



Department for  
Digital, Culture,  
Media & Sport

# Consultation on the renewal of Digital Terrestrial Television (DTT) multiplex licences expiring in 2022 and 2026

**18 December 2020**

# Foreword

By the Rt Hon. John Whittingdale OBE MP, Minister of State for Media and Data



UK television audiences are fortunate to enjoy an incredibly broad range of programming and to possess a variety of methods by which to watch it.

The Digital Terrestrial Television platform, better known as Freeview, is one of the most popular methods of accessing TV content in the UK. Since its launch in 1998 it has become one of the biggest and best-loved platforms, transmitting the nation's favourite

programmes to 18 million homes across the country.

Freeview is also a vital part of the public service broadcasting (PSB) system, ensuring that PSB content is free at the point of use and widely accessible, with nearly 99% coverage across the UK. Public service broadcasting plays an important role in the economic, cultural and democratic life of our country; keeping people informed, educated and entertained. The value of PSB - and the Freeview platform that continues to underpin it - has been particularly evident during the Covid-19 pandemic, as an important source of news, in countering misinformation, and in bringing the nation together through shared moments.

PSB and commercial content is provided on the Freeview platform through separate digital networks known as multiplexes, of which there are six nationally. Two of the national multiplex licences - Multiplex 2 and Multiplex A - are expiring in 2022. To renew these licences, the government is required to make secondary legislation.

We are publishing this consultation today to inform our decision on how to renew these licences and to ensure that there is no disruption of the services broadcast. It is our aim that the renewal process should be an efficient, streamlined process which supports the future shape of PSB. We also intend that it should strengthen the platform to ensure it continues to benefit audiences, and that it allows for regulatory flexibility so that we can respond to any future events. We are also seeking views on the three national multiplex licences expiring in 2026, and whether the renewal process would benefit from the licences being aligned.

The options we have set out in this document consider both longer and short term renewals and what this might mean for each of the different licences. The broadcasting landscape is changing rapidly, with new technologies and shifting audience habits impacting all parts of the sector. The government is giving active consideration to the effect of these trends on the future of public service broadcasting and we must take them into account when considering our decisions here - but I recognise the continued importance of the Freeview platform to audiences and to the PSB system as a whole for the foreseeable future.

Our ambition is to ensure that the renewal process works in the best interests of UK broadcasting, and most importantly that audiences across all parts of the UK can continue to watch their favourite programmes in the way that suits them best.

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# Executive Summary

## Background

Digital Terrestrial Television (DTT) multiplex licences are central to the functioning of the broadcasting system. DTT licences give broadcasters the right to use certain radio frequencies (spectrum) to transmit television services across the UK in a digital format.

DTT is better known as the Freeview platform. It remains popular with UK audiences despite the shift in viewing habits towards online content and subscription video on demand services.<sup>1</sup> DTT is also an important part of the public service broadcasting (PSB) system. The spectrum allocated to DTT guarantees that content provided by the Public Service Broadcasters (PSBs) is free to air and widely accessible to consumers due to its nearly 99% coverage across the UK.

The Freeview national network is formed of six national multiplexes identified as 1, 2, A, B, C and D. Ofcom - the UK's independent communications regulator - regulates the licensees for all of these national multiplexes with the exception of multiplex 1, which is regulated under the BBC Charter and Agreement. Two of these national multiplexes are set to expire in 2022. 'Multiplex 2' which carries the commercial PSB channels ITV/STV, Channel 4 and Channel 5, as well as some of their portfolio channels (such as ITV 2, Film 4 and More4); and 'Multiplex A' which carries solely commercial services including some of the commercial PSBs portfolio channels (e.g. ITVBe) and some other commercial services (such as QVC). These will need to be renewed to ensure that there is no disruption of the services broadcast on these multiplexes at the end of the expiry period.

Multiplex 2 and Multiplex A licences were granted by the Independent Television Commission (ITC) in 1998 and were renewed by Ofcom in 2010 for 12 years. The Broadcasting Act 1996 only allowed Ofcom to renew these licences once. The government now needs to decide on the parameters for a future renewal process.

