

Please find below the Cheshire FM (CR103) response to the DCMS consultation on amendments to the Community Radio Licensing Regime:

1. Do you agree with the proposed criteria for Ofcom to apply when considering a 5 year extension?

We agree in principle with the proposed criteria:

- a) the licence holder's ability to maintain the service for the period of the extension; and
- b) the extent to which the existing licence conditions have been met and the likelihood of a licence condition being breached during the extension period.

We are concerned that this would leave no mechanism for new community groups to challenge existing licence holders in the same way that licence-renewals in the commercial radio sector are made available to the open market.

2. Do you think the 50% funding restriction from any one source should be lifted?

We agree that the 50% funding restriction from any one source should be lifted. We understand the policy rationale for this restriction was a) to ensure that a station did not become overly reliant on one source of funding and b) to ensure that a single majority funder could not exert editorial influence over a station's content. We would be concerned also that a single majority funder could not exert commercial influence over a station's revenue streams for personal commercial benefit.

3.

i) Do you think that the rule prohibiting a community radio station from being licensed if it would overlap with an existing local radio service whose MCA is no more than 50,000 adults, should be lifted?

We are minded that the original prohibition was 'to ensure that any service provided under that licence does not prejudice unduly the economic viability of any other local service'. Given the present economic climate and the regulatory restrictions on advertising and sponsorship income for overlapping and non-overlapping stations, (not to mention the ludicrously derisory Community Radio Fund) it is a concern that in a small MCA, where there is both a community and commercial operator, both may fail.

ii) If so, should the advertising and sponsorship restriction be applied to community radio stations that overlap with local radio services of up to 150,000 adults?

We believe that relying exclusively on the MCA figure is 'too blunt a tool' for determining whether advertising and sponsorship restrictions should be applied to community radio operators in overlapping areas.