

Request to vary transmission sites – Radio Carmarthenshire

PUBLIC VERSION

✂ indicates redacted text from confidential version

SUMMARY

- Radio Carmarthenshire Limited requests to cease transmission on Radio Carmarthenshire's FM relay sites at Carmarthen Town and Llanelli in June or July 2027 (the end of the current licence period).
- We wish to enter a renewal process in late 2025/early 2026 for the license based on providing a continuing service on 97.1FM at Carmel only and coverage on a relevant DAB multiplex.
- Due to timings of the licence renewal process which we expect to commence during Summer 2025, we want to be transparent about our intended coverage for the renewal period and have our request considered outside of any renewal process.
- Due to the associated transmission contracts being co-terminus with the current license period, there are likely to be only very limited financial savings by ceasing transmission on these sites sooner than Summer 2027.
- This request is based on technical, commercial, and environmental factors and is made to protect a viable continuation of a countywide FM service for Carmarthenshire from the main transmitter site at Carmel.
- It is relevant that, ahead of its application to the then Regulator, the Radio Authority, Radio Carmarthenshire was the sole applicant and lobbied for inclusion of an FM relay for Llanelli in the Coverage brief. Since Radio Carmarthenshire won the licence unopposed, we could have applied, won and launched the service with just a single county wide site at the time. We have since invested many thousands of pounds on dual transmission on FM/DAB.
- We recognise that these proposed changes will impact some listeners as the predicted FM coverage loss is 9% at 48dBuV/m within the MCA.
- Radio Carmarthenshire is also available on DAB across the impacted areas on the Mid and West Wales multiplex and, there is an alternatively named version of substantially the same programming output available on FM in parts of Llanelli from Swansea Bay Radio, a service also operated by Nation Broadcasting Ltd.
- Radio Carmarthenshire will continue to be available online, meaning the actual number of listeners lost to the station should be reduced to a minimum.
- A combination of topography and low population density in parts of rural Wales, means the cost of serving listeners via traditional broadcast transmitters is increasingly prohibitive. Relative to the small population served, the transmission costs for FM in Carmarthenshire are many times more expensive per head of population than stations located in more urban areas parts of the UK.
- Predicted audience loss to the service will be mitigated by on-air messaging in advance of the change and by the service continuing to be available on DAB and online.
- We have considered several alternative measures before making this request, outlined below.
- We believe current Ofcom policy and precedent decisions around turning off AM and FM transmitters in a period of fast-changing platform listening patterns mean that this request should be agreed. Given increasing costs of delivery, the limited audience impacted, and

most importantly, the impacted audience's ability to hear the service on other platforms, it is consistent with the licence condition to serve as much of the licensed area as is for the time being reasonably practical.

BACKGROUND

Radio Carmarthenshire is operated by Radio Carmarthenshire Limited ("The Company") and has operated since July 2004.

The Company is a wholly owned subsidiary of Nation Broadcasting Limited ("Nation"), formerly Town and Country Broadcasting Limited.

The Company operates Radio Carmarthenshire ("the station") and, in the early days, we operated Scarlet FM as a separate station on the 97.5FM frequency in Llanelli. We hold the analogue FM licence for Carmarthenshire (AL00289) and a DSPS licence (DP100025) for DAB transmission on the Mid and West Wales local DAB multiplex. The station is also available online at nationplayer.com, the Nation Player mobile app and streamed devices.

Having funded and supported the business from concept, through licence application, to launch and two decades of successful broadcasting Radio Carmarthenshire remains one of the few services in UK never to have rebranded.

Given that the transmission contract has been in place for many years and in recent years has been subject to punishing RPI increases, and with FM audiences in general decline, we believe it is an appropriate moment to request a reduction in transmission coverage in order to ensure the preservation of the service overall throughout the next licence period.

With FM listening in structural decline, and therefore it becoming more expensive to serve FM transmission per listener, we believe it is prudent to explore options that might be available to reduce ongoing transmission costs to allow the continuation of Radio Carmarthenshire beyond the expiry of the current licence in 2027.