We are also seeking views in relation to multiplex licences B, C and D. Multiplex B is owned by a BBC subsidiary which carries High Definition services including BBC one HD; ITV HD and Channel 5 HD; and Multiplexes C and D are owned by Arqiva and carry only commercial channels. These licences expire in November 2026 and we are also consulting on whether these should be renewed early, at the same time as the licences expiring in 2022, to align expiry dates.

We state no preferred option for the renewal of these multiplexes and this consultation does not prejudice the outcomes, nor limit the implementation, of the government's wider work on public service broadcasting.

## Objectives

In September 2019, the government set out its intention to consult on the multiplex licensing regime. The government is seeking to renew the licences and is not seeking to hold an open

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<sup>1</sup> Homes that have only digital terrestrial TV (DTT) make up the biggest proportion of all UK homes, totalling 11.3 million (39.7% of all households), an increase of 2.3% since 2012 - Ofcom's Media Nations report 2019: pg 12 'Platform and device ownership'

competition. The aim of this consultation is to seek views and collect information to help in our decision making process about the future licence renewal process. The government has identified a number of objectives and key factors to be taken into consideration which are:

- a. **Supporting the PSB system and the DTT platform:** Supporting the future shape of PSB and ensuring that the DTT platform continues to benefit consumers. This includes taking into account the outcomes of Ofcom's PSB review (Small Screen: Big Debate) and the government's recently announced strategic look at public service broadcasting.
- b. **Regulatory flexibility:** Ensuring that Ofcom has the capability to respond to future events, including any unexpected decline in usage of the DTT platform and changes in future global demand for spectrum currently allocated for DTT.
- c. **Deliverability:** Ensuring that legislation can be implemented in an effective and efficient way to allow for the licence renewal process to be updated in a timely manner.
- d. **Harmonisation:** alignment of the multiplex licences expiring in 2022 with the multiplex licences due to expire in 2026 to allow for a more consistent and strategic approach to future re-licensing.

The government intends to modify the multiplex licencing regime in Part 1 of the Broadcasting Act 1996, using secondary legislation made under section 243 of the Communications Act 2003, to allow these licences to be renewed following responses to this consultation.

## Renewal options

Specifically, we are seeking views on the following renewal options:

- **Renewal of Multiplex 2 (MUX 2):**  
Amend the Broadcasting Act 1996 to allow the renewal of Multiplex 2:
  - Option (a) - on the same terms as before until 2034
  - Option (b) - until 2034 but with the inclusion of an Ofcom power to revoke the licence subject to a mandatory notice period
  - Option (c) - for a shorter four-year period until 2026 to bring the next expiry date in line with the multiplexes expiring in 2026
  - Option (d) - for an alternative length of time not already specified here
- **Renewal of Multiplex A (MUX A):**  
Amend the Broadcasting Act 1996 to allow the renewal of Multiplex A
  - Option (a) - on the same terms as before until 2034
  - Option (b) - until 2034 but with the inclusion of an Ofcom power to revoke the licence subject to a mandatory notice period
  - Option (c) - for a shorter four-year period until 2026 to bring the next expiry date in line with the multiplexes expiring in 2026
  - Option (d) - for an alternative length of time not already specified here

- **Early renewal of Multiplexes B, C and D (MUX B, C and D):.**

Amend the legislation to allow the early renewal of Multiplex B, Multiplex C and Multiplex D in 2022

- Option (a) - on the same terms as before until 2034
- Option (b) - until 2034 but with the inclusion of an Ofcom power to revoke the licence subject to a mandatory notice period
- Option (c) - not applicable as these licences expire in 2026
- Option (d) - for an alternative length of time not already specified here

A longer term renewal on the same terms as before until 2034 would meet the government's stated objective of deliverability, and would provide broadcasters and multiplex licence holders with certainty and stability that would in turn support government objectives around the future of PSB. It would not, however, offer significant regulatory flexibility, which would be enhanced by the additional inclusion of an Ofcom power to revoke the licence (subject to a mandatory notice period).

