

## Wireless Telegraphy Licence Charges (Amendment) Regulations

Relating to Ship Radio, Ship Portable Radio and Amateur Radio licences

Statement

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## Summary

- 1.1 On 12 April 2006, Ofcom published a consultation document regarding Wireless Telegraphy Licence Fee proposals for encouraging internet licensing<sup>1</sup>. This consultation concerned a number of deregulatory proposals for removing or simplifying fees, expected to start from 1 December 2006. In order to levy or change fees for Wireless Telegraphy Licences, under which use of radio spectrum equipment is authorised, Ofcom is required to make statutory regulations.
- 1.2 The subsequent statement and statutory notice entitled the "Wireless Telegraphy Act licence charges amendments" ("the Statutory Notice")<sup>2</sup>, issued on 19 July 2006, gave statutory notice of Ofcom's intention to amend the Wireless Telegraphy (Licence Charges) Regulations 2005. This statement explains Ofcom's decision to make the Wireless Telegraphy (Licence Charges) (Amendment) Regulations 2006 ("the Amendment Regulations").
- 1.3 Ofcom published notice of its intention to make the Amendment Regulations on 19 July 2006 and invited comments by 21 August 2006. In order to reach its decisions Ofcom has carefully considered all submissions received.
- 1.4 Ofcom received a total of nine responses to the Statutory Notice. All responses have been published on the Ofcom website<sup>3</sup> and a full list of respondents is provided at Annex 1. There were no specific concerns raised about Ship Radio or Ship Portable Radio licences. All the responses concerned the Amateur Radio licence class. One positively welcomed the making of these regulations. However, several respondents repeated similar concerns to those raised in the original consultation, specifically regarding a fear that these regulations could lead to further deregulation of the amateur hobby and that amateur frequencies would not be safeguarded. One response also suggested that the fee for paper licensing could be discriminatory, especially for people with disabilities. The remaining issues raised by respondents concerned lifetime licensing arrangements. These comments are out of the scope of this consultation which only related to the Amendment Regulations.
- 1.5 Ofcom has considered these responses but does not consider they would justify reconsidering the fee proposals and has not therefore made any material changes to the Amendment Regulations as a result of the responses to the Statutory Notice.
- 1.6 Ofcom has now made the Amendment Regulations and submitted them for registration and publication. They will come into force on 1 December 2006. They will shortly be available from the Office of Public Sector Information's website at <u>www.opsi.gov.uk</u>.

<sup>&</sup>lt;sup>1</sup> <u>http://www.ofcom.org.uk/consult/condocs/internetlicence/</u>

<sup>&</sup>lt;sup>2</sup> http://www.ofcom.org.uk/consult/condocs/internetlicence/statement/

<sup>&</sup>lt;sup>3</sup> http://www.ofcom.org.uk/consult/condocs/internetlicence/statement/responses/

## Decision

2.1 This statement explains Ofcom's decision to make the Amendment Regulations. The following section of the statement explains the background to the making of the Amendment Regulations, the main issues raised in the responses to the statutory notice and the next steps for the implementation of the regulations.

#### Background

- 2.2 On 12 April 2006, Ofcom published a consultation document concerning Wireless Telegraphy Act licence fee proposals for encouraging internet licensing ("the April consultation"). The consultation set out a number of deregulatory proposals for removing or simplifying fees, expected to start from 1 December 2006 for Ship Radio, Ship Portable Radio and for Amateur Radio licences. Other announcements were made by Ofcom concerning Ship Radio and Ship Portable Radio licensing<sup>4</sup>, Amateur Radio licensing<sup>5</sup> and the format of the new licences shortly to be reissued.
- 2.3 In order to bring the proposals, detailed in the April consultation, into effect, Ofcom is required to make statutory regulations to introduce licence changes for Wireless Telegraphy Licences (the licences under which use of radio spectrum equipment is authorised). On 19 July 2006, Ofcom published a document "Wireless Telegraphy Act licence charges amendments" ("the Statutory Notice") which gave statutory notice of its proposal to make the Amendment Regulations. A list of FAQs answering questions outside the scope of the consultation was published on the same day<sup>6</sup>.
- 2.4 The consultation period for the Statutory Notice ended on 21 August 2006. Ofcom received a total of nine responses. In making its policy decisions, Ofcom has carefully considered the submissions it received.

