

RADIOCENTRE RESPONSE TO OFCOM CONSULTATION ON LOCAL COMMERCIAL RADIO LICENCE RENEWALS

SUMMARY

1. Radiocentre welcomes the opportunity to respond to Ofcom’s consultation¹ on local commercial radio licence renewals. The commercial radio industry strongly supports Part 5 of the Media Act which removes a range of outdated regulatory burdens on the sector. These changes support investment by broadcasters and the long-term sustainability of the commercial radio industry.
2. We agree in principle with Ofcom’s proposal to offer a new route for renewal of local analogue commercial licences to give all licence holders an opportunity to apply, including those who were previously unable to do so.
3. Making local analogue licence renewals more widely available will benefit commercial radio broadcasters that had previously been unable to seek renewal of their analogue licence due to the lack of availability on a ‘relevant’ local DAB multiplex or a suitable small-scale DAB multiplex in their area.
4. However, some smaller operators have expressed concerns (noted in response to the questions below) about how Ofcom is proposing to define whether a multiplex is suitable.

Question 1: Do you agree with our proposal that a ‘relevant’ local or small-scale multiplex should be considered ‘unsuitable’ in relation to an analogue service only if there is a substantial difference in the size of their coverage areas?

Question 2: Do you think Ofcom should consider any other factors (which we have not considered in this consultation) when determining whether a multiplex is suitable for a licensee’s needs under the New Renewal Route?

5. We agree with the proposal – and underpinning rationale – to offer a new route for renewal of local analogue commercial licences to give all licence holders an opportunity to apply. As noted in the consultation document, Ofcom considers the size of coverage areas the only factor that should be considered when determining whether a multiplex is suitable – i.e. a multiplex that covers at least 25% of the population served by an analogue licence.
6. However, we understand that for some very small independent commercial radio operators, there may be situations where there is no relevant small-scale DAB multiplex, yet the cost of transmission on an existing local DAB multiplex (in addition to a transmission area far in excess of its licenced coverage area) may be so prohibitively high it would make a local commercial station unviable, which clearly is not the policy intention.
7. We agree with Ofcom’s provisional view outlined in 3.12 that, *“that there may be limited circumstances where a ‘relevant’ multiplex may not be suitable for an applicant’s needs if there is a substantial difference in the size of the coverage area – either in terms of population*

¹ Ofcom *Local commercial radio licence renewals* [consultation](#), December 2024

coverage or geographical coverage, or both – between that of the analogue service and that of the ‘relevant’ multiplex.”

8. We also agree with the provisional views outlined in 3.13 and 3.14 which recognise this this is most likely to occur where the analogue service has relatively limited coverage and its only ‘relevant’ multiplex is a local (rather than small-scale) multiplex and that the additional unwanted coverage could make it unsuitable for the licensee. A relevant small-scale DAB multiplex may also be unsuitable if the available coverage is too small.
9. These provisional views should be sufficient to address the concerns held by some of the smallest commercial radio operators. While Ofcom is unlikely to accept there is no suitable multiplex for reasons *solely* of affordability², there may be an extremely limited number of cases where this should be taken into consideration alongside the suitability of a relevant multiplex. We believe that this would help to support the sustainability of the smallest independent local commercial radio stations, operating on extremely tight margins, while delivering highly valued local services to their listeners. In practice, this may only impact a very small number of licensees (if any) and should be assessed on a case-by-case basis, making it unlikely to affect most situations where the existing or proposed new renewal route would apply.
10. Multiplex capacity is another important consideration for Ofcom that has been highlighted by our members when determining whether relevant a multiplex is suitable. Where there is no capacity on a relevant multiplex, and no other suitable multiplex available, licence holders should be able to take advantage of the new renewal route.
11. Commercial radio broadcasters would find it helpful for Ofcom to clarify the anticipated procedure in a rare instance where a multiplex operator might cease its operation after analogue renewal is granted. Finally, operators would also find it helpful if Ofcom would publish details specifying the multiplexes relevant to each analogue licence area.

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² 3.18, Ibid