A shorter term renewal of Multiplexes 2 and A for a four year period would have the benefit of aligning the expiry dates with the existing expiry dates of multiplexes B, C and D and supporting government objectives on harmonisation. In the case of Multiplex A in particular, it could also offer the opportunity to ensure that the latest policy developments in relation to PSB are reflected at the next renewal point in 2026. All options meet government objectives on deliverability.

## Additional considerations

In order to streamline the process, it is the government's intention that under the amended legislation, broadcasters will not be required to submit new technical plans or marketing proposals; while these were relevant earlier in the lifetime of digital terrestrial television, this is not the case now that the service is mature. The power for Ofcom to set a Percentage of Multiplex Revenue (PMR) would also be removed as this has consistently been set at zero for current licensees.<sup>2</sup>

In addition, we are also seeking views on whether certain licence conditions should be included in the renewal. Specifically, we are seeking views on whether ownership of Multiplex 2 should be contingent on PSB status.

## Scope

This consultation will not consider the renewal process of Multiplex 1 (held by the BBC, which is regulated under the BBC Charter and Agreement and therefore expires in 2027<sup>3</sup>); the Northern Ireland multiplex; or Local TV multiplex. Information provided on these

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<sup>2</sup> PMR is a tax based on revenue to reflect the benefits of holding a licence that the licensee may be required to pay to the Treasury over the course of the licence term. Subsection 16(8) of the Broadcasting Act 1996 gives Ofcom the power to specify, with the consent of the Secretary of State, a PMR.

<sup>3</sup> Multiplex 1 is the main BBC Multiplex which carries all BBC channels except for the High Definition (HD) channels. Multiplex 1 is regulated under BBC Charter and Agreement until 2027. Multiplex B is owned by a BBC subsidiary and carries High Definition services including BBC one HD; ITV HD and Channel 5 HD. The licence for Multiplex B, along with the licences for the other four national multiplexes (multiplexes 2, A, C and D), is regulated by Ofcom.

multiplexes may be disregarded. Further detail on the multiplexes which are in and out of scope for this consultation are covered in section 1.2 below on Multiplex Licences under Policy and Regulatory Background.

## Timings

The closing date and time for responses is **5pm on Friday 26 February 2021**.

The government will set out its response to this consultation in due course following the closure of the consultation. The government recognises the need to ensure that Ofcom can undertake renewal of these licences sufficiently in advance of their expiry in 2022 and therefore our aim is to ensure the amended legislation will come into force in 2021.

# 1. Policy and Regulatory Background

## 1.1 The DTT platform

The UK was among the first countries in the world to launch digital terrestrial TV when it began broadcasting in 1998; facilitating the provision of more television channels, better images and sound quality and enhanced programme guides. At the end of 2012, as part of the digital switchover programme, the UK's final television analogue signals were switched off and terrestrial TV broadcasting became digital-only. Since then, free-to-view television has been primarily available through two forms: (i) the DTT Freeview platform; and (ii) Freesat, which is delivered by satellite.

The current DTT network that carries Freeview was built between 2007 and 2012 to replace the previous low power DTT network<sup>4</sup> that operated prior to digital switchover. It is forecast to have an effective usage until at least the early 2030s.<sup>5</sup> The Freeview platform remains popular with UK audiences because it is freely and widely available. It also supports a number of key policy outcomes which include:

- a. **Enabling reach of public service broadcasting (PSB):** The DTT platform underpins the universal access requirements (to provide and ensure that services are available to all UK households) set out in PSB broadcasting licences and the BBC Charter and Agreement. The PSB multiplexes, including Multiplex 2, are required to reach 98.5% of UK households and currently these multiplexes provide 98.5% coverage across the UK. Data has shown that there is a higher level of viewing for PSB channels in 'Freeview-only' homes. Freeview continues to evolve to keep pace with changing technology and in 2015 introduced Freeview Play - a hybrid of live and on-demand services.
- b. **Greater choice for consumers:** Freeview adds to the range of TV content services that cater to different consumer tastes and different means. There are approximately 11.3 million 'Freeview-only' households in the UK (c40% of all) and this category makes up the biggest proportion of all UK homes.<sup>6</sup> Freeview has a broad audience; however, in 'Freeview-only' households, its audience has traditionally been older and from lower socio-economic backgrounds compared to the audiences using pay platforms.
- c. **Contributing to competition in the TV market:** Freeview is also important for competition in commercial television. A number of non-PSB channels rely on the DTT platform to support a wider reach; without it, these commercial services may become less financially viable, thereby limiting choice and

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<sup>4</sup> The low power network covered around 73% of UK homes and in its early days suffered from a range of issues due to the choice of modulation standard used by ITV digital.

