

Small-scale radio multiplex licence award: Cambridge

Background

Ofcom has decided to award a new small-scale radio multiplex licence for Cambridge to Cambridge Digital Radio 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 (“the 1996 Act”) 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 of applications

On 1 September 2020, Ofcom published a notice inviting applications for licences to provide small-scale radio multiplex services in several localities, including in Cambridge.

Ofcom received one application in response to its notice inviting applications for this locality by the closing date of applications which was 23 November 2020, which was from Cambridge Digital Radio Limited (‘Cambridge Digital’). A copy of the non-confidential parts of the application was made available for public scrutiny on the Ofcom website, and public comment was invited as required under section 50(7) of the 1996 Act.

Ofcom colleagues assessed the detail of applications, including carrying out assessments of the technical plans required to be submitted as part of all applications. Decisions were made by a panel of Ofcom decision makers which convened on 11 March 2021. They carefully considered the application, public comments received, and professional advice from Ofcom colleagues, and applied the statutory criteria in reaching their decision on whether and to whom to award a licence. Reasons for their decision are summarised below.

In relation to section 51(2)(a) Cambridge Digital proposed using two transmitters which would provide coverage for nearly 97% of the adult population in the licence area advertised, according to Ofcom's analysis. There was little projected coverage overspill outside the advertised area.

In relation to section 51(2)(c), Ofcom considered financial and business plans, technical plans, the timetable for coverage roll-out, and evidence of relevant expertise and experience. It was noted that the applicant is the current operator of the Cambridge trial small-scale DAB multiplex, and has representatives of local Cambridge community and commercial radio stations on its board. We also considered that Cambridge Digital has good access to existing financial reserves and extra funding from its directors if required. The decision-makers therefore considered it would be in a good position to establish the service within 18 months of the date of award as required by the legislation.

In relation to section 51(2)(ca), Ofcom noted that the applicant has as a participant Cambridge 105 FM Radio Limited, which is proposing to provide a community digital sound programme service in the advertised area. Cambridge 105 is an analogue community radio service which has broadcast to the city of Cambridge since 2007. Under the legislation, involvement of such a person is a desirable feature for applicants.

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 in the advertised area and concluded that there was sufficient evidence of support to justify the award of a licence in light of Ofcom's duties which include, amongst other things, to secure in carrying out our functions the optimal use of electro-magnetic spectrum, and to secure the availability throughout the UK of a range of radio services. Ten of the stations currently broadcasting on the Cambridge trial multiplex expressed an interest in continuing to broadcast on the multiplex should it be licensed, and there was also confirmed interest from CAM FM, the analogue community radio service serving the student community in Cambridge, with regard to joining the multiplex as a C-DSP service.

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.

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 require amendments to the technical plan between award and licence grant.