered from Swansea.

With regard to Valleys Radio's existing news output, research conducted by Other Lines Of Enquiry in August 2006, revealed 69% of Valleys Radio listeners agreed that the station "kept them up to date with the latest news and information"; and this despite the fact it was delivered from Swansea. In a similar study completed a month earlier, the comparable figure for 96.4 The Wave was 62%. By moving 96.4FM The Wave and Swansea Sound from its current location to the new SWMC, the centralised news facility will be nine miles closer to Valleys Radio's existing location than it is now.

(c) UTV Radio believes the move to the shared facility will have no unfair competitive effects.

Over the last four years Valleys Radio has seen a 50% decline in reach and a 60% decline in hours, which has substantially reduced the stations competitive impact, with associated financial repercussions. This situation has in the main arisen since Real Radio (a major local competitor) and the BBC have switched on a number of FM transmitters in our core coverage area. To redress the balance, UTV Radio are seeking to invest in a chain of FM transmitters across the area to allow radio listeners in the Valleys to hear their local radio service in high quality FM for the first time. The co-location of our South Wales stations will help financially facilitate this investment. We believe this move will be welcomed by the local community, and will be an extremely important step forward for the development of local radio in the area and the maintenance of fair and effective competition.

(d) As part of a comprehensive consultation programme, and with the support of Ofcom Wales, we have met with all Welsh Assembly Members, MPs and Council leaders in the licensed area as well as with key community and local business leaders in order to gauge their reaction to our co-location proposals. The response from that consultation exercise has been overwhelmingly positive and we have received many letters of support (see Appendix). Furthermore, within the local community we have met with no opposition to date.

In addition to seeking external stakeholder views, we have fully consulted our staff at every stage in our deliberations, and they are very excited by the opportunity of

working in the new facility alongside their colleagues from 96.4FM The Wave and Swansea Sound.

Finally, we have also canvassed opinion from our key advertising clients, and their unequivocal letters of support are also attached.

Any additional information and/or evidence in support of proposed change(s).

We believe there are exceptional financial circumstances that support this co-location proposal. Valleys Radio remains one of the few remaining stand-alone AM radio stations in the UK. Co-location is crucial to support the development and growth of this, the only commercial radio service dedicated to the Valleys area.

In addition, in terms of affinity, the proposed site of the South Wales Media Centre at Swansea Gate Business Park is culturally close to the area that Valleys Radio serves. Moreover, in terms of distance, the new SWMC sits within just 15 miles of the licensed area, and by moving 96.4FM The Wave and Swansea Sound to the new facility, news and central services provision will be nine miles closer to the existing Valleys Radio location than they are currently.

1.Financial Issues

The table below show the financial results of Valleys Radio for the four years ending 31 December 2007 plus the forecast for 2008.

VALLEYS RADIO	2004 Actual £'000	2005 Actual £'000	2006 Actual £'000	2007 Actual £'000	2008 Forecast £'000
Gross Revenue	827	749	662	653	630
Net Profit / (Loss)	243	29	(19)	(90)	(157)

The poor financial performance of the station has been driven by two key factors: AM decline for music services, and staff retention problems.

To highlight the extent of AM decline experienced by Valleys Radio, four years ago the station had over a hundred thousand listeners and made almost a quarter of a million pounds profit. Today the station has half as many listeners and is making a significant loss.

We believe that the disappointing commercial performance of Valleys Radio is also attributable to the poor location and condition of the Valleys Radio building. The location and state of the building continue to be key factors that have had a significant detrimental effect on our ability to attract and retain quality staff. This staff retention issue is further exacerbated through the station's proximity to the highly competitive radio/media market in South East Wales (notably Cardiff).

Co-locating Valleys Radio with its sister stations in the new SWMC will allow us to secure the financial future of the station, as well as significantly improve the on-air sound.

We are proposing that all three Welsh UTV Radio stations are based in the County Borough of Neath Port Talbot allowing 96.4FM The Wave, Swansea Sound and Valleys Radio to operate in a new South Wales Media Centre. This iconic £430,000 multi-service, state-of-the-art radio facility will immediately give all staff a lift and create an aspirational media environment attracting top quality candidates throughout the entire staffing structure.