Our technical request is the cessation of the relay transmitters operating on 97.5FM at Carmarthen Town and Llanelli on or before the conclusion of the current license period which would reduce transmission costs by ~~20~~20% whilst resulting in only a 9% reduction in audience served by FM.

This would enable license renewal to be on the basis of maintaining coverage on FM at 97.1FM Carmel and DAB for the new licence period.

This will enable the continuation of the service on FM for most current and potential listeners across the county but it is no longer reasonably practical to serve 100% of the MCA.

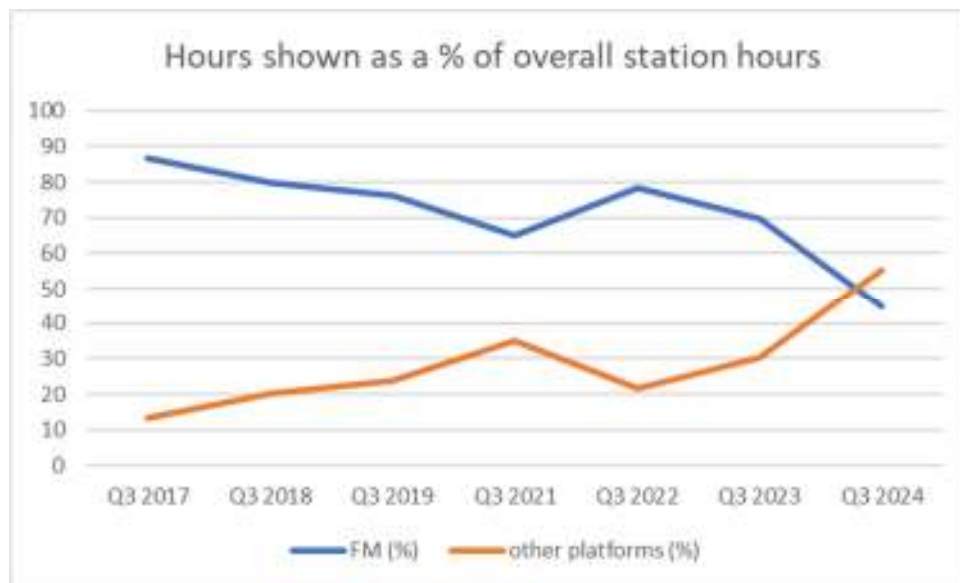
Outside of this clear economic case, we believe there are also strong policy reasons why this request should be agreed.

EVIDENCE OF GENERAL DECLINE IN FM LISTENING IN THE LICENSED AREA

The graphs below demonstrate that the proportion of FM reach and hours is declining for Radio Carmarthenshire and for All Radio within the Radio Carmarthenshire area.

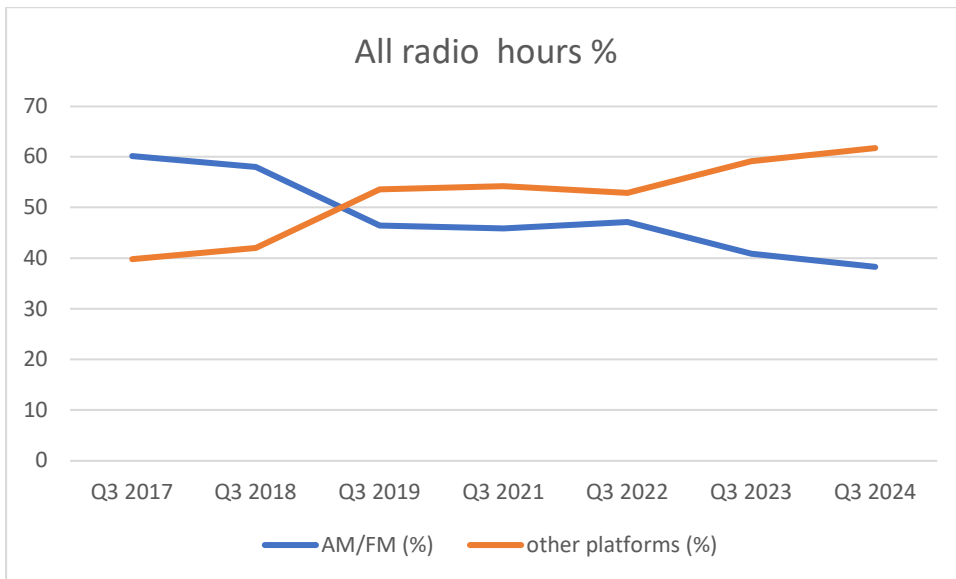
The decline is steeper in hours which generally determines ✂.

