

Small-scale radio multiplex licence award: Bournemouth & Boscombe

Background

Ofcom has decided to award a new small-scale radio multiplex licence for Bournemouth & Boscombe to BH Community DAB Limited.

In considering the applications it receives for small-scale radio multiplex licences, Ofcom is required to have regard to each of the statutory criteria set out in section 51(2) of the Broadcasting Act 1996 as modified by the Small-scale Radio Multiplex and Community Digital Radio Order 2019. These are as follows:

1. the extent of the coverage area (within the area or locality specified in the Ofcom notice inviting applications) proposed to be achieved by the applicant in the technical plan submitted in its application; (section 51(2)(a))
2. the ability of the applicant to establish the proposed service; (section 51(2)(c))
3. the desirability of awarding the licence to an applicant that:
 - a. is a person providing or proposing to provide a community digital sound programme service in that area or locality, or
 - b. has as a participant a person providing or proposing to provide a community digital sound programme service in that area or locality; (section 51(2)(ca))
4. the extent to which there is evidence that, amongst persons providing or proposing to provide community or local digital sound programme services in that area or locality, there is a demand for, or support for, the provision of the proposed service; (section 51(2)(f)) and
5. whether, in contracting or offering to contract with persons providing or proposing to provide community or local digital sound programme services, the applicant has acted in a manner calculated to ensure fair and effective competition in the provision of those services. (section 51(2)(g)).

The legislation does not rate these requirements in order of priority, but it may be that Ofcom will regard one or more of the criteria as being particularly important in view of the characteristics of the licence to be awarded and the applications for it.

Assessment

On 19 April 2024, Ofcom published a notice inviting applications for licences to provide small-scale radio multiplex services in localities including Bournemouth & Boscombe.

By the closing-date of 18 July 2024, Ofcom had received three applications for Bournemouth & Boscombe. These were from Muxcast 8 Limited, Bournemouth Digital Radio Limited, and BH

Community DAB Limited (“BH Community”). Copies of the non-confidential parts of the applications were made available for public scrutiny on the Ofcom website, and public comment was invited as required under section 50(7) although none was received.

Ofcom colleagues assessed the detail of the applications, including carrying out an assessment of the technical plans required to be submitted as part of all applications. The decision in relation to Bournemouth & Boscombe was made by a panel of Ofcom decision makers which convened on 10 October 2024. They carefully considered the applications and professional advice from Ofcom colleagues. They applied the statutory criteria in reaching their decision on whether and to whom to award a licence. Reasons for their decision to award a licence to BH Community are summarised below.

In relation to section 51(2)(a), the applicant proposed using one transmitter to provide its service. Ofcom calculations indicate that this would result in just over 89% of the adult population in the advertised licence area being able to receive the service. Ofcom’s coverage predictions indicated that the proposed small-scale radio multiplex service would be available to under 40% of the population in the licensed area of the overlapping Bournemouth local radio multiplex, and overspill outside the advertised area was predicted to be well under 30% of the population of the advertised area. Ofcom therefore considered no mitigations were required to comply with these thresholds. However, Ofcom considered mitigations may be necessary to address international constraints and that this may reduce coverage to just under 79%. Whilst this mitigation may not ultimately be required, decision makers assessed on a conservative basis using the lower figure, and considered this nevertheless represented a good level of coverage in the advertised area, with good coverage anticipated in most of Bournemouth as well as in the Christchurch and Boscombe areas.

In relation to section 51(2)(c), Ofcom considered the applicant’s financial and business plan, technical plan, the timetable for coverage roll-out, and evidence of relevant expertise and experience. Decision makers noted that one of the shareholders, Voice of Hope Radio (which currently has a 35% shareholding), has objects of a wholly or mainly religious nature. Under paragraph 2 of Part II of Schedule 2 to the Broadcasting Act 1990, such participants are limited to a 5% shareholding in a small-scale multiplex licensee. Whilst the need to make corporate changes prior to launching the service represents an additional hurdle to establishing the service, the applicant had expressed a willingness to make changes, and its business plan was not reliant on funding from the participant concerned. Additionally, decision makers noted that the use of a single, well-chosen site reduced technical complexity, and the applicant included people with considerable experience of the radio sector in the Bournemouth area with a clear commitment to establishing the service. Overall, decision makers had a good level of confidence in the applicant’s ability to establish the service within the 18-month period allowed by legislation.

In relation to section 51(2)(ca), two participants in the applicant proposed to provide C-DSP services in the locality (Dorset Coast Radio and Hope FM). Decision makers noted that although the current shareholding for both was significant, at 35%, Voice of Hope would be limited to a maximum 5% stake at launch with its current objects. The other participant was not limited in this way in terms of shareholding and had a reasonably good prospect of being available at launch, as an existing hospital radio broadcaster which had already been granted a C-DSP licence. Overall, decision makers considered this represented a good level of participation by prospective C-DSP providers.

In relation to section 51(2)(f), Ofcom considered evidence of demand or support from persons providing or proposing to provide community or local digital sound programme services (C-DSP and DSP services) in the advertised area. As well as the two prospective C-DSP providers who are also

participants as mentioned above, the applicant had provided evidence of demand and support in relation to 11 prospective DSP services (ten heads of agreement and one additional letter of support). Decision makers noted these included locally based services with a good prospect of coming to air, and represented a robust level of support in the context of the area.

In relation to section 51(2)(g) and based on the evidence received, Ofcom was satisfied that the applicant had, in contracting or offering to contract with persons providing or proposing to provide community or local digital sound programme services, acted in a manner calculated to ensure fair and effective competition in the provision of those services.

It is noted that the award of a licence does not confer on the awardee the right to implement all elements of the technical plan submitted to Ofcom as part of the successful application. Ofcom will treat proposals in that plan, on the basis of which the award was made, as things the successful applicant has committed to achieve within the 18-month period allowed between award and launch. However, for spectrum planning reasons, Ofcom may also require amendments to proposals between award and licence grant.

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