

Your response

Question	Your response
<p>Question 1: Do you agree that Ofcom should not impose any new coverage obligations on the national radio multiplex licensees as part of licence renewal or require a new technical plan?</p>	<p>Yes, Arqiva agrees that Ofcom <u>should not</u> impose new coverage obligations and/or a new technical plan as part of the licence renewal.</p> <p>Since launch, both Digital One or D1 (Arqiva) and Sound Digital Limited or SDL (Arqiva, Bauer and Wireless Group) have independently demonstrated their continued commitment and ongoing investment in their respective national Digital Audio Broadcasting (DAB) networks. As Ofcom have confirmed in the consultation document, D1 now reaches 91.7% of the country with SDL serving 82.6%.</p> <p>The DCMS led Digital Radio and Audio review highlights “... <i>that live radio will still account for 50% of audio listening by the mid-2030s, the majority delivered via DAB</i>”¹. Arqiva recognises the importance of delivering improved coverage as audiences become more reliant on the DAB platform over the next decade and beyond. We are committed to supporting a sustainable long-term future for the DAB platform and will continually assess the need for future site roll-out.</p> <p>We are actively supporting the Digital Radio and Audio review recommendations which include developing the work carried out by the Broadcast Radio Coverage Group (BRCG) to identify further potential DAB coverage improvements for evaluation.</p> <p>Arqiva firmly believes, however, that future coverage improvement and investment in any new sites for D1 or SDL should be subject to commercial discussions between the radio stations and the multiplex licence holders unless otherwise directed by Government. Additional site roll-out needs to carefully balance the needs of the listener, the cost of roll-out and any commercial benefit to the radio stations and multiplex licence holder.</p> <p>In their recent consultation response² the Government supports this view stating the following: “<i>Given the maturity of digital radio and the existing levels of build out of the commercial radio networks, we are minded to agree that it [coverage] is primarily a matter for the multiplex operator and service providers to determine, unless and until there is a decision on a future switch-off of FM services.</i>”</p>
<p>Question 2: Do you agree that Ofcom should not impose any new obligations on the national radio multiplex licensees</p>	<p>Yes, Arqiva agrees that Ofcom <u>should not</u> impose any new obligations for promoting the DAB digital radio platform as part of licence renewal.</p> <p>Arqiva is committed to working with our customers to deliver the very best content to listeners across the UK, delivering a sustainable and vibrant future for the UK radio industry.</p>

¹ Mediatique Audio Forecast, 2020 – DCMS – Radio and Audio Review published October 2021

² DCMS, National commercial digital radio multiplex licences: consultation response, 31st January 2022

<p>for promoting the DAB digital radio platform as part of licence renewal?</p>	<p>We have a proven track record of continuous investment in the DAB platform since its inception in 1995 and have been responsible for leading investment in networks, funding and supporting marketing and promotional activities through DRUK, WorldDAB membership and industry-wide sponsorship.</p> <p>Arqiva not only operates D1 and has a shareholding in SDL, but we also hold licences for 25 local DAB areas. It is in Arqiva’s interests and that of the wider industry to promote and support the DAB platform and therefore a prescribed approach to this, as part of new obligations, is not required in the licence renewal.</p>
<p>Question 3: Do you agree with our preference not to set a PMR rate for the renewed period of the national radio multiplex licences?</p>	<p>Yes, Arqiva agrees with Ofcom that a PMR rate <u>should not</u> be set for the new renewal period of the national radio multiplex licences.</p> <p>Increased costs could be passed through to the customer in part or in full through capacity charging for radio stations carried on the multiplex. We would not advocate that in the current economic climate that this is an appropriate approach to take when both the licence operators and the wider radio industry are facing increasing costs of operations.</p> <p>To reinforce this point we note that the Government in their 2020 commercial analogue licence renewal consultation³ recognised the ongoing challenges faced by the radio industry in stating, “...a challenging time given the trifold challenge of the transition from analogue to digital, the growth in new forms of online audio content and the sector’s continuing dependence on advertising - which in turn is facing the challenges presented by the coronavirus pandemic.” This statement remains true, with radio sector challenges now exacerbated by inflation instability and several areas of increasing ongoing costs.</p>

³ DCMS Consultation on the renewal of analogue commercial radio licences, 2020 - <https://www.gov.uk/government/consultations/consultation-on-the-renewal-of-analogue-commercial-radio-licences>