

The Future of Radio – Response to Ofcom Consultation published April 2007

This memorandum is written on behalf of
CBC – Christian Broadcasting Council



CBC Administration, PO Box 1110, Conway House, Cheapside, Stoke-on-Trent ST1 1XR
Tel: 0870 209 6105 Email: enquiries@cbc.org.uk Web: www.cbc.org.uk

CBC Broadcasting Consultant, 10 Primrose Lane, Old Fallings, Wolverhampton WV10 8RS
Direct Tel: 01902 404289 Email: jpeter.wilson@cbc.org.uk

The Christian Broadcasting Council of the United Kingdom (CBC) wishes to give our views regarding Ofcom's invitation to comment on their "Future of Radio" document for the future of FM and AM services and the alignment of analogue and digital regulation that was published on 17th April 2007.

Our comments follow our own discussions with members of the independent Christian radio broadcasting sector who are either existing licensees or applicants for future licences. These broadcasters, in current Ofcom terminology, fall into either the commercial or community sectors but as Christians they see themselves offering complementary services to one another and not as competitors. There are two scripture readings that help underline this position, namely:

How good and pleasant it is when brothers live together in unity!

Psalms 133:1 (New International Version)

In Christ's family there can be no division into Jew and non-Jew, slave and free, male and female. Among us you are all equal. That is, we are all in a common relationship with Jesus Christ.

Galatians 3:28 (Message Bible)

We have laid out our responses in the order of Ofcom's consultative proposals in order to help clarify our responses. Where we comment on one of Ofcom's specific proposals we will quote the Ofcom proposal in brackets and italics for example (*P1.2*) refers to Ofcom's Proposal 1.2 on streamlining of Formats.

Commercial radio content regulation

Ofcom's Proposal 1: The regulation of content on analogue commercial radio and on DAB digital radio should be aligned, at the appropriate time.

CBC takes the view that there is a clear need for the alignment of content regulation between analogue radio services and their digital counterparts so that the essence of localness is preserved when an existing analogue local radio service is completely transferred to digital.

We would argue that any **simplification of existing analogue formats**, to bring them into line with digital formats, **should not have to wait for a predetermined digital radio ownership threshold to be reached, but should happen as soon as practicable to help lift the some of the regulatory burden from existing analogue stations** provided that the existing analogue licensee meets agreed minimum localness provisions. (P1.1 & 1.2)

We would suggest that **the best organisation to judge the appropriate level of localness is the radio station operator rather than the regulator, as the USP of local radio is in facts its localness**. We therefore suggest that the minimum localness thresholds (P1.3) should really be minimums and CBC suggests that these be as follows:

Type of licence	Programming requirements
FM & AM stations with populations under 250,000	Mon-Fri: Minimum of four hours per day of locally-produced programmes in peak time including local news. Weekends: No minimum.
FM stations with populations over 250,000	Mon-Fri: Minimum of eight hours per day of locally-produced programmes in peak time including local news plus local material drop-ins throughout daypart. Weekends: Minimum of four hours per day of locally-produced programmes in peak time including local news plus local material drop-ins throughout daypart.
AM stations with populations over 250,000	Mon-Fri: Minimum of four hours per day of locally-produced programmes in peak time including local news plus local material drop-ins throughout daypart. Weekends: Minimum of four hours per day of locally-produced programmes in peak time including local news.

Ofcom itself recognises, in 4.85 and 4.101, that stations, which are heavily focused on certain genres of music, may have a good case for shared programming and less hours of local programming. In CBC's response, dated 14th December 2006, to Ofcom's initial document on radio we suggested *that localness might be important for local mainstream format stations and highly localised community radio. However for a regional rock music station or other locally delivered specialist genres such as Asian or Christian music it should be left to the discretion of the service operator to decide the level of local news and information as for most listeners the reason for tuning to those services is because of the nature of the music played and not necessarily for a local news service.*

Peter Davies, Director of Radio & Multimedia at Ofcom, said in his responses to questions at the Westminster Media Forum (WMF) seminar on radio held on Tuesday 5th June 2007 that it is Ofcom's intention to consider localness on DAB simply to ensure that existing local analogue stations broadcasting on digital retain some level of local programming after any analogue switch off. He stressed that Ofcom are not intending to require any additional localness from digital stations beyond what they already provide.

CBC believes, once the majority of listening is via digital platforms, **that localness should be judged across all local commercial stations within an area on a platform neutral basis** rather than for each individual station (P1.4).

CBC would wish to further emphasise the point that the decision on localness for Christian and other specialist radio formats should be left completely to the radio station management. This especially applies to formats that have only broadcast through digital platforms such as DAB or satellite. It maybe that a rock or gospel music service may wish to broadcast a regional news service across an area similar in size to an ITV region and therefore the same news would appear on a number of neighbouring multiplexes. CBC would consider that such specialist services would be offering their variation of localness to an audience that listens to that station mainly for their genres of music.