This will allow UTV Radio to secure, recruit and develop a highly effective and professional team capable of maximising the full opportunity of the licensed areas served by Valleys Radio, Swansea Sound and 96.4FM The Wave. The super-site will provide better and more efficient management, training and career development, which in turn will lead to better recruitment and staff retention. The staff retention aspect of the co-location is a primary driver of this application, as high staff turnover is particularly damaging to ILR operations, and sub-standard office accommodation is a key contributor towards this.

Co-locating Valleys Radio alongside Swansea Sound and 96.4FM The Wave in purpose built accommodation is consistent with UTV Radio's long-term objective of growing local radio audiences through investment. In 2005 UTV inherited local stations that had suffered from severe under investment. Despite the significant declines in hours and revenues, UTV has increased the investment in programming and sales given its firm belief in the long-term future of the station and its crucial role in the provision of local radio services to citizens in the Valleys.

It is our belief that the co-location of Valleys Radio, placing it in a world-class radio facility, will have a hugely beneficial impact on employees and ultimately revenues. We believe that the co-location will breathe new life and vitality into Valleys Radio, and our objective is to generate new audiences and revenues with cost savings being invested in FM transmission, better quality and more creative management, improved news gathering and programming initiatives.

As previously mentioned, Valleys Radio remains one of a handful of stand-alone local AM services. Our business planning, ahead of this application, included relocating Valleys Radio to stand-alone premises within its licensed area the result would have meant that it would not be commercially viable to implement our FM transmission investment ambitions. As importantly, the staff development benefits of co-location would also not be achieved. We have therefore concluded that co-location of the station is the best way forward.

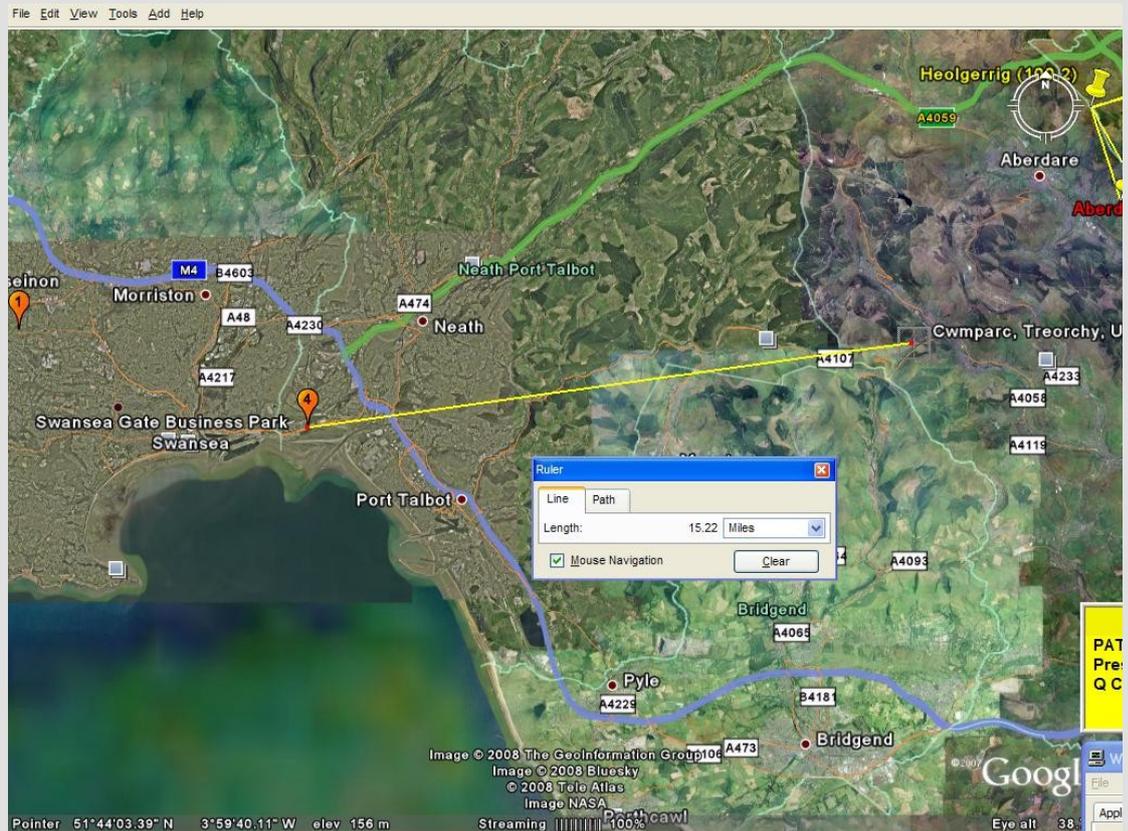
The proposal is not driven by cost savings other than the economies of scale, allowing us to replace two very tired buildings with a new broadcast centre. This is the only way we could deliver a business plan that would make it feasible to make the additional investment of around £100k a year in a chain of new FM transmitters. This investment will allow us to secure the financial future of the station, as well as significantly improve the on-air sound for the listeners.