<sup>5</sup> In its [Future of Free to View TV](#) report 2014 (p.32), Ofcom considered that "the on-going importance of DTT and barriers associated to IPTV availability and take up could make a DTT switch-off unlikely until at least 2030. In addition Ofcom's 2018 report on [Public Service Broadcasting in the digital age](#) (p.13) states "Our analysis shows that the DTT platform will remain uncontested for free-to-air TV for at least the next ten years".

<sup>6</sup> p.12 Ofcom's Media Nations report 2019 - in comparison, the proportion of homes that have pay-satellite is 30.8%, cable accounts for 13.6% and free-sat accounts for 6.1% of UK households.



plurality for households who cannot afford or do not want to subscribe to other content providers.

## 1.2 Multiplex licences

A multiplex compresses and bundles a number of television services into one frequency and transmits it digitally. The frequency is then decoded by either a digital TV or by a separate set-top box. This allows broadcasters to use the spectrum allocated to television more efficiently, giving consumers more choice when watching digital television.

In total, six national multiplexes make up the DTT network. Multiplex 1 is provided by the BBC and is regulated under the BBC's Charter and Agreement which is in place until 2027, and therefore it is out of scope for this consultation.

Also out of scope are the multiplexes for Local TV services and the Northern Ireland multiplex (Nimux). Nimux is licensed only under the Wireless Telegraphy Act due to transnational operations, and runs until 2024. We have no plans to cease the operations of Nimux or change the licencing arrangements.

Local TV services have a separate multiplex that is designed around the specific needs of the 34 local TV stations. The licence is held by Comux, a single purpose vehicle owned by the individual local TV services and due to expire in November 2025. Comux falls outside the scope of this consultation as the government will review the future of Local TV separately.

The table below sets out more detailed information about the six national multiplexes.

National Multiplex	Licensee	Regulated Under	Services carried	Expiration
1	BBC	BBC Charter and Agreement	All BBC SD channels	Dec 2027
2	ITV/Channel 4 subsidiary Digital 3&4 Ltd	Ofcom	PSB main channels ITV, C4, C5 and S4C, and some PSB portfolio channels including ITV 2, E4, Film 4	Dec 2022
A	ITV subsidiary SDN Ltd	Ofcom	Commercial services including some of the commercial PSBs portfolio channels (e.g. ITVBe and 5 USA) and other third party commercial channels (e.g. QVC and Quest)	Nov 2022
B	BBC Free to View Ltd (BBC subsidiary)	Ofcom	High Definition PSB channels (e.g. BBC One HD; ITV HD; C5 HD) and some commercial channels (e.g. TBN UK and Shopping Quarter)	Nov 2026
C	Arqiva Muxco Limited (Arqiva)	Ofcom	Commercial channels	Nov 2026
D	Arqiva Muxco Limited (Arqiva)	Ofcom	Commercial channels	Nov 2026

### 1.3 Future of DTT and the future of PSB

As set out above, the DTT platform underpins the delivery of public service broadcasting by supporting the universal free availability of PSB content on linear television. The link between the future of DTT and the future of PSB is therefore an important consideration. Currently audiences continue to rely on the DTT platform as the main method for accessing linear television. The expectation is that DTT will continue to be an important content distribution channel for at least the remainder of the 2020s, as it is universal, free, reliable and secure. It is therefore expected over this period to remain a significant mechanism to meet PSB universal access requirements.