#### **Responses to the statutory notice**

- 2.5 Ofcom received nine non-confidential responses to the Statutory Notice from individual amateur radio users. These responses are published on the Ofcom website<sup>7</sup>. A full list of respondents is available at Annex 1. No comments were received in relation to Ship Radio or Ship Portable Radio licences. All the responses concerned Amateur Radio and one respondent to the April consultation reiterated strong support. There were a number of comments and concerns about lifetime licensing arrangements but these issues are outside the scope of this consultation and Ofcom has summarised the process separately<sup>8,9</sup>.
- 2.6 An amateur radio licensee, who also responded to the April consultation, reexpressed his previous concerns that these regulations could lead to further deregulation of the amateur hobby. In response to these concerns, Ofcom reiterates that it has no further plans to deregulate amateur radio licensing. The requirement to

<sup>&</sup>lt;sup>4</sup> <u>http://www.ofcom.org.uk/consult/condocs/src/statement/</u>

<sup>&</sup>lt;sup>5</sup> http://www.ofcom.org.uk/consult/condocs/aradio/aradio.pdf

http://www.ofcom.org.uk/radiocomms/ifi/licensing/classes/amateur/faq/

<sup>&</sup>lt;sup>7</sup> http://www.ofcom.org.uk/consult/condocs/internetlicence/statement/responses/

<sup>\*</sup> http://www.ofcom.org.uk/radiocomms/ifi/licensing/classes/maritime/

<sup>&</sup>lt;sup>9</sup> http://www.ofcom.org.uk/radiocomms/ifi/licensing/classes/amateur/

pass the relevant Radio Society of Great Britain ("RSGB") examinations remains a prerequisite for the granting of an amateur radio licence.

- 2.7 According to a further respondent, annual fees should continue to be paid and to be specifically set aside for enforcement in relation to amateur radio. Ofcom reiterates its earlier statement in the Statutory Notice. Ofcom's duties in relation to how it manages and enforces spectrum use are set out in statute and we determine our priorities in accordance with published targets and in accordance with the priorities set out under the published Spectrum Framework Review. Ofcom's arrangements with Government for funding spectrum work are determined by the provisions of the Communications Act 2003 ("the Communications Act"), and there is no linkage that relates the level of service provided to the fee paid for a licence. Nevertheless, Ofcom has a range of powers and will continue to investigate or enforce any serious breaches of the Act or of licence conditions for all its licensed services, including for amateur radio. Ofcom is keen to work with organisations like the RSGB to ensure these powers can be used effectively.
- 2.8 A respondent to the April consultation commented that Ofcom did not take note of his concern regarding the specific needs of people with disabilities. At present, the licensing system operates Minicom (for hearing impaired customers for which special equipment is required). The new on-line licensing service makes specific provision for users with accessibility requirements. Compliance with these requirements has been checked with independent experts. For those who continue to apply by paper based means, the one-off charge of £20 will be considerably less than the £15 annual charge that all users (except those qualifying for age discretions) have to pay at present.
- 2.9 Of com was notified by a respondent that his response had become corrupted on the Of com website. We have re-published a non-corrupted version of this response in the same location on the Of com website.
- 2.10 Respondents supported the decision to remove the fee for those persons aged 75 years of age or over whatever their means of application. There was also strong support from some respondents for the new licensing process more generally, which will be implemented once these regulations have come into force.
- 2.11 Ofcom has made no material changes to the Amendment Regulations as a result of the responses to the Statutory Notice.

#### **Next Steps**

2.12 Ofcom made the Amendment Regulations on 1 November 2006 and they will come into force on 1 December 2006. A draft copy of this statutory instrument is annexed to this statement in the form submitted for indicative purposes. The Amendment Regulations will be officially published on the Office of Public Sector Information's website in due course at <u>www.opsi.gov.uk</u>.

# General Effect of the regulations

#### **Legislative Framework**

3.1 The Amendment Regulations (copy at Annex 2) will amend the existing legal framework for the spectrum pricing arrangements that applies to all licence classes managed by Ofcom. In making the proposed regulations, Ofcom have had regard to the matters specified in section 154 of the Communications Act and is exercising its powers under sections 1 and 2(2) of the Wireless Telegraphy Act 1998, which enable Ofcom to set charges for Wireless Telegraphy licences, and section 403 of the Communications Act.

