

Dear Mr Davies

We welcome the opportunity to comment on this Document. Our views are as follows:

Para 4.50 to 4.119

In noting the need for the lowering of the stipulation for local programming, we feel that this will dilute localness. As the only purely voluntary ILR, we maintain 16 hours of local programming per day, but appreciate that others may not have access to such human resources, particularly in sparsely populated areas. However, if it is the only plausible option to maintain the survival of certain stations then we would offer support.

Para 5.6

Appreciated, and we note the alternatives suggested for maintaining the audiences that are being served by smaller stations for whom DAB is not financially viable. Whilst the majority of goals may be achieved, we would ask for consideration to be given to audiences of smaller stations which rely very heavily on local radio.

Paras 5.12 to 5.16

Agree that planning of optimum use of the spectrum is necessary at this stage, and welcome the suggestion made in para 5.14 that some of Band II could be reserved for FM radio.

However, reference is made to alternatives to radio, such as mobile television, data services, and private mobile radio services. We would question whether these would have superior value to the public, given the range of services for the public good that local radio can provide.

Paras 5.25 to 5.31

Welcome consideration being given to the future of small-scale stations, however, we are not convinced that DRM is the solution. The public has been encouraged in recent years to purchase digital receivers, many of which will also have at least, FM, and perhaps AM. Having invested in new receivers in order to appreciate DAB, we would speculate that the public may, at large, be reluctant to purchase yet another receiver to embrace the new technology of DRM, particularly in order to receive probably only one local station in their area. Perhaps only the hard core of a small station's audience would participate. This may decimate audiences, with consequent downturn in advertising revenue, thus rendering small stations unviable.

In paras 5.169 this adverse effect is mentioned by Ofcom in relation to the move to DAB+ by existing services, and we would speculate that this would pertain also to the transfer of stations to DRM.

On the point of financial viability, small stations will be expected to purchase complete transmission systems in order to broadcast on DRM, the cost of which could be a considerable outlay, with no likelihood of recovery of cost of the sale of FM equipment, which would be rendered redundant as a consequence of the proposals.

Whilst we realise that there is a drive to digital radio, we consider that, as at present, the national and regional stations should be complemented by smaller stations, and that transmissions should continue on FM.

Para 5.47

There seems to be a contradiction. Whilst this paragraph states that there is no proposed switch off date for FM, there appears to have been much thought to this, given the proposals for alternatives and limited duration for renewed licences, as contained in various paragraphs in the report, such as para 5.108, that would indicate that a switch off date of 31 December 2015 is proposed.

Para 5.82 to 5.126

The proposals are asking much of existing small stations with limited resources, and we would wish to propose a fourth option as applicable to small stations who wish to apply for DRM Licences. As stated above, migration will incur significant outlay against limited financial resources of such stations, and DRM licence application costs would add to this.

We would suggest that licences be re-advertised for a 12 year period, on the understanding that migration to DRM would be automatic on the appropriate date. Licence renewal thereafter would be under the usual procedure.

Para 5.128 to 5.133

Licensing by auction would appear to discriminate against small stations who do not have the ability to financially outbid larger competitors.

This would seem to be totally unfair where a small service had been providing a valued service to an area over a number of years, and abided within the promise of performance, if it was outbid by a rival with greater financial resources.

We would be opposed to this proposal, whilst noting that conditions may be attached, and are surprised at this even being given consideration. If, however, the proposed auction system is on ability to provide a service rather than a financial basis, then our opinion would be different.

Para 5.134 to 5.142

We would favour the continuation of FM, but consider that if DRM is the choice, existing small stations should be allowed automatic migration from FM to DRM, as previously stated.

Para 6.115 to 6.119

A relaxation of the plurality rules, and a relaxation of the criteria mentioned in paras 6.136 to 6.138, may lead eventually to the same situation as exists in the commercial radio sector, whereas the vast majority of stations are owned by a few large organisations, with a detrimental effect on the generation of truly local programming.

Para 6.133 to 6.150

We would be opposed to any change to the Community Radio Order pertaining to economic impact, as outlined in paras 6.136 to 6.138, as we consider that this would have an impact on small scale stations.

In this respect, we would query whether the requirement for more finance by community radio stations is necessary for staffing costs, in particular. Our understanding of the concept was that such stations would operate on a purely voluntary basis. For nine years we have operated a small scale station entirely on a voluntary basis for 16 hours per day, quite successfully, and therefore are at a loss to understand the requirement for even part time salaried staff. It could be argued that the competence and dedication required to operate a station on a voluntary basis should be included as a factor in the selection process of potential licensees.

We hope that our comments are helpful.

Malcolm J B Finlayson  
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