However, as the Secretary of State recently noted, there are questions about the role PSBs have to play in a digital age and about how they will need to evolve if they are to transition successfully to the internet era. Therefore the significance of the DTT platform and its relevance to public service broadcasting content may change in the future. Additionally, Ofcom is in the process of carrying out its review of PSB (*Small Screen: Big Debate*) and the government is currently undertaking a strategic look at the future landscape of public service broadcasting. The outcome from these and any resulting PSB reforms – particularly reforms in relation to the delivery of PSB content – will be relevant to the future of the platform and its continued links to PSB.

### 1.4 The need to update the licence renewal process

In order to ensure that there is no disruption to the services broadcast on Multiplex 2 and Multiplex A at the end of the current expiry period in 2022, the government is consulting now on the licence renewal process. Ofcom does not have a power to renew the current DTT multiplex licences beyond their current expiry date. Under the Broadcasting Act 1996 Ofcom was only allowed to renew the DTT multiplex licences on one occasion, which occurred for Multiplex 2 and Multiplex A in 2010.

Without this power of renewal and under the current statutory scheme, Ofcom is required to hold an open competition to award new 12-year licences and would look to consult prior to advertising the licences. However, it is the government's view that the process of an open competition would not be in the best interests of the sector or consumers at this time, particularly given the current challenges and uncertainty being faced in the context of the Covid-19 pandemic.

Therefore the government will make secondary legislation giving Ofcom the power to renew the licences (and not to hold an open competition). This consultation seeks views on the length of the renewal of the licences in the light of our key objectives.

## 2. Government Objectives

The government has identified a number of key objectives which it will take into consideration for the licence renewal process, set out below.

### A. Supporting the PSB system and the DTT platform

The Covid-19 pandemic has demonstrated the important role of public service broadcasting in delivering content to inform, educate and entertain UK audiences - and demonstrated that linear TV still has a place in UK homes. However, the financial impact of the pandemic has seen a significant decline in advertising revenue and has accelerated the shift to consumption of digital content, increasing the uncertainty and accelerating the long-term structural changes facing traditional media.

This objective is concerned with supporting the future shape of PSB by providing a level of certainty over the future of DTT, but also ensuring that the DTT platform continues to benefit consumers and provide the best possible service, given that it remains a popular method for watching television.

Longer-term commitments around these multiplexes could: provide clarity to commercial PSBs and other broadcasters about the future of their services on the platform; ensure a level of stability at a time when they are facing unprecedented challenges; and support PSBs in continuing to meet their objective of ensuring that PSB content is universally available. However, this objective must also be considered in the context of PSBs' need to adapt, modernise and reform in a digital age. It does not prejudge the outcomes of the government's wider work in this area and we will take into account Ofcom's work on their PSB review and the government's strategic look at public service broadcasting.

Supporting the DTT platform is important to securing the best outcome for consumers. We want to ensure that, where appropriate, there is opportunity for innovation and investment in the platform. For instance, this may include further development of a hybrid model between DTT and Internet Protocol TV (IPTV).

### B. Regulatory flexibility

The government's aim is to ensure that it and Ofcom have the capability and flexibility to respond to future events that may impact the DTT platform. This includes: responding to any unexpected decline in usage of the platform; reflecting any future changes in the PSB system; and responding to changes in future global demand for the spectrum that is currently allocated for DTT/Freeview.

The government wishes to retain flexibility in the future regime were longer-term extensions to multiplex licences to be granted. Without this flexibility, the government would have to create further legislation to amend the DTT multiplex process if wider circumstances changed.

Global spectrum reorganisation may also require the UK to reallocate Ultra High Frequency (UHF) spectrum from DTT to mobile operators; and although DTT remains popular, it is not

guaranteed that DTT usage will not decline over the next decade. It may therefore be necessary to provide Ofcom with powers to respond to these changes.

## **C. Deliverability**

The government wants to ensure that any powers given to Ofcom can be implemented in an effective and efficient manner by making the necessary legislative changes via secondary legislation. The government's preference for modifying the legislative framework for the Multiplex licensing regime in Part 1 of the Broadcasting Act 1996 is by making an order under section 243 of the Communications Act 2003.

