

*These notes refer to the Digital Economy Act 2010
(c.24) which received Royal Assent on 8 April 2010*

DIGITAL ECONOMY ACT 2010

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Topic 8: Access to electromagnetic spectrum

Section 38: Payment for licences

171. *Subsections (1) to (3)* of this section allow OFCOM to make regulations under section 12(1)(b) of the 2006 Act which apply charges payable during the term of the licence to specified cases of wireless telegraphy licences allocated by auction. Section 12(5) of the 2006 Act, which includes power to impose charges payable during the term of the licence, does not apply to a licence allocated through auction.
172. *Subsections (4) to (7)* of this section allow OFCOM, with the consent of the Secretary of State, to make regulations under section 14(1) of the 2006 Act which will permit or require licences to which the regulations apply to provide for payments between operators in relation to licences auctioned under section 14 of the 2006 Act.
173. Under existing legislation, payments for spectrum at auction are made to OFCOM who must pay them into the Consolidated Fund. Under the Independent Spectrum Broker's proposals, the proceeds from any 2.1GHz relinquished spectrum should go back to the operator who relinquished it, on the basis that they bought this at auction in 2000. There will also be additional payments between operators arising from the auction of other relinquished spectrum.