

Community Radio Consultation
Media Directorate
Department for Culture, Media and Sport
5th floor
2-4 Cockspur Street
London SW1Y 5DH

20th August 2009

Consultation on Amendments to the Community Radio Licensing Regime

I am writing to you regarding the measures contained in the above consultation, which could potentially impact on the viability of the smallest Commercial Radio stations including Lakeland Radio.

The proposal that is of particular concern is the possible removal of the current rule prohibiting a Community Radio station from being licensed where it would overlap with an existing local radio service where the MCA is less than 50,000.

This current restriction formed part of the Community Radio Order 2004 and was seen as appropriate at that time as a measure to ensure the viability of small local radio services.

However, local Commercial Radio is currently facing an even more challenging economic position than at the time these restrictions were introduced. Revenues could fall by as much as 20% in 2009 and competition with other platforms has never been tougher. A recent report commissioned by Ofcom indicated that the smallest stations are finding it most difficult in the current climate, with the majority already being loss-making and even more likely to become unprofitable with the expected decline in revenues¹. In this environment it is simply not appropriate to increase competition for listeners in the smallest of radio markets.

The consultation document appears to accept the need for a continuation of the current restriction on taking advertising and sponsorship by community stations that overlap with local radio services up to 150,000 MCA. Indeed I believe that there is actually a case at this time for increasing this restriction to those community stations that are licensed in areas that overlap with local radio services of up to 200,000 MCA.

However, it is important to understand that this is not the only impact of Community Radio. The presence of an additional radio service can create confusion among listeners and fragment local audiences, meaning that small and community-focused

¹ Radio: Impact of regulatory relaxations, produced for Ofcom by Value Partners, May 2009

commercial services become financially unviable, irrespective of the protection provided by a limitation on advertising by Community Radio.

Lakeland Radio is itself a very community-focussed radio station and we already provide much of the output traditionally associated with community radio stations. For example, we have numerous "open access" features which allow local groups, organisations and individuals the opportunity to promote their causes, charities or whatever. We are extremely active in the local community and attend a vast number of events each year, broadcasting live from the majority of them. It is difficult to identify anything that a local community radio station could add to the local radio landscape of the area. As stated above, it would only cause confusion and potentially reduce our listenership to the point where advertisers would notice a reduced return on their investment.

Therefore I would urge the DCMS to resist any proposal to remove the existing restriction on licensing a Community Radio stations that would overlap with an existing local radio service whose MCA is no more that 50,000.

Yours sincerely



Rupert Allison
Station Director