## **D. Harmonisation**

The government sees a possible case for timing harmonisation across licences. In particular, it would be useful to consider whether the alignment of the two multiplexes expiring in 2022 with Multiplexes B, C and D would be beneficial. This would result in the dates of all the national commercial multiplexes being aligned, allowing for a more consistent and strategic approach to future re-licensing.

### 3. Policy Options for Consultation

The government is seeking to renew these licences and not to re-advertise the licences through open competition. We are presenting four primary options.

#### **Renewal of Multiplex 2:**

Amend the Broadcasting Act 1996 to allow the renewal of Multiplex 2

- Option (a) - on the same terms as before until 2034
- Option (b) - until 2034 but with the inclusion of an Ofcom power to revoke the licence subject to a mandatory notice period
- Option (c) - for a shorter four-year period until 2026 to bring the next expiry date in line with the multiplexes expiring in 2026
- Option (d) - for an alternative length of time not already specified here

#### **Renewal of Multiplex A:**

Amend the Broadcasting Act 1996 to allow the renewal of Multiplex A

- Option (a) - on the same terms as before until 2034
- Option (b) - until 2034 but with the inclusion of an Ofcom power to revoke the licence subject to a mandatory notice period
- Option (c) - for a shorter four-year period until 2026 to bring the next expiry date in line with the multiplexes expiring in 2026
- Option (d) - for an alternative length of time not already specified here

#### **Early renewal of Multiplexes B, C and D:**

Amend the legislation to allow the early renewal of Multiplexes B, C and D in 2022

- Option (a) - on the same terms as before until 2034
- Option (b) - until 2034 but with the inclusion of an Ofcom power to revoke the licence subject to a mandatory notice period
- Option (c) - not applicable as these licences expire in 2026
- Option (d) - for an alternative length of time not already specified here

### Option (a) renewal on the same terms as before until 2034

Amending the legislation to allow a renewal of Multiplexes 2 and A with no variation to the existing terms would set the new expiry dates in 2034. Under this option for Multiplexes B, C and D, this would mean an early renewal in 2022 on the same terms as before for a twelve year period until 2034.

The main advantage of this option would be the implementation of a straightforward process allowing licensees to continue as before. For Multiplexes 2 and A, this would also meet the objective of supporting PSB through longer-term commitments which would provide stability and certainty to broadcasters about the future of their services on the platform as well as allowing them to continue meeting universal access requirements. It would also meet the government's objective on deliverability as this option could be delivered through secondary legislation.

However, a significant disadvantage of this option is that it would not meet the government's objective on regulatory flexibility. An automatic renewal for 12 years does not provide Ofcom

with the flexibility to respond to future events that may impact the DTT platform during that period.

## **Option (b) renewal until 2034 but with the inclusion of a new revocation clause**

Under this option, a power to revoke the licences would be included to provide Ofcom with the ability to shorten the licence period in response to future events impacting the DTT platform. The conditions for revocation may include responding to an unexpected and significant decline in usage of the platform; responding to changes in future global demand on spectrum; and, for Multiplexes 2 and A, reflecting any significant changes in the PSB system. The revocation clause would also come with the safeguard of a mandatory notice period, which it is proposed would be five years with the requirement for consultation. In addition, the power could only be exercised by Ofcom with the consent of the Secretary of State.

This option would meet government objectives on supporting PSB and the DTT platform by providing stability and certainty, as set out in option (a) above, which may be considered important given the longer-term challenges facing public service broadcasters in adapting to digital disruption. An extension to 2034 would also bring the multiplexes into line with the Channel 3 and Channel 5 PSB licences expiring in 2024, if these were to be renewed for a further ten year period. It has the additional benefit for Multiplexes 2 and A in meeting an important objective on regulatory flexibility via the five-year mandatory notice period. This option can also be delivered through secondary legislation and therefore meets the objectives on deliverability.

## **Option (c) renewal for a shorter period until 2026**

Under this option the licences for Multiplexes 2 and A would be extended for a shorter four-year period.

One of the benefits of a shorter extension is that the government can ensure that the latest policy developments in relation to PSB - including any outcomes from Ofcom's PSB review and the department's own strategic look at PSB - are reflected at the next renewal point in 2026. This could be particularly relevant for Multiplex A where, for example, consideration could be given as to whether it could be used more directly to support PSB delivery in the future.