There is a clear downward trend of FM listening hours at station level and we would expect that trend to continue with Digital Hours now overtaking FM, as is the wider case across the UK and in the Carmarthenshire market overall.



Radio Carmarthenshire TSA - % of Radio Carmarthenshire Hours by platform.
RAJAR 12 month reporting period. No figures for 2020 due to Covid.

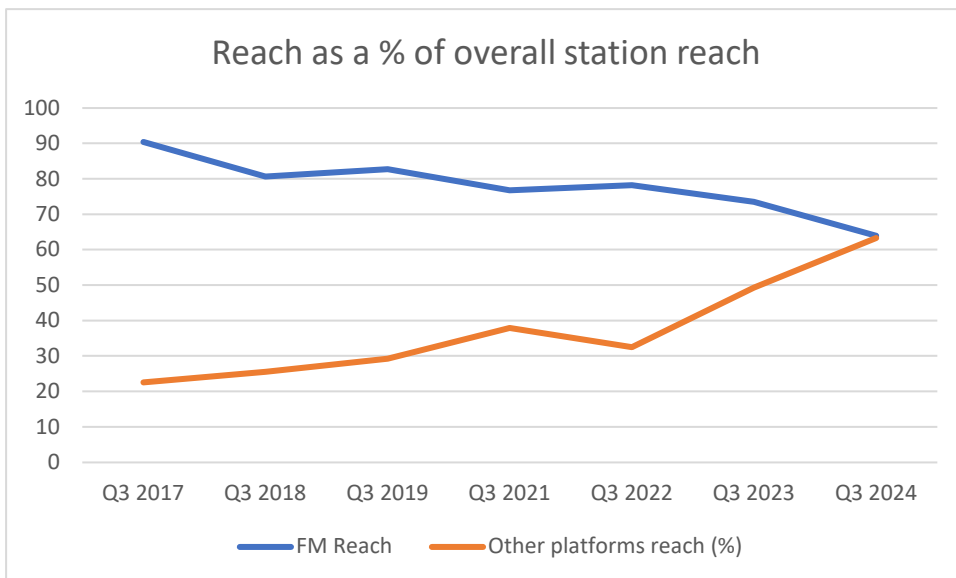
The overall market supports this assertion as the proportion of digital hours have exceeded analogue hours since 2019.



Radio Carmarthenshire TSA - % of All Radio hours by platform.
RAJAR 12 month reporting period. No figures for 2020 due to Covid

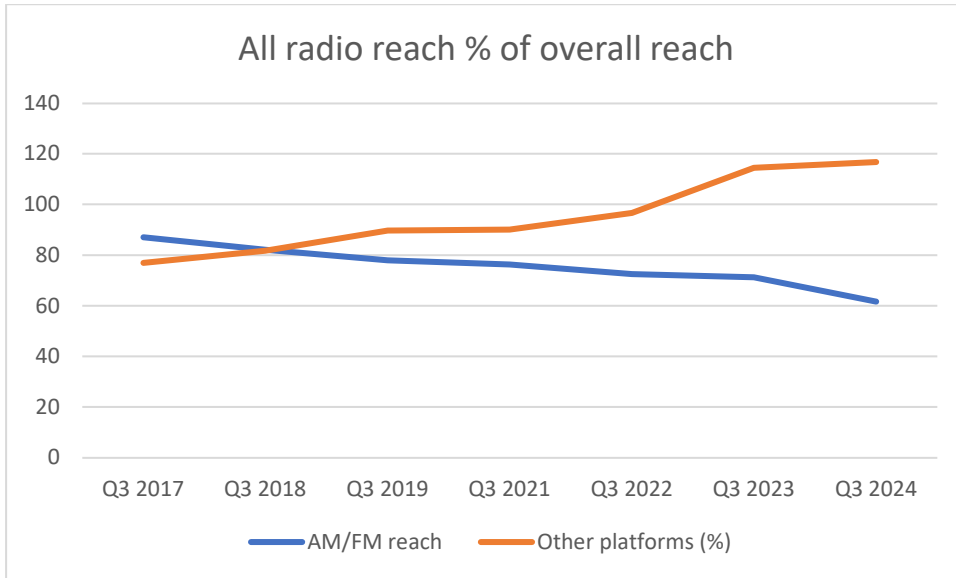
In respect of audience reach there is a broadly similar story – driven, we would suggest by DAB radio becoming more prevalent in-car, alongside the significant growth of smart-speaker listening in recent years.