#### **Extent of application**

3.2 The Amendment Regulations will apply in the United Kingdom, the Channel Isles and the Isle of Man.

#### **Proposed Regulations**

- 3.3 The Amendment Regulations will set out the relevant licence charges for Amateur radio, Ship and Ship Portable Radio use. The regulations amend the relevant parts of the Wireless Telegraphy Act (Licence Charges) Regulations 2005 ("the Existing Regulations").
- 3.4 Regulation 1 sets out the citation and commencement.
- 3.5 Regulation 2 provides for the amendment of the existing regulations. All of the amendments relate to Schedule 2 of the existing regulations.
- 3.6 Regulation 2(a) removes the concession that applies to registered charities that apply for Ship Radio and Ship Portable Radio licences.
- 3.7 Regulation 2(b)(i):
  - Removes the existing licence fees for amateur radio licences and prescribes a new licence fee of £20 for amateur radio licences that are not applied for via Ofcom's on-line licensing system<sup>10</sup>;
  - Removes the waiver of licence fees for applicants for amateur radio licences who are under 21 years of age; and
  - Removes the prescribed payment interval for amateur radio licences.
- 3.8 Regulation 2(b)(ii):
  - Removes the existing licence fees for Ship Portable Radio licences;
  - Prescribes a licence fee of £20 for Ship Portable Radio licences that are not applied for via Ofcom's web-based on-line licensing system; and

<sup>&</sup>lt;sup>10</sup> Ofcom's internet-based software application for issuing Wireless Telegraphy Act licences for Amateur Radio, Ship Radio and Ship Portable Radio licences

- Removes the prescribed payment interval for Ship Portable Radio licences.
- 3.9 Regulation 2(b)(iii):
  - removes the existing licence fees for Ship Radio licences.
  - prescribes a licence fee of £20 for Ship Radio licences that are not applied for via Ofcom's web-based on-line licensing system; and
  - removes the prescribed payment interval for Ship Radio licences.

# **Regulatory Impact Assessment**

# Regulatory Impact Assessment – the Wireless Telegraphy (Licence Charges) (Amendment) Regulations 2006 ("the Amendment Regulations")

- 4.1 The analysis presented in this section of this document, when read in conjunction with the rest of this document, represents a Regulatory Impact Assessment (RIA), as defined by section 7 of the Communications Act 2003.
- 4.2 RIAs provide a valuable way of assessing different options for regulation and showing why the preferred option was chosen. They form part of best practice policymaking and are commonly used by other regulators. This is reflected in section 7 of the Act, which means that generally we have to carry out RIAs where our proposals are likely to have a significant effect on businesses or the general public, or when there is a major change in Ofcom's activities. In accordance with section 7 of the Act, in producing the RIA in this document, Ofcom has had regard to such general guidance as it considers appropriate, including related Cabinet Office guidance.

#### Purpose, proposal, intended effect

- 4.3 In the Wireless Telegraphy Act licence charges amendments statement and statutory notice ("the Statutory Notice"), issued on 19 July 2006, Ofcom gave notice of its intention to make statutory regulations. These are the Wireless Telegraphy (Licence Charges) Amendment Regulations 2006. These regulations, to which this RIA relates, will amend the Wireless Telegraphy (Licence Charges) Regulations 2005 ("the Existing Regulations") which were made under the Wireless Telegraphy Act 1998 and the Communications Act 2003.
- 4.4 The Amendment Regulations enable Ofcom to put into effect its decision to implement proposals following the Wireless Telegraphy Act Licence Fee Proposals for encouraging internet licensing consultation document ("the April consultation") issued on 12th April 2006. In the April consultation, Ofcom made some proposals aimed at improving the efficiency of spectrum management by allowing Amateur and Ship Radio users to apply for licences using the on-line licensing system<sup>11</sup> and to benefit not only from an easier application process but also from the cost savings that Ofcom achieves by processing applications using the on-line licensing system.

#### The citizen and/or consumer interest

- 4.5 In proposing changes to the Existing Regulations we have considered the wider impact beyond immediate stakeholders in the radiocommunications community. We believe that the proposals will be of benefit to consumers for the following reasons:
  - i) the measures proposed will reduce the regulatory and administrative burden on Ofcom's customers; and
  - ii) Ofcom's customers will benefit from the reduction in the cost of processing licence applications using the on-line licensing system.

<sup>&</sup>lt;sup>11</sup> Ofcom's internet-based software application for issuing Wireless Telegraphy Act licences for Amateur Radio, Ship Radio and Ship Portable Radio licences

4.6 The following paragraphs explain Ofcom's decisions and the consequential impact of implementing the Amendment Regulations.