A shorter extension of the 2022 multiplexes to 2026 would also align the renewal dates for all the commercial multiplexes, including Multiplex A. It would also allow the government to take a more consistent and strategic approach to re-licensing across all of the national DTT multiplexes in line with the objective on harmonisation. This option would also meet objectives on regulatory flexibility and deliverability.

However, a disadvantage to a shorter-term renewal is that it may not provide the commercial PSBs and other broadcasters who carry services on these multiplexes with the longer-term commitments that they seek. In doing so it may discourage investment and improvements in

the platform, and could lead to a migration of services away from the DTT platform - thereby impacting audiences. It may also weaken the benefits of holding a commercial PSB licence with Channel 3 and Channel 5 licences due for renewal in 2024.

## Option (d) renewal for an alternative length of time

There may be an argument to renew the licences for a length of time other than the options already identified above and as such the government would be interested in further views and evidence as appropriate.

## 4. Consultation Questions on Renewal Options

### **Multiplex 2**

1. With reference to the government's stated objectives, which of the options set out above is your preferred option for Multiplex 2 and why? Please provide supporting evidence.

### **Multiplex A**

2. With reference to the government's stated objectives, which of the options set out above is your preferred option for Multiplex A and why? Please provide supporting evidence.

### **Multiplexes B, C and D**

3. With reference to the government's stated objectives, which of the options set out above is your preferred approach for Multiplexes B, C and D? Please provide supporting evidence.



## 5. Additional Considerations

The government is also giving consideration to streamlining of the renewal process and consulting on some aspects relating to licence conditions.

In order to streamline the process, it is the government's intention that under the amended legislation, broadcasters will **not** be required to submit new technical plans or marketing proposals. The technical plan sets out the coverage area of the digital terrestrial television multiplex service proposed by the applicant and the timescale for achieving that coverage. The marketing plan sets out the applicant's proposals for promoting or assisting the acquisition, by persons in the proposed coverage area of the service, of equipment capable of receiving all the multiplex services available in that area. Broadcasters will not be required to submit these because they are no longer relevant now that the DTT service is mature.

The power for Ofcom to set a Percentage of Multiplex Revenue (PMR) will be removed. PMR is a tax based on revenue to reflect the benefits of holding a licence that the licensee may be required to pay to the Treasury over the course of the licence term. Subsection 16(8) of the Broadcasting Act 1996 gives Ofcom the power to specify, with the consent of the Secretary of State, a PMR. To date, a PMR for all TV and radio multiplexes has always been assessed at zero. We do not foresee the need to take a different approach in the upcoming licence renewal and this would apply to all multiplex licences (B, C and D as well as A and 2).

In relation to licence conditions, we are seeking views on whether ownership of Multiplex 2 should be contingent on PSB status, with legislation requiring Ofcom to include a revocation clause in the licence should the licensees no longer wish to deliver PSB obligations. Licensees of Multiplex 2 currently receive access to spectrum in return for delivering PSB obligations. It could be argued that in order to continue receiving this benefit they should be formally required to deliver those obligations as part of the licence conditions.

For the considerations above, it is important to reiterate the government's desire to ensure that any legislative changes are made via secondary legislation.

### **Ownership of Multiplex 2**

- 4. With reference to the government's stated objectives, what is your view on ownership of Multiplex 2 being contingent on PSB status?**

## 6. List of all Consultation Questions

### **Multiplex 2**

1. With reference to the government's stated objectives, which of the options set out above is your preferred option for Multiplex 2 and why? Please provide supporting evidence.

### **Multiplex A**

2. With reference to the government's stated objectives, which of the options set out above is your preferred option for Multiplex A and why? Please provide supporting evidence.

### **Multiplexes B, C and D**

3. With reference to the government's stated objectives, which of the options set out above is your preferred approach for Multiplexes B, C and D? Please provide supporting evidence

### **Ownership of Multiplex 2**

4. With reference to the government's stated objectives, what is your view on ownership of Multiplex 2 being contingent on PSB status?