Please note that as listeners can be counted twice if they listen on several Digital platforms, the proportion of published reach in these graphs in some cases will total to more than 100%.



Radio Carmarthenshire TSA - % of Radio Carmarthenshire reach by platform.
RAJAR 12 month reporting period. No figures for 2020 due to Covid

Again, the position of All Radio has already seen digital reach exceed analogue for some time.



Radio Carmarthenshire TSA - % of All Radio reach by platform.
 RAJAR 12 month reporting period. No figures for 2020 due to Covid

Owing to the wide geographic area covered by SA15 (Llanelli) in the County and its lack of correlation to the transmitter pattern as some parts of the SA15 sector will have coverage from 97.1FM, it is not possible to conduct meaningful analysis from RAJAR planning systems as to the likely impact on RAJAR audience in this area.

RAJAR ~~X~~ analysis ~~X~~ suggests that FM listening to Radio Carmarthenshire is currently ~~X~~ people a week representing ~~X~~ hours. This correlates to ~~X~~% of station reach and ~~X~~% of station hours assuming the worst case scenario that these listeners could not migrate to another platform.

COMMERCIAL CONSIDERATIONS

This request is set against the following commercial considerations: declining local revenues, declining audiences and increasing costs.

Without action, these factors may make the business model unviable during any renewed licence term.

For perspective on transmission costs, at launch in 2004, the annual fee charged for a total broadcast service from £X for Radio Carmarthenshire was £X + VAT.

Over time, taking into account RPI increases, X and some re-engineering when moving studio bases, the current (Nov 24) annual contract price is now £X + VAT.

This is distributed between the three sites as follows:

X	X	X
X	X	X
X	X	X
X	X	X
<hr/>		
X	X	X

As outlined later in this paper, based on the information available to us, we do not consider taking transmission in-house or the use of alternative transmission sites to be viable options in this case.

Whilst we have not concentrated on other cost considerations beyond transmission costs in this submission, we would credit Radio Carmarthenshire's longevity as one of the UK's smallest commercial radio stations due to the shared resourcing it already enjoys with Nation's other local services in South and West Wales: Radio Pembrokeshire, Swansea Bay Radio and Bridge FM Radio.

We are also aware that the growth of Nation Radio, including its launch on FM in the area and the availability of other Nation Broadcasting services in Carmarthenshire on DAB including Dragon Radio and Nation 80s, has significantly widened listener choice and given local advertisers a wider range of marketing opportunities.

In respect of revenues, the station X. This is attributable to a number of factors including X

National sales have X due to X.

The station has also introduced advertising to its online streams during the period to further enhance revenues.

Revenues £000	2024	2023	2022	2021	2020	2019
Local		✂	✂	✂	✂	✂
National		✂	✂	✂	✂	✂
Internet		✂	✂	✂	✂	✂
Total of above		✂	✂	✂	✂	✂
RAJAR Reach Q3	16.1	21.5	18.8	20.6	covid	29.4
RAJAR Hours Q3	115.1	160	137.3	131.6	covid	194.5

Source: RAJAR and ✂

All economic indicators and trends suggest that the station needs to take action to ✂ in order to continue to ✂.