## Introduction of a £20 fee for Amateur Radio licences that are not applied for via Ofcom's on-line licensing system

- 4.7 The April consultation document set out various options for the administration and pricing of spectrum. The Statutory Notice explained Ofcom's decision to remove the fee for all licence applications made using Ofcom's on-line licensing system and introduce a £20 administrative fee for licences not applied for electronically. Ofcom also decided to make an exception for persons aged 75 years of age or over. Such persons will not be charged a licence fee no matter which licence application method they decide to use.
- 4.8 In practice, the new fee structure will encourage the use of more efficient administrative technology and will allow users who apply using the on-line licensing system to benefit financially from the cost savings achieved.

# Decision to issue free Ship Radio and Ship Portable Radio licences applied for via Ofcom's on-line licensing system and to charge a £20 licence charge in all other cases

- 4.9 For Ship Radio and Ship Portable Radio licence applications, Ofcom consulted on various options such as charging the current annual fee for lifetime licences issued via the on-line licensing system as well as for paper licences, and charging the current fee for licences issued via the on-line licensing system and a higher fee for paper applications. In order to maximise the benefits of introducing an on-line licensing system, Ofcom explained its decision in the Statutory Notice to introduce a £20 licence charge only for licences not applied for via Ofcom's on-line licensing system.
- 4.10 As a result of analysing the responses to the statutory notice, Ofcom has decided to implement the Amendment Regulations largely unchanged. In practice, the new fee structure will encourage the use of the more efficient administrative technology and will allow users who apply via the on-line licensing system to benefit financially from the cost savings achieved. The on-line licensing system aims to encourage use of licensed ship radio equipment thereby improving safety at sea.

#### **Costs to Users**

4.11 The Amendment Regulations will not increase the costs borne by Amateur Radio, Ship Radio and Ship Portable Radio users to obtain a licence.

#### **Costs to Ofcom**

- 4.12 The Amendment Regulations will reduce the revenues that Ofcom collects from Amateur, Ship Radio and Ship Portable Radio licensees. The reduction derives from the introduction of lifetime licences that replace annual licences and from the reduction in licence charges for on-line licence applications. There are also direct costs associated with the administrative work necessary to implement the Regulations and with the development of the on-line licensing system.
- 4.13 The overall reduction in revenues will depend on the number of licensees that will choose to obtain a licence on-line. The reduction in revenue has been quantified by assuming that: the total number of Amateur Radio licences issued will remain

constant over time; a churn rate of 7% per year; the total number of Ship Radio and Ship Portable Radio licences will grow by 5% a year; and 50% of Amateur Radio, Ship Radio and Ship Portable Radio users will apply using the on-line licensing system. Although there is uncertainty concerning the take-up level of the on-line licensing system, the assumption adopted is consistent with research conducted by MORI<sup>12</sup>.

- 4.14 The reduction in revenues has been estimated over a time-horizon of ten years, using a discount factor of 6%. The present value of revenues lost by Ofcom over a period of ten years has been estimated in the region of £7.1 million for Amateur Radio licences and to be around £15.2 million for Ship Radio and Ship Portable Radio licences.
- 4.15 In addition to the reduction in revenue collected from licensees, there are also direct one-off costs that Ofcom must bear to implement the Amendment Regulations. These include the direct administrative costs associated with making the Amendment Regulations, which are unlikely to be material, and the cost of developing the information systems necessary to manage on-line applications. This cost is material but it will also allow a significant reduction in the level of operating costs (which is quantified below).

#### **Benefits to users**

- 4.16 Approximately 64,000 Amateur Radio licensees and 70,000 Ship Radio and Ship Portable Radio licensees will move from annual to lifetime licences. It will only be necessary for licensees to contact the regulator once every five years for Amateur Radio licences or once every ten years for Ship Radio and Ship Portable Radio licences in order to maintain their lifetime licences. This compares with the existing system of annual renewal which requires the licensee to renew the licence, and to pay the licence charge, every year.
- 4.17 Users will therefore benefit from the Amendment Regulations for two reasons. First of all, licensees will not have to pay an annual charge in order to maintain their licences and will be able to obtain their licences for free if they apply on-line. In addition, users will benefit from the reduction in the time necessary to maintain their licences since validation will only be required once every five years for Amateur Radio licences and once every ten years for Ship Radio and Ship Portable Radio licences.
- 4.18 The cost benefit to users from the overall reduction in licence fees paid to Ofcom is exactly equal to the reduction in Ofcom's revenues that was estimated above. Over a ten-year time-horizon, Amateur Radio licensees are expected to save in the region of £7.1 million and Ship Radio and Ship Portable Radio licensees are expected to save in the region of £15.2 million.
- 4.19 The value of time that users are expected to save under the Amendment Regulations in maintaining their licences has been estimated by assuming that: the time necessary to apply for a new licence is 30 minutes, the time necessary to renew or to validate a licence is 15 minutes; and the value of one hour of time is £5. The time saving benefit to licensees has been estimated to be in the region of £550,000 for Amateur Radio licensees and in the region of £900,000 for Ship Radio and Ship Portable Radio licensees.