Valleys Radio has an audience of 47,000 listeners and 476,000 hours a week with a market share of 6.3% (Q208 RAJAR). UTV Radio continues to invest significantly in market and music research and believes that with this investment audiences can be developed. However, we are realistic about the audience potential in this highly competitive market, and therefore need to build an appropriate and sustainable business model to allow for future investment in this station.

2. Distance and Affinity

We note Ofcom’s guidance that there is likely to be a stronger case for co-location where the “stations concerned are not too far apart geographically and are able to demonstrate a cultural affinity between the two areas”.

The proposed South Wales Media Centre is exactly 15.2 radial miles from Cwmparc in the Valleys Radio licensed area. 96.4 FM The Wave and Swansea Sound will remain within its licensed area.



The history of the whole of South Wales is inextricably linked with that of the coal mining and steel industry. Both Neath Port Talbot and the Valleys enjoyed the economic benefits of the mining industry for decades. Equally both communities suffered the economic and social decline when the pits closed and thousands of jobs were lost.

“For many years Corus operated steel works in Ebbw Vale, Port Talbot, Llanwern and Trostre near Llanelli, employing thousands of people. The restructuring of the steel industry resulted in the Ebbw Vale site in the heart of the Valleys being closed at the start of the new millennium. This closure with the subsequent relocation of jobs to other steel facilities has resulted in large numbers of staff travelling from the Valleys to work in Port Talbot and Trostre.” (Peter Stead, External Professor at the University Of Glamorgan).

“People are now realising that commuting has to become a part of their life to widen their access to well paid jobs”. (Dai Davies MP for Blaenau Gwent, the constituency where Valleys Radio is currently based.)

Government statistics on ‘Commuting in Wales’ are available via

<http://www.stats.wales.gov.uk>. They show that large numbers of people travel to work down the Heads of the Valleys road every day. Improved road links towards the South West have boosted the speed at which they can commute to their place of work in Neath, Port Talbot and Swansea. Passenger figures from Silverline (a major local bus operator) show 40,000 people travel between Merthyr and Swansea every year on business, to shop or to socialise in the city.

A further cultural affinity for residents across South Wales is their passion for sport. This is clearly demonstrated in their shared love of rugby, the national game, but also in football where Swansea City football club (The Swans) have a strong following in the Valleys with the Aberdare Jacks (Swansea City Supporters' Club).

There are therefore hugely significant and fundamental cultural affinities that tie these communities together, which are not readily visible by simply looking at boundaries on maps.

We have discussed our plans with Valleys Radio staff and they are supportive of our proposals in securing the future of Valleys Radio with the development of the South Wales Media Centre. There will be no change to current staffing as a result of our co-location. Furthermore, given the excellent communication links to the Valleys, commuting will not present them with problems.