ENVIRONMENTAL, GENERAL POLICY CONSIDERATIONS AND PRECEDENT

The discontinuation of relay transmitters at Carmarthen Town and Llanelli would reduce the electricity required to power transmission resulting in an environmental saving.

We also note the following decisions of Ofcom to similar transmission amendment requests made by Absolute Radio in 2018

(<https://www.ofcom.org.uk/siteassets/resources/documents/consultations/category-3-4-weeks/110996--absolute-radio-proposals-to-reduce-am-coverage/associated-documents/statement-absolute-radio-proposals-to-reduce-am-coverage.pdf?v=323128>) and Sunshine Radio in 2023 (<https://www.ofcom.org.uk/tv-radio-and-on-demand/analogue-radio/december-2023/>)

Whilst these requests relate to AM transmission – we believe a number of the points made in the submissions and in Ofcom’s responses to be relevant here.

Nearby Radio Pembrokeshire will be ceasing to provide coverage from its relay transmitters in 2025 following a recently approved request. ([Radio broadcast update – November 2024 - Ofcom](#))

As we will set out, we believe that our proposal meets the primary objective as set out in the coverage brief of ‘satisfactory coverage of the main population centres within the County.’

IMPACT OF THE PROPOSAL ON MCA COVERAGE IN CARMARTHEN TOWN

	<i>People (15+) served at 48dBuV/m (within MCA)</i>	<i>% of current coverage (within MCA)</i>
<i>Carmel, Carmarthen & Llanelli</i>	<i>174,797</i>	<i>100.0%</i>
<i>Carmel & Carmarthen</i>	<i>160,870</i>	<i>92.0%</i>
<i>Carmel & Llanelli</i>	<i>174,243</i>	<i>99.7%</i>
<i>Carmel Only</i>	<i>160,316</i>	<i>91.7%</i>

✂ has provided the above data which suggests that the impact of the proposal would be the loss of FM signal in Carmarthen Town of fewer than 600 people representing 0.3% of the MCA.

We would seek to minimise this impact by a social media and on-air campaign in advance of the closure of FM to inform listeners in the area of coverage changes.

We believe that actual audience loss would be minimal since the service is carried on DAB on the Mid and West Wales multiplex which has a transmission site in Carmarthen Town whilst Radio Carmarthenshire is also available online.

IMPACT OF THE PROPOSAL ON MCA COVERAGE IN LLANELLI

The data table indicates that the impact of the proposal would be the loss of FM signal in Llanelli 13,927 people representing 8% of the MCA.

We recognise that this is a more substantial impact, however we also submit that Llanelli has quite distinctive characteristics as compared with the rest of the County of Carmarthenshire, notably recognised by the initial provision of an entirely separate radio service (Scarlet FM) for this area.

Llanelli is remarkably well-served by FM commercial radio signals compared to other areas of Wales with two regional services (Heart and Nation), two local services (Hits Radio and Swansea Bay Radio) as well as Radio Carmarthenshire.

These means the potential loss of Radio Carmarthenshire on Fmin this area would have a proportionally lower impact on choice when compared to other areas of Wales including the key cities of Swansea and Cardiff.

We would seek to minimise any impact by a social media and on-air campaign in advance of the closure of FM to inform listeners in the area of coverage changes.

We believe that actual audience loss would be minimal since the Radio Carmarthenshire is carried on DAB on the Mid and West multiplex which has a transmission site at Kilvey Hill.

In addition, Swansea Bay Radio which carries substantially the same presentation output as Radio Carmarthenshire broadcasts on 102.1FM from Kilvey Hill and will reach into some parts of the Llanelli area currently covered by Radio Carmarthenshire.

IMPACT OF THE PROPOSAL ON MCA COVERAGE BY REMOVING BOTH LLANELLI AND CARMARTHEN

The data table shows when combining the requests the overall impact to the MCA is a loss of 8.3% of the MCA focused on the area to the west of Llanelli Town Centre.

