



Submission to Joint Oireachtas Committee on Tourism, Culture, Arts, Gaeltacht, Sport, and Media

*A review of how the broadcasting landscape has changed since
November 2022, what progress has been achieved and what new
issues have emerged.*

From Independent Broadcasters of Ireland

Submitted October 23rd, 2023.

Contents

Introduction	4
Executive Summary	7
1. Chapter One: Casting our minds back to November 2022	9
a) The commercial landscape	9
b) Long-term issues facing news and current affairs	9
c) The Future of Media Commission.....	10
d) The new regulator.....	10
e) Unconditional support for newspapers	10
f) Glaring inequities regarding the levy paid for regulation.....	11
g) Ongoing challenges facing news and current affairs	11
h) Media support schemes recommended by the Future of Media Commission	12
i) Radio regulated vs. Online free-for-all.....	12
j) Sound & Vision.....	12
k) Audiences.....	13
l) Recruiting Younger Audiences	13
2. Chapter Two: How things have unfolded since November 2022	15
a) Commercial situation	15
b) The levy.....	15
c) A looming crisis in news and current affairs on independent radio	16
d) A tipping point?.....	16
e) Development of new media support schemes as recommended by FOMC	17
f) Glaring shortcomings	18
g) Innovative use of Sound and Vision schemes.....	20
h) Coimisúin na Meán	23
i) Licensing / Re-Licensing:	23
ii) Increased requirements in relation to Irish language, sustainability and GEDI.....	23
j) Growing and maintaining younger audiences	24
3. Chapter Three: The crisis in RTÉ and its impacts across the broader sector	26
a) Framing the solutions	26
b) Terminology is important.....	26
c) IBI want to see a successful, properly funded, appropriately focused RTÉ	27
d) Listenership to Radio – Are all listeners equal?	27
e) Support for RTÉ compared with support for independent broadcasters	28
f) Can all content on RTÉ be classified as public service broadcasting?.....	28

g) Ensure accountability for public money	29
h) Should advertising be removed entirely from RTÉ?	29
i) The license fee?.....	30
j) The mechanism.....	30
k) Trust and public support	31
4. Chapter Four: So, what does success look like and how can it be achieved?.....	32
a) The current period is an enormous opportunity for positive reform.....	32
b) Framing the future debate.....	32
c) Fairness and equity	32
d) Acknowledge independent radio faces a crisis in maintaining news & current affairs	33
e) Quickly develop a New Scheme for News and Current Affairs on independent radio .	33
f) Encouragement of innovation and investment in new areas of programming	34
g) Investment in recruiting young audiences.....	34
i) Addressing the challenges posed by Artificial Intelligence technology.....	35
Conclusion	36
Appendix I.....	37
Public Service Broadcasting on Independent Radio Stations	37

Introduction

“Never let a good crisis go to waste.”

It is said that Winston Churchill coined the memorable phrase quoted above. Regardless, it is apt advice in the current circumstances, where so much of Irish broadcasting, independent radio and RTÉ, finds itself in crises of varying degrees.

The crises are a confluence of long-predicted elements. Independent radio, required by legislation to ensure at least 20% of its output is public service content, has long warned that its contribution should not be taken for granted in a world where the business model it depends on to fund this content has been shattered.

In 2023, the long-predicted crisis concerning news and current affairs on independent stations is coming to pass. It may not be dramatic; it is not hitting the headlines, but it is undoubtedly happening, slowly and steadily. It is clear from what our members are telling us.

At RTÉ, the crisis that has consumed so much attention since last June is the culmination of the intractable tensions between how the broadcaster was expected to operate as a public service while required by legislation to maximise commercial revenue, underpinned by a device-specific charge that has long passed its effectiveness or fairness. This not only made it difficult for RTÉ to operate, but it also placed pressure on our sector. We had become used to it, but on reflection, it has been unfair and disadvantaged us hugely.

Now, during crisis, there appears to be political unanimity that RTÉ and independent radio each perform hugely valuable public services that neither one nor the other can replicate. There is agreement that both are essential for democracy and society.

There is also substantial public support for public service broadcasting. In the case of radio, people vote with their ears, and independent radio commands the largest Irish audiences. This is often overlooked.

Regardless of where the public service content is broadcast, it is vital that all public service broadcasting receives fair and equitable support. This has not been the way up until now, and it has been said to us more than once that independent radio station operators often feel like “the poor relation” when measuring public value.

This is a moment of enormous peril for Irish broadcasting, where RTÉ going down the tubes is not inconceivable, but its impact is mainly incalculable. In parallel, there is a slow erosion of news and current affairs on independent radio. It is headed for a less dramatic but no less dangerous tipping point.

But once again, as Churchill indicated, there is also opportunity: never let a good crisis go to waste!

There is now an unrivalled opportunity for rapid and transformational change, which leads the way in protecting journalism and, news and current affairs. It is a chance for immediate re-organisation of priorities and some simple re-focusing on what delivers for the Irish public, as well as simple and relatively inexpensive investments of public money that will make huge differences.

Or will our respective positive influences finally be allowed to be superseded by the Genie that was long ago released from its online bottle – largely unregulated and now largely uncontrollable - online, social media, and video? It has happened elsewhere.