We intend to continue to support and promote Valleys' community organisations and events both on and off-air with high-visibility activity including roadshows and outside broadcasts. The events and organisations supported in recent times include:

- Valleys Radio Local Heroes, our own annual awards ceremony celebrating the unsung heroes of the Valleys.
- Operation Christmas, supporting the Ty Hafan Children's Hospice by collecting toys for needy children across South Wales.
- Oxjam - Oxfams biggest music festival.
- CISWO - Coal Industry Social Welfare Organisation.
- Volunteer Action Merthyr.
- GAVO - Gwent Association of Voluntary Organisations.
- Communities First Training.
- Community Training Apprentice Scheme.
- Fibromyalgia Support Group.
- NSPCC.
- The Cancer Research 'In The Pink' campaign.
- The Rotary Club Merthyr 'Message in a bottle' campaign.
- St Johns Ambulance.

- Macmillan Nurses.

UTV have also set aside a significant marketing budget to support and inform Valleys Radio listeners of our FM proposals.

This application to house Valleys Radio, Swansea Sound and 96.4FM The Wave in one media centre will help communities across the area forge stronger, closer links. The Heads of the Valleys Road is a main arterial route and directly links Neath Port Talbot to the Valleys. The proposed South Wales Media Centre site is 15 miles outside the licensed area for Valleys Radio. We do not believe co-location will isolate these Valleys communities; indeed, it will further build on these already strong social, cultural, sporting and economic affinities.

3. Conclusion

It is our firm belief that the future viability of Valleys Radio and the investment required to develop the business further cannot be secured without bringing these three businesses together. Sharing facilities with its sister stations will ensure Valleys Radio, the only local commercial radio station specifically dedicated to serving the Valleys, has improved resources to broadcast on FM and to continue to deliver and develop content that directly caters for the tastes and interests of listeners.

We therefore urge Ofcom to approve this request so that the citizens of the Valleys can continue to benefit from their own locally focused commercial radio station.

Yours sincerely,

Chris Hurst

ILR Managing Director, UTV Radio (GB)

24 LETTERS OF SUPPORT

These can be accessed (via 27 pdf's) at

<http://www.ofcom.org.uk/consult/condocs/valleysconsult/letters/>.

Annex 6

Valleys Radio Format



COMMERCIAL RADIO STATION FORMAT

VALLEYS RADIO

Character of Service

A LOCALLY FOCUSED MUSIC AND INFORMATION STATION FOR THE VALLEYS, WITH AT LEAST TWO HOURS A WEEK IN WELSH

Licensed area	The Valleys area (as in Ofcom advertisement)
Frequency	1116 and 999 kHz
Service duration	24 hours
Locally-made hours	At least 4 hours a day during daytime weekday and weekends. (In all, at least ten hours of weekday daytime programming should be broadcast from within the station's nation)
Local news bulletins	At least hourly at peaktime weekdays and weekends. Outside peak, UK-wide, nations and international news should feature.

Shared arrangements (if applicable)

Co-location	No Arrangements
Programme sharing	No Arrangements

Definitions

Speech / Music	Excludes advertising, programme/promotional trails & sponsor credits
Peaktime	Weekday breakfast and drivetime, and weekend late breakfast
Daytime	0600 to 1900 weekday and weekend
Locally-made	Production and presentation from within the licensed area

MCA population : 475,315

Licence number : AL 188-2

Notes

This Format should be read in conjunction with Ofcom's published Localness Guidelines as updated with additional text from "The Future of Radio : The Next Phase" (2007) **AGREED MARCH 2008**

Annex 7

Commercial and Community Stations operating in the Heads of the South Wales Valleys area

Commercial Stations

- Real Radio (South Wales)
<http://www.ofcom.org.uk/static/radiolicensing/amfm/AL261-1.htm?STN=AL261-1&submit=Lookup+FM+station>

Community Stations

- BRFM, community station for Brynmawr and the surrounding area of Blaenau Gwent <http://www.ofcom.org.uk/static/radiolicensing/Community/CR110.htm>
- GTFM, community station for Pontypridd
<http://www.ofcom.org.uk/static/radiolicensing/Community/CR004.htm>