We have prepared mapping to demonstrate the losses (in blue) which cannot be compensated by existing FM or DAB coverage of the station. This is predominantly the area to the West of Llanelli.

IMPACT OF THE PROPOSAL ON AUDIENCES

As submitted we do not anticipate a material impact on audiences as a result of this change.

We have not referenced the FM frequencies on air for a number of years as many radios now sort alphabetically rather than by frequency and FM is one of a number of platforms on which the station is available.

We have also submitted evidence supporting a growing shift of audience away from the FM platform both generally, and also in this area.

After any change, Radio Carmarthenshire will continue to be available in these areas on other platforms including DAB and online.

DAB transmission from the Mid and West Wales multiplex is specifically available in Carmarthen Town and also enjoys some coverage in Llanelli from nearby Kilvey Hill.

Absent 97.5FM, certain radio sets may automatically switch to 91.1FM if the signal is available or DAB depending on the SID/AF/PI relationship stored within them.

In advance of the change we would run an extensive on-air campaign highlighting the change and inviting listeners to tune in by another method.

This would be supplemented by a dedicated website page detailing the ways in which the station can be found in these areas.

There will be no change to the way the station can be accessed online through devices such as Amazon Alexa.

Over the course of 2024, Radio Carmarthenshire's parent company has invested heavily in the Nation Player mobile app – which has enhanced support for Apple Car Play and Android Auto and provides a further way for listeners to access the service.

We understand that a small number of listeners may still be impacted and we will respond to any feedback submitted via our website.

ALTERNATIVE OPTIONS CONSIDERED

Prior to this submission we have considered a number of alternatives including:

Continuation of all three sites – based on the information available to us about the changing nature of the marketplace and the long term contract required by ~~X~~ at license renewal, we do not consider this a viable option.

Alternative supplier for transmission to reduce cost – Carmarthenshire is a relatively remote area and given its terrain, transmitters are prone to lightning strikes. Nation does not generally self-maintain sites and we believe this option would add cost and complexity into existing arrangements resulting in significant periods of outage if a problem occurred. Generally, the pool of engineering talent for transmission is declining (due to loss of specialists through age/retirement/ill health) and is predominantly employed directly or indirectly by ~~X~~ or is currently engaged with the roll out of small scale DAB, and is geographically located far from West Wales adding to cost and time to resolve any issues that may arise.

Alternative transmission site option – We believe that the sites currently used are the most effective at providing coverage, whilst any site change would incur considerable initial capital expenditure and disruption to signal during changeover.

Closure of the service – we do not believe that the station has yet reached a point where it is no longer viable to continue in some form and, as demonstrated earlier, FM remains an important platform for listening currently.

For similar reasons, we do not contemplate the **sale of the business** as an option currently in scope.

Closure / Non-renewal of the service on FM only – we have considered making Radio Carmarthenshire a DAB only service by surrendering the FM licence. However, we believe that continuation on FM in some form is a more sensible option for some years into the future and is likely the best route to protect the continuation of a local radio service for local listeners on FM – particularly in rural parts of the County.

Use of Nation Radio's FM frequency in Carmarthenshire (at Carmel) as an alternative (i.e. hand back the existing licence and repurpose a transmitter from another licence) – whilst this might have been a viable solution for the short to mid-term, this does not align with our overall strategy of ~~X~~. Such a change would also be subject to regulatory permissions / format review process – the outcome of which is uncertain. The frequency change may also cause confusion for listeners and advertisers in the area. However there is sufficient precedent (for example with the South Coast Regional License operating Greatest Hits / Hits Radio) to suggest it is a potentially viable alternative option to reconsider if this request is unsuccessful.

CONCLUSION

We have concluded that this request represents the best outcome to maintain choice for listeners in Carmarthenshire, particularly rural areas of North Carmarthenshire, prolonging FM transmission of a local commercial radio service.

Within this paper, we have outlined a number of alternative routes that we would have to reconsider, should this request be rejected.

We believe these alternatives would result in outcomes which would more adversely impact the availability of a range of FM services in the area.

Martin Mumford
Company Secretary
Radio Carmarthenshire Limited

31 January 2025