<sup>&</sup>lt;sup>12</sup> <u>http://www.ofcom.org.uk/radiocomms/ifi/licensing/classes/amateur/morireport/</u>

4.20 In addition, it is expected that availability of free lifetime licences will encourage Ship Radio and Ship Portable Radio users currently operating radio equipment without a licence to apply using the on-line licensing system.

#### **Benefits to Ofcom**

- 4.21 Under the current licensing regime, Amateur, Ship radio and Ship Portable Radio annual licences are processed manually. Once the Amendment Regulations are in place, lifetime licences will largely be issued using the on-line licensing system requiring validation only once every ten years for Ship Radio and Ship Portable Radio licences and once every five years for Amateur Radio licences.
- 4.22 The introduction of lifetime on-line licences will reduce Ofcom's operating costs for two reasons. First of all, the introduction of lifetime licences will reduce the number of applications that will have to be dealt with each year. In addition, it is expected that licence applications will largely be received and processed on-line, which will reduce the administrative cost of processing each licence.
- 4.23 The reduction in Ofcom's operating costs has been estimated by comparing Ofcom's expected operating costs of issuing licences over a ten-year time horizon both under the existing system and the future system with the Amendment Regulations in place.
- 4.24 For the purpose of these calculations, it has been assumed that once the new on-line licensing system is in place, 50% of licences will be issued on-line. It has also been assumed that the total number of Amateur Radio licences issued will not change over time with a churn rate of 7% and that the total number of Ship Radio and Ship Portable Radio licences will grow by 5% a year. The total number of licences is assumed to be the same under the status quo as when the Amendment Regulations are in place.
- 4.25 The impact of the Amendment Regulations on operating costs has been calculated assuming that, with the on-line licensing system in place, the administrative cost of manually processing an application would only be incurred for paper-based applications. The on-line licensing system, however, would require ongoing maintenance and it has also been assumed that for the first 24 months of operation, some extra administrative staff would be required (e.g. to deal with the expected level of customer enquiries). The present value of the savings in operating costs has been calculated using a discount factor of 6%.
- 4.26 Under the assumptions adopted, it has been estimated that the present value of the reduction in operating costs over a ten-year time-horizon would be in the order of £2 million for Amateur and £2.8 million for Ship Radio and Ship Portable Radio.

#### **Business sectors affected**

4.27 The changes proposed apply to all new applicants of Amateur Radio, Ship Radio and Ship Portable licences. Licensees with valid licences on 1 October 2006 will be issued with a new paper lifetime licence free of charge prior to the expiry of their licence. As a temporary measure, because of the delays to the implementation of the new on-line licensing system, licensees with licences renewable during October, November or December 2006 will automatically be sent a new annual licence to temporarily replace their existing licence which they will not be required to pay for.

#### Conclusion

- 4.28 Ofcom has decided to introduce lifetime licences for Amateur Radio, Ship Radio and Ship Portable Radio licences which can be applied for via Ofcom's new web-based on-line licensing system.
- 4.29 The Amendment Regulations are expected to reduce Ofcom's administrative operating costs of managing licences and also to reduce the time that licensees spend maintaining their licences.
- 4.30 Ofcom considers that, because of the substantial benefits to both Ofcom and Ofcom's licensees, the making of the Amendment Regulations significantly outweighs the associated administrative and technological costs. It has therefore amended the Existing Regulations.

#### Annex 1

# List of respondents to the Statutory Notice

A1.1 Ofcom received nine non-confidential responses to the Statutory Notice published on 19 July 2006. The responses were generally favourable. Some respondents raised issues outside the scope of this Statutory Notice and these points will be addressed separately.

#### List of respondents

- 1. Mr Brendan Joseph McCausland
- 2. Richard Lord
- 3. Ian Beeby
- 4. David M Pratt G4DMP
- 5. Mr Paul Ryder
- 6. 2EØKCK
- 7. Paul Rainer
- 8. G1TKX
- 9. John Adams

## Annex 2

# **Draft Amendment Regulations**

- A2.1 This Annex includes a copy of the statutory instrument as made by Ofcom on 1 November 2006 in the form submitted for registration and publication. OPSI is the only authorised source for published statutory instruments, therefore these are marked as draft versions.
- A2.2 The Wireless Telegraphy (Licence Charges) (Amendment) Regulations 2006 will come into force on 1 December 2006.

