

Future of Radio Consultation Response

The Bay FM (Poole)

The Bay FM welcomes the opportunity to contribute to Ofcom's Future of Radio consultation. As a community station we are not only responding to the proposals which directly relate to community radio but also those proposals which have implications to the viability of community radio in the wider commercial radio regulatory context.

As you are aware The Bay FM were awarded a licence in the second round of community radio licensing and are working toward being on air later this year. The station management is formed from commercial and BBC radio professionals and with many years experience in Community Radio.

Response to Sections 1 & 2

The Bay FM has no specific responses to Sections 1 and 2.

Response to Section 3

We welcome the review of the use of the VHF Band II and MW spectrum suggested in Section 3. However we believe it would be prudent for Ofcom to undertake a smaller scale review at a much earlier date to determine the suitability of DRM / DRM+ in a sub-band of the VHF Band II.

We are aware that Ofcom considered this during its Band III consultation in 2005 when it determined that the timing was not quite right due to standardisation of DRM for use in Band II. However the DRM organisation now believes that a workable system will be validated in the 2009 timeframe using DRM+ and therefore we believe the time is right for a new review to ensure that space in Band II is made available and that the UK remains at the forefront of the current transition to digital.

However for DAB while we recognise the potential financial considerations facing multiplex operators, we believe that Ofcom should not be influenced by an argument for DAB remaining the primary, or indeed the only digital broadcast medium.

We support in principle the reuse of spectrum for other means as suggested in section 3.3 with the following caveats;

- a) We do not believe there to be any realistic means for small scale commercial and community stations to obtain access to a DAB multiplex without significant outside financial assistance or regulatory intervention.
- b) Additionally we do not accept that any spectrum pricing to be a very effective mechanism of ensuring equitable access to a suitable broadcast medium. In

considering the MW and VHF spectrum to be available for other means, we would look to Ofcom to ensure a level playing field for all sized stations.

Response to Section 4

With regard to section 4.1 we are very encouraged that Ofcom seek the ability to license stations in a broadcast medium agnostic way. We believe this to be a progressive move and will encourage license applications even with the uncertainties in the analogue domain.

However, with regard to Section 4.2 we are very strongly apposed to the idea that licences should be awarded by auction or that spectrum should be priced in anyway. We believe that if this scheme is followed there will be tendency for larger and better funded organisations to skew the types and styles of radio in any given area. As a consequence there will be an additional burden placed on Ofcom to ensure that the selected licensee is delivering their stated public purposes. This would be made all the more difficult with the proposed simplification of format details.

Response to Section 5

The Bay FM has no specific response to Section 5

Response to Section 6

With regard to Section 6 we are in general agreement that the Community Radio licensing criteria is in urgent need of review and are encouraged that Ofcom has made early proposals in the consultation document, rather than wait until later in the year for a full Community Radio review. It is also very encouraging to see that Ofcom are aware that Community Radio generally has very limited resources and yet is regulated more than any other sector of radio.

However, we believe that the current proposals, in some areas, do not take the opportunity to simplify and rationalise the regulations between the commercial and community sectors. And as such miss the opportunity to reduce regulation and make Community Radio more viable to its operators. We would encourage Ofcom to consider the following;

- a) To ensure that Community Radio is regulated on its outputs rather than on its inputs.

We believe that too much emphasis is currently placed on, management structures, formats and justifications around social gain. We are happy that some level of accountability remains

- b) To ensure that an analogue Community Radio License is renewable for the duration of available analogue spectrum.

For many groups, obtaining and maintaining a Community Radio station represents a significant financial investment, often from many sections of the community it serves. We believe that this investment should be made with the knowledge that there will be a long lasting benefit. It is therefore the responsibility, where the

need is demonstrated that Community Radio licences should be renewable uncontested in the current analogue spectrums.

- c) To ensure that Community Radio has access to digital radio spectrum.

In addition to the comments above with respect to community investments, we also believe it is imperative that Ofcom ensures, where the need is demonstrated, Community Radio licences should be transferable to a digital medium. This is not withstanding Ofcom's desire to award platform agnostic licences. We believe it to be the responsibility of Ofcom to put in place a regulatory framework which ensures that Community Radio has affordable access to digital spectrum. Importantly, Community Radio should not be limited in transmission quality and coverage by the use of spectrum with inferior qualities to that of commercial radio.

- d) To ensure that monies from a Community Radio Fund are available from the time of the award of the license and not just to those stations broadcasting.

It is clear from the number of Community Radio licences awarded verses those which have made it to air, that a significant number of groups are finding this transition difficult. From our own experience and the discussions with others, we believe that an injection of funds at this critical time would see many more stations now on air. We would expect these awards to be focused, proportional, made only to stations with a demonstrable need.

- e) To set out a route map as a set of criteria to be met for Community Stations to transition to a 'for profit' operating model.

While there are sometimes benefits for Community Stations to be registered as 'not for profit' or charitable, we don't believe that this can realistically be true in all cases. It is clear that some community stations are meeting their social and community objectives despite the restrictions on commercial activities. Indeed it is clear that removing these restrictions would raise the possibility of additional funding streams and could be the difference between making a community station successful or not.

Additionally, it is clear from both the level of interest from potential licensees and the communities they serve that Ofcom, and its predecessor, have not exhausted the need for alternative local stations or available spectrum.

We also contend that there remain a significant number of areas around the country which are under served by current commercial stations and yet are able to fully support commercial radio.

In the cases where a demonstrable need is being met and where a transition to 'for profit' or decrease in restrictions would not unduly affect existing commercial stations, we see no reason why this should not be permitted.

- f) To enable Community Radio licensees to own multiple Community Radio licences.

We are encouraged and support Ofcom's proposal to remove current ownership restrictions for Community Radio licences. We believe that in many areas, including our own, there are many synergies between stations and the shared economies of scale can make a significant difference to station viability.

- g) To enable Community Radio station to share resources, studio premises and funding.

Whilst we are committed to community radio and its local nature we believe that this can, in some cases be met more effectively through the sharing of resources between stations. Further, it would be incongruent of Ofcom to permit economies to be made in the commercial sector while limiting them for Community Radio. In this regard we therefore would look to Ofcom to ensure Commercial and Community Radio is regulated in a similar manor.

- h) To enable Community Radio to be received by those within the defined community yet which currently fall outside the reception areas due to limited transmitter power.

We have noted that the blanket restrictions in transmitter power, has left many pockets without a community radio service. On the face of it this may seem desirable from the point of permitting the licensing of further Community Stations, however we do not believe this to be an optimal solution and in many cases fails to take into account the needs of the community.

We have also observed that as more community stations appear, often areas between adjacent stations can neither adequately received a community station or effectively support one of their own. In setting upper transmitter powers limit we would therefore prefer licensees to have the ability to have reasonable flexibility in reaching an optimal power level at the earliest stages of frequency allotment.

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