

Small-scale radio multiplex licence award: Isle of Wight

Background

Ofcom has decided to award a new small-scale radio multiplex licence for the Isle of Wight to Wight Digital Radio CIC.

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 the Isle of Wight.

By the closing-date of 18 July 2024, Ofcom had received one application for the Isle of Wight. This was from Wight Digital Radio CIC ("Wight Digital"). Copies of the non-confidential parts of the

application 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 application, including carrying out an assessment of the technical plan required to be submitted as part of all applications. The decision in relation to the Isle of Wight was made by a panel of Ofcom decision makers which convened on 27 September 2024. They carefully considered the application and professional advice from Ofcom colleagues. They applied the statutory criteria in reaching their decision on whether to award a licence to the sole applicant. Reasons for their decision to award a licence to Wight Digital are summarised below.

In relation to section 51(2)(a), the applicant proposed using five transmitters to provide its service. Ofcom calculations indicate that this would result in just under 88% 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 well under 40% of the population in the licensed area of the overlapping South Hampshire 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 approximately 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 albeit with some gaps particularly on the south-western coast of the island. An alternative site was suggested for one of the transmitters, at Ventnor, which would slightly increase coverage. However, the applicant had not obtained written agreement at the point of application, and Ofcom's assessment was based on the other site, noting the difference is negligible in terms of overall coverage predicted.

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 the technical plan involves five transmitters, which improves coverage but comes with an increase in the cost and complexity of establishing the service. This gave decision makers some concerns over ability to establish the service in the period allowed. However, an experienced technical contractor had been engaged for installation, individuals involved in the application had a good mix of technical expertise and experience in the radio sector locally, and a reasonably realistic business plan had been provided. Overall, decision makers had an adequate 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), one participant in the applicant, Vectis Radio CIC, proposed to provide a C-DSP service in the locality. Vectis Radio is an existing analogue community radio service on the Isle of Wight, and decision makers considered it thus has a very good prospect of being available to the multiplex from launch. Decision makers also noted that its level of interest in the applicant, amounting to 35% of voting rights, was substantial.

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 participant mentioned above, two further prospective C-DSP providers (Angel Radio, which is an existing analogue community radio service on the Isle of Wight, and a proposed new service) had expressed an interest, as well as 15 other prospective DSP services. Whilst services varied in the extent to which they had a good prospect of

being available on the multiplex from launch, decision makers noted that this represented a reasonably good level of demand and support overall.

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. Decision makers noted the applicant had publicised their proposed multiplex widely and made efforts to reach out to a range of 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.

October 2024