

Licensing FM commercial radio in the future

A plain English Summary

05 February 2004

Consultation document

We plan to carry out a public consultation on proposals to change the way that local FM commercial radio licences are advertised and awarded.

The deadline for receiving your comments is **11 March 2004**.

If possible, please make your comments in writing and e-mail them to neil.stock@ofcom.org.uk. However, you can also post or fax your comments to the address below.

Neil Stock
Head of Radio Planning & Licensing
Ofcom
Riverside House
2a Southwark Bridge Road
London SE1 9HA

E-mail: neil.stock@ofcom.org.uk

Phone (switchboard): 020 7981 3000
Fax: 020 7981 3333

If you have any questions about this consultation or you need guidance on how you should send us your comments, please call our consultation helpdesk on 020 7981 3003 between 9am and 5pm. We are keen to make responding to consultations easy and we will try to give appropriate support and advice.

The proposals we are putting forward in this consultation document represent the end of a review we have carried out of the commercial radio sector. This review has included:

- detailed market research and analysis; and
- discussions with representatives of the radio industry and other people who have a part to play in this sector.

Summary

Strategy

- We will concentrate on advertising new commercial radio licences on the FM waveband, to meet the demand from listeners, advertisers and new operators.
- We believe that licensing more FM services will help to bring about a faster and more successful move towards using digital services. It will do this by promoting the growth and prosperity of the radio industry as a whole.
- We propose that the FM frequency range 87.6 – 88.0 MHz should stay a central resource for restricted service licences (RSLs).^[K1] This will help us continue to meet the demand for these types of licence.
- Community radio should be rolled out at the same time as commercial radio is developed. Community radio should generally use frequencies that could not be used for commercial services.
- We may be able to offer larger licence areas in some parts of the UK than previously planned by the Radio Authority. In carrying out this consultation, we want to gather views on potential options in the South-West and North-East of England, the South Coast of England, and South Wales.
- In total, at least 35 commercial FM licences remain available for licensing. The options for offering new licences are restricted because of the way in which frequencies are currently used.

Licensing process

Advertising licences

- We will continue to advertise licences in an open competitive way, as required by law.
- We will regularly publish an updated timetable of future licence advertisements on our website.
- Each licence advertisement will contain information specially tailored to that licence. We will not publish general licensing guidance notes or application forms.

Information about licence areas

- When we publish our licensing timetable, we will announce full details of what geographical areas we expect to be covered, and not to be covered, by any particular licence. We will also provide more details when we place the advertisement.
- In the notice of advertisements for each new licence, we will provide an analysis of the commercial radio which already exists in the area, and recorded listening patterns.

How we assess applications

- We will provide guidance in each notice of advertisement as to how we are going to assess the applications for the new licence.
- We will aim to announce, within two weeks of receiving an application, the date when we expect to make a decision.

- We will send the applicant a single letter with any questions we need to ask to clarify the applicant's proposals. We will make the response to this letter publicly available on the same basis as the written application. We do not plan to carry out phone interviews.
- We are going to use a simple scoring system, to help us assess applications. We will make the details of this system (but not the results in particular cases) public.

Sending applications

- The notice of advertisement will include details of the information we need in your application. This may change for different types of licence, and for different types of applicant. There will be no general application forms.
- We will link each question, or set of questions, directly to one or more of the statutory requirements which we must take account of when deciding who to award a licence to.
- We will ask anyone applying to write their own format (in other words, programming commitments) as part of their application. We will include the format of the winning applicant in their licence.
- We will need one electronic copy of an application (we will only need a hard copy if we specifically ask for one). We will publish all the non-confidential parts of applications on our website.
- Closing dates will generally be three months after the date of advertisement.

Decision-making procedures

- A standing committee made up of a mix of part-time and executive members of the Board and colleagues from the relevant groups within Ofcom will make the licensing decisions.
- We will not be carrying out a public shortlisting process, as this would be likely to increase the time it takes to award a licence.
- We will publish a statement after awarding each licence which sets out the main factors which led to our decision.