With the expansion of digital listening and comments from Virgin Radio's James Cridland at the WMF radio seminar that they expect to turn off their AM transmitters in 2012, CBC believes that the existing national format restrictions will become irrelevant and should be removed while the need to make sure that there must be a **diversity of formats licensed on national digital radio platforms must be maintained.** (P1.5 & 1.6)

Commercial radio ownership regulation

Ofcom's Proposal 2: There may be a case for Government to consider bringing together the ownership rules regarding analogue commercial radio and DAB digital radio into a single set of rules as the proportion of listening accounted for by digital platforms increases.

CBC would wish to note that most Christian radio broadcasters operating commercial licences, both analogue and digital, operate their organisations as charitable bodies receiving their income through a variety of sources including donations from listeners and Christian organisations. These broadcasters endeavour to achieve a surplus in their operations but they do not have the same commercial imperatives as most commercial radio companies.

We would ask Ofcom to understand that CBC's comments on commercial radio ownership have taken this different operating perspective into account when making our comments on commercial radio ownership regulation.

CBC believes that:

1. **Ownership rules for radio should be simplified** and operate across both analogue (AM & FM) and digital terrestrial (DAB & DRM) commercial radio across defined ownership areas (P2.2).
2. The new simplified ownership rules should preserve the principles of plurality and the "two plus the BBC" principle. The plurality principle must be enshrined in any future ownership rules in order that owners of specialist format stations, such as Christian or Asian formats, are taken into account (P2.2).
3. The introduction of changes in ownership regulation should be linked to a threshold of 50% of the overall proportion of listening via digital platforms (P2.1).

4. The multiplex rules should be changed so that no person can control more than one multiplex designed to cover the same area (P2.3) including national multiplexes (P2.4).
5. The exact details of the new ownership rules are best agreed between Ofcom and the radio industry through its trade organisation the RadioCentre before final proposals are suggested to Government for inclusion in future legislation.

The ability to free-up spectrum

Ofcom's Proposal 3: While we do not currently propose that a date should be set for the switch-off of analogue (FM and AM) radio, we should aim to maximise flexibility in the licensing system so as to be able to free-up that spectrum for other uses, when the time is right.

CBC believes that radio broadcasting in the future in the United Kingdom will be delivered by a variety of radio broadcast spectrum that allows national, regional, local and very local/community radio stations. With the fast decline in the listening via AM we believe that Ofcom, and Government where necessary, should put into place a timetable for the re-allocation of broadcast spectrum in order to support a wide range of different formats radio broadcasts.

CBC suggests the following:

1. Ofcom should be given the power to increase the licensed areas of existing DAB local multiplex licences where such increases would not be significant, and to approve significant increases in exceptional circumstances. (P3.1)
2. The proposed AM (Medium Wave) switch-off review in 2009 should determine the common-end date for all AM transmissions in the UK. (P3.2)
3. We believe that the UK's high powered medium wave allocations should be used for DRM to complement the coverage of DAB services in parts of the country, such as the Scottish Highlands and parts of Wales, where the topography of the countryside may make DAB reception difficult.
4. Ofcom should follow the Dutch example, quoted in 5.28, and offer existing AM commercial broadcasters (who have not found space on a local DAB multiplex) and community broadcasters the option of converting to DRM
5. The proposed FM Band (VHF Band II) review should clear the FM band of all national broadcasters – BBC R1, BBC R2, BBC R3, BBC R4 & Classic FM – and all BBC local stations as well as local commercial stations that have space on DAB multiplexes. (P3.2)
6. The FM Band should then be re-organised in order to allow for Small FM Commercial Stations (under 300 watts erp) to continue broadcasting on FM and for licensed low-powered FM broadcasting by other small stations – Geographical Community Stations, Community-of-Interest Community Stations, Educational/School/Hospital Radio and RSL broadcasts. Such a use of the FM Band would allow for existing un-licensed ethnic stations (especially in London and other

metropolitan centres) to operate legally as Community-of-Interest Community Stations.

7. The general principle should be that there is no simulcasting of a radio service on two wavebands, including BBC services, apart from the rural parts of the country where a combination of different transmission services allow for the service to be received effectively by all potential listeners. An example would be the service of Fresh Radio in the Yorkshire Dales that uses FM in population centres and an AM frequency (which could become a DRM allocation for North Yorkshire) to cover the rural parts of the area.

These changes would allow for broadcasting by:

1. National commercial radio services on DAB and on DRM where this is a more appropriate technology for rural and hilly parts of the country.
2. National and local BBC services (including Radios Cymru, Scotland, Wales & Ulster) on DAB and on DRM where this is a more appropriate technology for rural and hilly parts of the country.
3. Regional, County and City-sized commercial stations on DAB.
4. Specialist format stations, including Christian stations, on DAB.
5. Small-scale commercial stations on FM and/or DRM.
6. Community radio stations on FM or DRM.

