

# COMMUNICATIONS ACT 2003

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## EXPLANATORY NOTES

### COMMENTARY ON SECTIONS

#### **Part 3: Television and Radio Services**

#### **Chapter 2: Regulatory Structure for Independent Television Services**

#### **Section 216: Renewal of Channel 3 and 5 licences**

469. This section permits the holders of a licence to provide a Channel 3 service or a licence to provide Channel 5 to apply to OFCOM for the renewal of his licence for the next licensing period.
470. An application for renewal may only be made in the period beginning four years before the end of the current licensing period and ending three months before the day that OFCOM determine they would have to publish a tender notice if they were proposing to grant a fresh licence to take effect from the end of the current licensing period. Any determination of that date must be made at least one year before the date on which the tender notice would have to be published and must be notified to every person who is, at the time of the determination, a holder of a licence to provide a Channel 3 service or the Channel 5 licence.
471. Unless the Secretary of State makes an order suspending the rights of renewal under section 230 (see *subsection (11)*), where OFCOM receive an application for the renewal of a licence, they must determine whether or not they will be renewing the licence and, if they will, the financial terms on which the licence will be renewed. They must also notify the applicant accordingly. *Subsections (6) and (7)* provide that OFCOM may determine that they will not renew a licence if:
- they are not satisfied that the applicant (if his licence were renewed) would provide a service complying with the requirements imposed under Chapter 4 of Part 3 of the Act relating to the public service remit for the licensed service, programming quotas, news and current affairs programmes or regional programming; or
  - they propose to grant a fresh licence for a service replacing the licensed service which would differ from the licensed service in the areas where it would be provided or the times of the day, or days of the week, between or on which it would be provided.
472. OFCOM must not grant a renewal under this section more than 18 months before the end of the current licensing period: *subsection (9)*.
473. Where OFCOM determine that a licence should be renewed, they must renew it on the same terms and subject to the same conditions, with such modifications as are required to give effect to the requirements imposed under section 217(4) (*subsection (10)*).