

Small-scale radio multiplex licence award: South Craven, Wharfedale & Worth Valley

Background

Ofcom has decided to award a new small-scale radio multiplex licence for South Craven, Wharfedale & Worth Valley to the sole applicant, Aire Wharfe DAB 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 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

On 19 April 2024, Ofcom published a notice inviting applications for licences to provide small-scale radio multiplex services in localities including South Craven, Wharfedale & Worth Valley.

By the closing-date of 18 July 2024, Ofcom had received one application for South Craven, Wharfedale & Worth Valley. This was from Aire Wharfe DAB Limited (“Aire Wharfe DAB”). Copies of the non-confidential parts of the application were made available for public scrutiny on the Ofcom website, and public comment was invited as required under section 50(7) although none was received.

Ofcom colleagues assessed the detail of the application, including carrying out an assessment of the technical plan required to be submitted as part of all applications. The decision in relation to South Craven, Wharfedale & Worth Valley was made by a panel of Ofcom decision makers which convened on 15 November 2024. They carefully considered the application and professional advice from Ofcom colleagues. They applied the statutory criteria in reaching their decision on whether to award a licence to the sole applicant. Reasons for their decision to award a licence to Aire Wharfe DAB are summarised below.

In relation to section 51(2)(a), the applicant proposed using three transmitters to provide its service. Ofcom calculations indicate this would result in just under 45% of the adult population in the advertised licence area being able to receive the service. Ofcom’s coverage predictions indicated the proposed small-scale radio multiplex service would be available to well under 40% of the population in the licensed areas of the overlapping local radio multiplexes (Leeds, North Yorkshire, and Bradford & Huddersfield), and overspill outside the advertised area was predicted to be well under 30% of the population of the advertised area. Ofcom therefore did not consider mitigations to be required to comply with those thresholds. However, Ofcom considered mitigation was likely to be required to address co-channel interference. This could take the form of a power reduction at one site, taking coverage to just under 42% of the advertised area. Decision makers noted that the coverage was relatively low, albeit this was in the context of particularly challenging topography and population being spread across several towns rather than a single, focussed urban area. The plans were expected to provide good coverage around Skipton, Keighley and Bingley, albeit with more limited coverage around Ilkley and no coverage towards the west of the advertised area. Whilst acknowledging the coverage limitations, decision makers noted that covering several key population centres well and reaching an adult population of over 80,000 represented a reasonable basis for licensing a small-scale multiplex service in this particular area.

In relation to section 51(2)(c), Ofcom considered the applicant’s financial and business plan, technical plan, the timetable for coverage roll-out, and evidence of relevant expertise and experience. Decision makers noted a three-transmitter plan was likely to be relatively complex and costly to establish, but Aire Wharfe DAB had provided good evidence of funding availability, and participants included those with a good track record of establishing services. The majority shareholder is a long-standing community radio service with a clear commitment to the locality and to establishing the multiplex service. Overall, decision makers had a reasonable level of confidence in the applicant’s ability to establish the service within the 18-month period allowed by legislation.

In relation to section 51(2)(ca), one participant in the applicant, Drystone Radio Limited, proposed to provide C-DSP services on the multiplex. Decision makers noted that one of the services is an existing analogue community radio service in South Craven, with a good prospect of being available on the multiplex from launch (the other being a proposed additional service from the same

provider). Drystone Radio has a majority interest (a 90% shareholding) in the applicant, which clearly represents a very substantial level of involvement.

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 (C-DSP and DSP services) in the advertised area. As well as the two C-DSP services proposed by a participant as noted above, there was interest in providing a C-DSP from another existing analogue community radio service (Dales Radio) and heads of terms had been signed with ten prospective DSPs. Decision makers noted this represented a good level of demand and support in the context of the area, supporting the longer-term viability of the multiplex.

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. Decision makers noted the level of interest from prospective services reflected a pro-active approach to outreach by the applicant.

It is noted that 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 also require amendments to proposals between award and licence grant.

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