



Dear Sir/Madam,
Please find below IUR-fm's response to the consultation.
Many thanks,
Shane M.J. Mc Breen.
Voluntary Chairman.

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

We agree that a provision in law for the extension of community radio licences is needed. We feel that it takes at least 3 years of the first licence to really become embedded in all aspects of the community and develop volunteers so that they are more than just radio presenters but active contributors to community development and social improvement.

We feel that decision to relicence should be based on performance in achieving the targets and social gain goals of the individual stations as laid out in their key commitments and that the station has not acted inappropriately and had numerous complaints upheld against it.

On this basis we feel that stations should receive licence extensions for a further five years as a minimum term in order that stations can have a stability of tenure to secure social investment them.

However, we strongly feel that licence extensions should not be restricted to one single 5 year extension. The social gain that we are working towards will not be met in 5 or 10 years – it is an ongoing project and while priorities of need may change there will always be the need for community development and the promotion of civic participation.

We believe that licensing extensions should be ongoing at 5 year intervals for stations without an arbitrary limit and subject to meeting key commitments and that such relicensing should not necessarily prevent other applicants applying in the same area to serve any community/community-of-interest that they have identified. Subject to frequency availability, there is no reason why there should only be one community radio licence in a region.

We do believe that when it comes to relicensing that community radio stations should be asked to reflect on their key commitments to ensure that they are still relevant and meeting priority issues within their communities. We feel that at relicensing key commitments should be amended to make sure that they continue to meet the changing needs of their communities.

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

Yes. The governing principle in community radio is that stations are focused on working towards their key commitments. Their output must be independent of influence from whoever is funding the station, be that one source or multiple sources. However it is infantile to equate influence to funding as stations realise that they must connect with their community to ensure support, participation and listenership so pandering to the desires of funders would be counter-productive. Furthermore, stations are more concerned with compliance with the Broadcasting Code which would prohibit such influence than to responding to the requests of individual funders of any type.

Funders, be they commercial, trusts or service level agreement bodies fund community radio to access their listener base and volunteers and not to influence management or output so the 50% restriction is naive and is creating an undue pressure for community radio stations who are struggling financially and who find themselves in a position where they would have to refuse a large grant because they do not have sufficient match funding in place to balance it.

Regarding the 50% restriction on funding from advertising & sponsorship, we feel that this should be also lifted. If there is a restriction placed in this respect then it should be in line with other non-commercial funding, i.e. that no more than 50% of a stations income can come from any one individual advertiser or sponsor.

The source of funding of community radio should be irrelevant and the attention should be directed to ensuring that no particular source of funding exerts undue influence on the character of a particular community radio station and accountability to its community.

We would also content that decisions regarding this should be made on the basis of what is best for the community radio sector and not to facilitate propping up failed commercial radio stations which are financially unsustainable for the very reason that they have ignored the needs of their local community, or because they are based on failed business models.

Furthermore, the rules prohibiting stations whose broadcast area overlaps with a commercial station whose MCA between 50,000-150,000 from carrying remunerated on-air advertising or sponsorship must be rescinded. We believe that this amounts to restraint of trade and is in breach of competition rules. We would reiterate the request made to Ofcom that this matter be referred to the Competition Commission.

Finally, if DCMS do retain this restriction then the MCA of 'small' commercial stations who are part of larger groups and who network any part of their output should be calculated on the basis of the total combined coverage across the group. The current situation where stations hide behind the cloak of having a small MCA when in fact the same output is being broadcast across multiple networked stations to large MCA's is a farce and is ridiculing Ofcom & DCMS's regulations.

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?

Yes. We believe that the rule prohibiting the licensing of a station who would overlap with an existing local radio service whose MCA is no more than 50,000 adults is incompatible with competition regulations should be lifted.

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?

No. We do not agree with the restriction on stations whose MCA is up to 150,000, preventing them either partly or entirely from receiving on air advertising and sponsorship. As previously indicated, we believe this amounts to restraint of trade and is in breach of competition rules.