

Radiocentre briefing on licence renewals

Listeners risk losing some of their best-loved national and local radio stations, if the Government doesn't act quickly to allow the renewal of their broadcast licences.

For commercial radio the stations themselves, it could mean considerable cost and uncertainty, especially if licences have to be re-advertised from 2020. It also creates a significant extra burden for Ofcom. This outcome is preventable if Government takes decisive action in the coming months and brings forward an appropriate legislative order to renew these licences.

Every week over 36 million people tune in to a commercial radio station in the UK. The sector remains an important source of entertainment, news and information for audiences and supports over 12,000 jobs across the UK.

In 2015, secondary legislation was put in place to provide for a further 5 year renewal of analogue FM and AM licences for commercial radio stations up and down the UK which also simulcast on DAB. The renewals were intended to enable the industry to manage a transition from analogue to DAB.

This has underpinned continued investment and strong growth in DAB from the commercial radio sector. Over 60% of all analogue commercial radio licences in the UK have taken advantage of these licence renewals, with a combined audience of over 29 million listeners, including many much loved local and national radio station brands.

Licence renewals

If new secondary legislation is not passed shortly, scores of radio stations will face the cost and disruption of having their licences re-advertised. This will create damaging uncertainty for the sector at a time when it needs to continue to invest in digital and preserve stability.

Commercial radio is a key source of trusted news and information, so at a time of significant political uncertainty we would appreciate support to ensure that all steps are taken give this important and flourishing sector the confidence, stability and certainty it needs to continue investment in its talent and future.

Failure to secure the option to renew licences in time could:

- undermine continued investment in DAB digital radio at a critical point
- impose costs of many millions of pounds due to investment required for licence applications
- create a significant regulatory burden for Ofcom in assessing and awarding licences
- cause confusion for listeners as some of the most popular radio brands change or disappear.

Next steps

This outcome is preventable if Government brings forward an appropriate legislative order soon. In order to support the commercial radio industry it would be extremely helpful if you would:

- write to DCMS to highlight your support for commercial radio and that they expedite the licence renewal process.
- consider tabling questions in Parliament on DCMS plans to address this issue.
- join the APPG on Commercial Radio which works with parliamentarians from across the political spectrum in order to showcase our sector through events, research and meetings.

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