

Consultation 1/2011: Operating Budget for The Office of the Adjudicator- Broadcast Transmission Services

The Office of the Adjudicator-Broadcast Transmission Services (OTA-BTS) has been set up as one of the requirements of the Competition Commission report into the merger of Arqiva and NGW. The purpose and functions of the Office are set out in the Undertakings [<http://www.adjudicator-bts.org.uk/undertakings.htm>].

Para 17b requires Ofcom to form a budget for the period 1 April 2011 - 31 March 2012 and to consult with the Adjudicator, Arqiva and its customers. Arqiva bears the cost of the OTA-BTS.

The process agreed between Arqiva, Ofcom and the Adjudicator is that:

- By 1 February 2011, Ofcom will deliver to Arqiva a proposed budget and The Adjudicator will publish the total sums involved on the OTA-BTS website for consultation. The budget must be adequate for the Adjudicator to discharge his function.
- Arqiva will respond within 10 working days.
- Ofcom will consider the responses from Arqiva and the consultation and finalise the budget by 1 March 2011.

The proposed budget is composed of two parts. The first is the operational budget which includes staff costs, rental of office and IT facilities, book-keeping and the provision of legal and economic advice for work that can be anticipated and is necessary for the functions of the Adjudicator. The second is a contingency sum that will be called on for the additional expense relating to the determination of disputes and any non budgeted investigation work. None of the contingency was used in the year 2010/2011.

The first sum is budgeted at **£532,926** (compared to £610,513 for 2009/2010 and £529,188 for 2010/11). The majority of this element is subject to VAT which has risen by 2.5% however savings have limited this to 0.7%.

The contingency sum is budgeted at **£470,000** (same as 2010/2011).

Any person wishing to comment should do so in writing to the address below, marking the response with the reference Consultation 1/2011. The response should be in answer to the question “Do you consider the proposed budget is adequate to allow The Adjudicator to fulfil his functions as set out in The Undertakings?”. The responses will be forwarded to Ofcom for their consideration in fixing the budget.

The final date for responses is Friday 11 February 2011. Responses may be published on the OTA-BTS website unless specified as confidential.

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