## 7. Next Steps and How to Respond

### 7.1 Next Steps

A summary of responses and the government's response to this consultation will be published in due course following the closure of the consultation.

The government's response will take all in-scope responses submitted to this consultation into account, and will be based on careful consideration of the points made in consultation responses, not the number of responses received.

As stated throughout this document this consultation will not prejudice the outcomes, nor limit the implementation, of the government's wider work on public service broadcasting. It will take into account recommendations from Ofcom's PSB review (*Small Screen: Big Debate*) and the emerging findings of the government's own strategic look at the future landscape of public service broadcasting before creating a new licensing regime.

Further information on the consultation principles can be found [here](#). We would welcome views on all aspects of the consultation paper.

### 7.2 How to respond

This consultation covers the United Kingdom. We welcome comments from all stakeholders who may be interested. **The consultation will close at 5pm on Friday 26 February 2021.**

Please email your response to [dttilicencesrenewal@dcms.gov.uk](mailto:dttilicencesrenewal@dcms.gov.uk) or post your response to:

Consultation on renewal of DTT multiplex licences  
TV & Broadcasting Team  
DCMS  
4th Floor, 100 Parliament Street  
London  
SW1A 2BQ

We are happy to provide a copy of this document in Welsh or alternative accessible formats. If you require a copy in an alternative format, or if you have any questions, please get in touch at: [dttilicencesrenewal@dcms.gov.uk](mailto:dttilicencesrenewal@dcms.gov.uk)

## 8. Disclosure of Responses and Data Protection

The Department for Digital, Culture, Media and Sport (DCMS), 4th Floor, 100 Parliament Street, London, SW1A 2BQ, is the data controller in respect of any information you provide in your answers. Your personal data is being collected and processed by DCMS, which processes your personal data on the basis of informed consent. We will hold the data you provide for a maximum of 2 years. You can find out more by clicking here:

<https://www.gov.uk/government/organisations/department-for-digital-culture-media-sport/about/personal-information-charter>

We will process the names and addresses and email addresses provided by respondents, and information about which organisations respondents belong to, where this is provided. We will also process the information that you provide in relation to your views on the proposed changes contained in the consultation, which may, of course, include commercially sensitive data. When the consultation ends, we will publish a summary of the key points raised on the Department's website.

This will include a list of the organisations that responded, but not any individual's personal name, address or other contact details. All responses and personal data will be processed in compliance with the Data Protection Act 2018 and the General Data Protection Regulation.

If you want some or all of the information you provide to be treated as confidential or commercially sensitive, it would be helpful if you could clearly identify the relevant information and explain why you consider it confidential or commercially sensitive. Please note that DCMS may be required by law to publish or disclose information provided in response to this consultation in accordance with the access to information regimes: primarily the Freedom of Information Act 2000, the Environmental Information Regulations 2004, the Data Protection Act 2018 and the General Data Protection Regulation. If we receive any request to disclose this information, we will take full account of your explanation, but cannot give you an absolute assurance that disclosure will not be made in any particular case. We will not regard an automatic disclaimer generated by your IT system as a relevant request for these purposes.

Once you have submitted your response to the consultation you will not be able to withdraw your answers from the analysis stage. However, under the Data Protection Act 2018 (and the General Data Protection Regulation), you have certain rights to access your personal data and have it corrected or erased (in certain circumstances), and you can withdraw your consent to us processing your personal data at any time.

You have the right to lodge a complaint to the Information Commissioner's Office about our practices, to do so please visit the Information Commissioner's Office website:

<https://ico.org.uk/concerns/> or contact the Information Commissioner by: Email to: [casework@ico.org.uk](mailto:casework@ico.org.uk)

**Department for Digital, Culture, Media and Sport**

Write to:

Information Commissioner's Office  
Wycliffe House  
Water Lane Wilmslow  
Cheshire  
SK9 5AF

Call: Telephone: 0303 123 1113 Textphone: 01625 545860 Monday to Friday, 9am to 4:30pm.

If you need any further information please contact us: [dcmsdataprotection@dcms.gov.uk](mailto:dcmsdataprotection@dcms.gov.uk)