#### 2006 No.

## **ELECTRONIC COMMUNICATIONS**

## The Wireless Telegraphy (Licence Charges) (Amendment) Regulations 2006

Made	-	-	-	-	1st November 2006
Coming in	nto fa	orce	-	-	1st December 2006

The Office of Communications ("OFCOM") make the following Regulations in exercise of the powers conferred on OFCOM by sections 1 and 2(2) of the Wireless Telegraphy Act 1998(**a**) ("the 1998 Act") and section 403(7) of the Communications Act 2003(**b**) ("the 2003 Act") as applied by section 6(1) of the 1998 Act;

Before making these Regulations OFCOM have given notice of their proposal to do so in accordance with section 403(4)(a) of the 2003 Act as applied by section 6(1) of the 1998 Act, published notice of their proposal in accordance with section 403(4)(b) of the 2003 Act as applied by section 6(1) of the 1998 Act and have considered the representations made to them before the time specified in that notice in accordance with section 403(4)(c) of the 2003 Act as applied by section 6(1) of the 1998 Act.

#### Citation and commencement

**1.** This Order may be cited as the Wireless Telegraphy (Licence Charges) (Amendment) Regulations 2006 and shall come into force on 1st December 2006.

#### Amendment of the Wireless Telegraphy (Licence Charges) Regulation 2005

**2.** The Wireless Telegraphy (Licence Charges) Regulations 2005 are hereby amended as follows —

- (a) in regulation 5(3), in the definition of "relevant licence", after "under the heading "Maritime" in Schedule 2" insert "apart from Ship Radio and Ship Portable Radio"; and
- (b) in Schedule 2
  - (i) under the heading "Amateur and Citizens' Band" in relation to the licence class "Amateur Radio"-
    - (aa) in the column under the heading "Variable sums" substitute "£20 for each licence that is not applied for electronically; no charge for persons aged 75 years or over." for "£15 per person aged 21 years or over; no charge for persons aged under 21 years or aged 75 years or over.";

<sup>(</sup>a) 1998 c.6. Section 3 of the 1998 Act was amended by the Communications Act 2003 (c.21), section 167, section 406, Schedule 17, paragraph 149 and Schedule 19(1).

<sup>(</sup>**b**) 2003 c.21.

- (bb) in the column under the heading "Prescribed payment interval", delete "12 months";
- (ii) under the heading "Maritime" in relation to the licence class "Ship Portable Radio"—
  - (aa) in the column under the heading "Fixed sums" delete "£15";
  - (bb) in the column under the heading "Variable sums" insert "£20 for each licence that is not applied for electronically."; and
  - (cc) in the column under the heading "Prescribed payment interval", delete "12 months"; and
- (iii) under the heading "Maritime" in relation to the licence class "Ship Radio"-
  - (aa) in the column under the heading "Fixed sums" delete "£20";
  - (bb) in the column under the heading "Variable sums" insert "£20 for each licence that is not applied for electronically."; and
  - (cc) in the column under the heading "Prescribed payment interval", delete "12 months".

Kip Meek Chief Policy Partner For and on the authority of the Office of Communications

1st November 2006

#### **EXPLANATORY NOTE**

#### (This note is not part of the Regulations)

These Regulations amend the Wireless Telegraphy (Licence Charges) Regulations 2005 (S.I. 2005/1378).

These Regulations –

- (a) remove the concession that applies to registered charities that apply for Ship Radio and Ship Portable Radio licences;
- (b) remove the waiver of licence fees for applicants for Amateur Radio licences who are under 21 years of age;
- (c) remove the licence fees for Amateur Radio, Ship Radio and Ship Portable Radio licences where applicants apply for these classes of licences electronically; and
- (d) set the licence fees in the amount of £20 for Amateur Radio, Ship Radio and Ship Portable Radio licences that are not applied for electronically.

A full regulatory impact assessment of the effect that these Regulations will have on the costs to business is available to the public from the OFCOM Library at Riverside House, 2a Southwark Bridge Road, London SE1 9HA (Tel: 020 7981 3000) or on OFCOM's website at www.ofcom.org.uk. Copies of this assessment have also been placed in the libraries of both Houses of Parliament.