



Royal National Lifeboat Institution
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Michael Richardson
Riverside House,
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29th October 2008

Dear Mr Richardson

Applying Spectrum Pricing to the Maritime and Aeronautical Sectors

Please find attached the RNLI response to the OFCOM consultation on Applying Spectrum Pricing to the Maritime and Aeronautical Sectors.

The RNLI is a charity that saves lives at sea. In so doing we have to raise over £120m each year to run the lifeboats and lifeguard service. In providing the service we attend over 16 000 incidents each year saving many hundreds of lives. The RNLI operates under agreements with Government agencies to provide the rescue service, which permits the Government to meet its obligations under internationally agreed SAR conventions.

It is the RNLI view that any licence or tax on the Charity goes against the will of the UK citizen, against the Charity's objectives and against the Government's intention for AIP and spectrum liberalisation on the basis that safety could be compromised and charities that provide valuable service, for the benefit and safety of the UK citizen, could be charged heavily through a market driven system.

The RNLI understands fully the need for rationalisation of radio spectrum, however the maritime VHF channels, which are used for safety and Search and Rescue, are internationally harmonised and normal market forces therefore should not apply.

The calculation of fees using your AIP formula would see the current maritime and business licence fees for the RNLI increase from £38 000 to £260 000 p.a. which includes the maritime frequencies used for shore based radio systems. These radio systems are vital components in the launch and recovery of RNLI lifeboats; lifeguard response and crew call out paging. It is acknowledged that OFCOM introduced free of charge ships licenses two years ago.

The RNLI strongly believes that all charities, whose sole purpose is to save life, should not be charged for use of the radio spectrum.

You issued a statement via the OFCOM website, which indicates that the RNLI may benefit from a proposed blanket licence, which could reduce costs to £20 000. This is good news, however the RNLI maintains that all charities involved in SAR should not be charged for the following reasons:

- The RNLI provides a valuable SAR service to the UK citizen free of charge entirely from voluntary donations. Estimates from research on the value of a human life, show that the RNLI's positive impact on the economy is in excess of £900m.
- As a signatory to International SAR Conventions, the Government is obliged to provide a SAR service. The RNLI provides over 95% of the maritime element of this requirement.
- Fundraising for charities is becoming increasingly more difficult in the current economic climate.
- All raised voluntary income is better spent on tangible SAR assets rather than paying a licence fee to Government.
- All channels used are internationally harmonised – therefore the RNLI has no choice but to use channels allocated for SAR and safety. Furthermore no opportunity cost exists.
- Market forces do not work in SAR - we have no customer to pass these charges on to.

Given that the application of AIP in all sectors is likely to raise many millions of pounds for the Government, and the possibility of a blanket licence, which may cost the RNLI £20 000, the RNLI suggests that OFCOM should waive the fees altogether and apply a 100% discount to all maritime charities operating dedicated lifesaving SAR services.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Peter Bradley', is positioned to the left of a vertical red line.

Peter Bradley – Staff Officer Operations (Communications and Information)