

Future Of Radio Consultation

6.1*: The characteristics of community radio services, as included in the Community Radio Order 2004, should be retained, but the definition of "social gain" should be reconsidered.

The not-for-profit view of Community Radio is misleading. A better explanation is non-profit distributing or Not-for-personal-profit in that profits are not distributed amongst members of the company.

Community Radio stations should be free to make a profit, and this needs to be outlined. Indeed for stations to aim purely to break-even is the best way of guaranteeing that they will make a loss. The defining factor of community radio is how the profit it makes is used, ie, it is re-invested into the station and the community sector.

Social Gain should be defined as" any benefits to a community (be that a geographic community, or a community of interest) which enhance the lives of it's members but does not involve direct financial reward to individuals".

6.2*: The statutory criterion regarding the ability to maintain the service should be reconsidered such that Ofcom could be required to have regard to the ability of an applicant to establish and maintain its proposed service for the first year of the licence period.

We would support this.

6.3*: The statutory criterion which requires Ofcom to have regard to the extent to which a proposed service would cater for the tastes and interests of the community to be served should be reconsidered.

We would welcome additional flexibility, however in submission of an application, an applicant should still show how they will cater for the interests and tastes of the community and they should be required to show demand and support for a station.

6.4*: The statutory criterion which requires Ofcom to have regard to the extent to which a proposed service would broaden choice should be reconsidered.

See 6.3

6.5*: The statutory criterion which requires Ofcom to have regard to the extent to which there is evidence of demand, or support, for a proposed service should be reconsidered.

See 6.3

6.6: The statutory criterion which requires Ofcom to have regard to the extent to which a proposed service would deliver social gain should be retained.

We would support this, but feel that the concept of social gain should be viewed in the widest possible context, as outlined in 6.1.

6.7*: The statutory criterion which requires Ofcom to have regard to the provision that an applicant proposes in order to render himself accountable to the target community should be reconsidered.

Ofcom should retain strict controls over the necessity for applicants to be accountable to their target community. Persons seeking a licence who do not wish to be accountable to their community should seek a commercial licence.

6.8*: The statutory criterion which requires Ofcom to have regard to the provisions an applicant proposes to make in order to allow for access by members of the target community to the station's facilities and for their training in the use of those facilities should be reconsidered.

Access to facilities and training is at the heart of community radio. Applicants should be required to state how they intend to provide this access. Stations not willing to provide access to training and facilities are better known as commercial stations.

6.9*: It is important for a community radio station not to receive all of its funding from a single non-commercial source. However, it may be that there is a case for increasing or removing the current maximum percentage limit on funding from a single non-commercial source. Ofcom welcomes views as to what the appropriate limit should be.

All limits should be removed. Whether or not a community radio station receives all of its funding from a single a source is irrelevant. What is relevant is the potential for such funding arrangements to exert undue influence. However, that needs to be considered on a case-by-case basis and cannot be accommodated through a national policy.

6.10*: It would be possible to take into account volunteer time when assessing the turnover of a community radio service. Ofcom welcomes views on this issue and on how the value of such input could be calculated.

Volunteer time should be considered. Ofcom should consult the UK's major funding bodies to establish the value of volunteer time. In our experience, European funders allow £10 per hour for administration and £15 per hour for management when calculating the value of volunteer time.

6.11: There should be no changes to the categories of person prohibited from holding a community radio licence.

We would agree with this.

6.12* The current rule requiring that no body corporate may hold more than one community radio licence should be reconsidered.

We would disagree with this:-

There is a danger of forming major community radio groups, which could restrict involving people at a community level. We do however strongly support the concept of existing community radio operators initiating the creation of community radio stations in other areas, partnering and mentoring these organisations. Undoubtedly this would lead to cross-overs on boards of directors, but would also ensure local involvement.

6.13: Ofcom needs to ensure that community radio services operate within the terms of the relevant legislation. The process of feedback has not yet begun, as no station has been on-air long enough. It is not therefore possible to assess the advantages or shortcomings of the existing system. For this reason, Ofcom is not proposing specific alterations to the level of feedback required at this time.

We would agree with this.

6.14*:Community radio licences should be eligible to be extended for up to a further five-year period, subject to meeting specified requirements, on one occasion only. The period of extension for some licences may be less than five years, should that be necessary to achieve a common end-date for all analogue radio services.

Community radio projects should have to opportunity for continual renewals for as long as the

analogue platform remains. There should be provisions made to incorporate community media on digital platforms when the switch-over occurs.

6.15*: **There may be a case for removing all of the current restrictions relating to the economic impact of licensing community radio services. Ofcom will be conducting further assessment in this area, with a view to bringing forward proposals for consultation later in the year as part of our review for the Secretary of State. In the meantime we welcome views on these matters.**

Many stations are finding it more and more difficult to secure grant funding as sources dry up. The community radio fund is now not sufficient to spread itself adequately over an ever-increasing number of community stations.

Limiting advertising revenue protects the interests of commercial stations, which is unfair to community radio, which Ofcom recognise as the third tier of radio broadcasting and while I recognise that community radio needs to be regulated as so not to become an excuse to run a commercial station, protecting commercial stations in such a way could potentially be the downfall of community radio in an area.

In some areas this would prohibit the establishment of a community radio station where one would be of great social benefit.

We would also question how the existing legislation and regulations are compatible with UK and European Union legislation of monopolies and anti-competitive practices. We would call on Ofcom to refer this matter to the Competition Commission

6.16: **The coverage of community radio services will still be restricted by frequency availability constraints, and Ofcom will continue to need to weigh up the relative merits of alternative licensees, for example where it might be possible to licence two small stations or only a single larger service, when deciding on the best use of the available spectrum resources.**

Ofcom legislation appears to be designed with London heavily in consideration. In London, a 5km signal radius would cover hundreds of thousands of people, however in rural areas, such as Ireland, 5km may only cover a few thousand. It is also common in Ireland for people to live in rural areas, but work in a city which is divisive. Signal strength should be revised, perhaps looking at it on a case-by-case basis, with 5km the absolute minimum. Any upgrade of area would have to also apply to existing licence holders.

Other Comments

Central to our views on the Future of Radio is that Ofcom needs to be flexible in its approach and, in as far as is possible, deal with each station on its individual merits, context and community it serves.

We would also recommend transparency in the decisions procedure, and the establishment of an appeals system where failing elements of an application could be reconsidered on a case by case basis.

We would suggest that there should not be a third national round of applications, but that Ofcom target areas where there is no existing community radio provision, and should encourage existing successful community radio operators to aid in establishing additional stations in these areas. Eg. IURfm's mentoring of Belfast Student Radio.

Regarding digital switchover, we believe that a date should be set but that it should be no sooner than 2025 in order that car manufacturers can all transfer to the new technology. Also digital radio ownership does not necessarily equate to people no longer using the FM and AM bands.