It will therefore be seen that CBC believes that the spectrum currently used by analogue AM and FM radio should be reused for DRM in the case of AM and that the FM Band should be re-allocated for low-powered licensed broadcasting. The development of DRM+ (covering the existing FM Band) will allow for the existing FM Band to become digital at some future date. We believe that there are strong public policy reasons that these parts of the spectrum should be kept for licensed radio broadcasting and not be allocated by market mechanisms for other uses. (P3.3)

CBC supports the Ofcom proposals, which may need Government and Parliamentary approval, regarding aspects of licensing that will:

1. Enable analogue licences to all have an expiry date of 31 December 2015. (P3.4.)
2. Remove the right for a 12-year analogue licence rollover for an analogue broadcaster going on DAB. (P3.5)
3. Give Ofcom the flexibility to achieve common end-dates for analogue licences. (P3.6)

New ways of licensing radio broadcasting

Ofcom's Proposal 4: Radio services, including those designed to deliver public purposes, should be able to be licensed on any spectrum in a technology neutral way.

CBC supports the proposal that in future all radio services should be licensed on any spectrum in a technology neutral way. This will have the advantage of allowing the licensee to decide the technology to be used for their services within the allocated spectrum. (P4.1)

CBC is against the awarding of spectrum for public purpose broadcasting being awarded by auction, as this would severely restrict opportunities for charitable funded broadcasters including Christian broadcasters and community radio stations from obtaining the required spectrum to operate. We would therefore urge the Government to safeguard spectrum for public purposes from being auctioned. (P4.2)

DAB sound quality

Ofcom's Proposal 5: Ofcom will generally approve a change from stereo to mono in circumstances when it considers that the reduction in sound quality of the service whose technical parameters is being changed is outweighed by the benefits to citizens and consumers of the use to which the freed-up capacity is to be put.

CBC supports the proposal for a change from stereo to mono in certain circumstances as this can allow for additional formats to be broadcast for the benefits to citizens and consumers. There have been a number of cases where Christian broadcasters would have been restricted in obtaining space to broadcast on a DAB multiplex were it not for the case that mono capacity was available. In these cases the benefit of being able to broadcast in mono far outweighs the case for a fewer number of stations broadcasting in stereo regardless of the so-called reduction in sound quality of the service. (P5)

CBC is supportive of Ofcom's approach regarding future developments of DAB in the UK, as this will not disenfranchise the current DAB set owners. In order for any future change to be made to DAB transmissions we believe that there must be:

- Europe-wide DAB common standards before any changes are implemented in the UK
- Wide availability of radio sets and other receivers capable of receiving DAB, DAB+, FM and even possibly DRM/DRM+. It should be noted that the first DAB/DRM/FM radio sets are now becoming available in Germany & UK that will be upgradeable to receive DAB+ in the future.

Community radio licensing and regulation

Ofcom's Proposal 6: The characteristics of community radio, based around social gain provided by stations on a not-for-profit basis remain key. However, there may be an argument for simplifying the statutory selection criteria, and the regulation of funding and ownership without losing the essence of what community radio has been set up to achieve.

CBC believes that:

1. **Community radio must continue to operate on a not-for-profit basis.**
2. There is a need to simplify the selection criteria and licensing procedures for community radio while maintaining the nature of these types of services (P6.2, 6.3, 6.4 & 6.5).
3. Community radio must show what they intend to or do provide social gain (P6.1 & 6.6).

4. Community radio licences that are geographical community-of-place operations should continue to have restrictions placed upon them where there already is a small-scale commercial station adjacent to them. However there maybe a case for the removal of restrictions related to economic impact where a community station will have a significantly different format to those of existing commercial stations e.g. Christian music or an arts-based station (P6.15).
5. There must be no change in the categories of persons who are prohibited from holding a community radio licence. (P6.11)
6. The rule governing no body corporate holding more than one community radio licence needs to be reconsidered and CBC would suggest that for community-of-interest styles of licences, such as age related services or Christian broadcasting, there should be an allowable maximum holding of 12 licences. (P6.12)
7. Community radio licences should have a similar licence length to an analogue commercial licence with an expiry date of 31 December 2015. Any new licences issued for a re-allocated FM Band should be for 10-year periods with Ofcom having the right to give at least two years notice if the spectrum is required for other uses. (P6.14 & 6.16)

In the Bible Jesus is quoted as follows:

“Let me tell you why you are here. You’re here to be salt-seasoning that brings out the God-flavours of this earth.”

Matthew 5:13 (Message Bible)

All our comments are made on the principle that we wish to be the salt-seasoning that helps underline the need for opportunities for Christian and other specialist stations to be enhanced in any future plans for radio so that our nation is able to hear a full range of voices over the airwaves including the words and teachings of Jesus Christ.

We trust that our comments are of help to Ofcom.

Yours truly,

Mrs Olave Snelling

Chairman of the Executive Council – Christian Broadcasting Council

J Peter Wilson

Consultant to CBC on Broadcasting Regulation

22 June 2007

The Christian Broadcasting Council, known as CBC, was founded in 1983:

- ✓ *To stimulate and promote the knowledge of the Christian faith and the propagation of the Gospel of Jesus Christ through the broadcasting media in the United Kingdom.*
- ✓ *To encourage the highest standards of Christian media communication.*
- ✓ *To support and develop the knowledge and standards of all those involved in broadcasting.*
- ✓ *To bring together in fellowship those working in broadcasting and those who support the vision of CBC, under girding and encouraging them in their spiritual lives.*