Politicians and policymakers do not have to be spectators as radio news and current affairs wither and die. The decline can be stopped. There will be obstacles, but where there is a will, there will be a way forward. But solutions cannot be taken for granted as the crises concerning independent radio and RTÉ can still go either way. And time is against us.

How these crises are managed by the Government and legislators, policy experts, and regulators will determine whether all that is best on either or both, RTÉ and the independent stations, will survive and continue to make their essential contributions to Irish society and democracy.

Ultimately, the future largely rests on decisions and priorities to be taken at a political level. In this document, we have outlined a frank analysis of some of the critical issues.

In the broader debate, which is taking place around the situation at RTÉ, it is vital that independent broadcasters' voices are heard and that our services and the millions of listeners to whom we broadcast are respected, valued, and receive appropriate investment. Unfortunately, there is a feeling in the sector that the support we have received in the past has not been proportionate to our reach and impact.

So, for us, it is crucial that the voices of those who are engaged in these battles every day, the people who have managed and developed the services that are in the most jeopardy, are heard and that our warnings are taken seriously. We constructively suggest that proposed solutions are “sense checked” with us and that when we say something will not work, such warnings are received in good faith and considered seriously. We are always looking to work collaboratively to ensure solutions are found.

The independent sector is ready and willing to work hard to bring about positive change to allow the journalists, presenters, producers, researchers, programme-makers and our online and social teams to grow and develop long-term careers in Irish radio and to recruit new and younger audiences for content that is accurate, reliable and contributes positively to Irish society.

We do not have all the answers, and we have probably omitted some critical issues and ideas from this document, which is only intended as an initial input. We hope we are included on an ongoing basis in the debate to shape Irish broadcasting and that this submission is received as a positive contribution to the debate.

John Purcell

Chair

Independent Broadcasters of Ireland

Executive Summary

We were cautiously optimistic in November 2022, but now less so.

The current crisis and the introduced solutions cannot all be about RTÉ

Independent radio comprises just over 70% of the time spent listening to all Irish radio.

Value listeners to independent radio as much as listeners to RTÉ

The listeners to the news, current affairs and information services on our stations must be equally respected and valued, and we must be appropriately funded in serving them.

Recognise that a crisis exists in continuing to provide news and current affairs

News and current affairs on independent radio is in crisis. The FOMC has accepted the principle of public support for our services. We need help NOW, not in 2/3 years time.

The Schemes recommended by the Future of Media Commission do not meet our needs

Nor will they be introduced in time or in a form likely to address the urgent issues facing our news and current affairs services.

IBI has designed a simple and practical scheme to address the crisis we face

We want to work with the stakeholders to ensure that a scheme that meets the sector's needs and is appropriately accountable is introduced quickly.

The Broadcasting Levy System is Unfair – Change It

The imposition of levies and charges on independent radio is not done fairly at present. Radio pays for its regulation. The Irish people are paying for regulating companies such as Google, Facebook, TikTok, Instagram, YouTube, and Twitter/X. At a minimum, the levy needs to be suspended.

Give us no-strings-attached support like that given to newspapers and magazines

The Government reduced VAT on newspapers and magazines to zero with no strings attached. In the interests of fairness and parity, the broadcasting levy should be reduced to a zero rate. This maintains the principle and would mirror the treatment given to print media.

Build on the recent success of Sound and Vision

Invest in the Scheme administered by CnaM to allow them to develop predictable and multi-annual funding, ring-fenced for independent radio, based on key themes of public interest. Collaboration between the IBI and the Regulator to further enhance the operation and outputs of this Scheme is vital. This will create a wide range of new and valuable programming.

Please support us in investing in engaging younger audiences

Develop specific schemes to enable digital transformation on stations to increase engagement with news and current affairs among younger audiences with benefits for all.

Incentivise investment in independent radio

For various reasons, independent radio has not been an attractive investment in recent years. Turn the tide and use the blueprints used in other industries to help our sector achieve long-term viability, develop and grow.

Get a Grip on Artificial Intelligence Before It Is Too Late...

1. Chapter One: Casting our minds back to November 2022

A delegation from the Independent Broadcasters of Ireland attended a meeting of the Joint Oireachtas Committee with responsibility for media in November 2022 at a session of the Committee held in the Seanad Chamber.

The mood was reasonably positive and cautiously optimistic.

a) The commercial landscape

Commercially, quarter four is the time of the year which largely determines media organisations' commercial fate. The meeting of the JOC was in the middle of Q4 2022.

It was the first quarter for almost two years where Covid did not dominate the agenda. Although local advertising had not rebounded to pre-Covid levels, there were grounds for believing things may improve. Being optimistic, positive, and proactive by nature, radio operators were hopeful that the weak post-Covid recovery was strengthening and was looking forward to 2023 with guarded optimism.

However, with growing pressures on the economy and apprehension regarding interest rates, inflation, and consumer confidence, radio operators were keenly aware that the recovery was brittle. As we headed into the last month of the year, the outlook for 2023 was challenging to predict accurately.

b) Long-term issues facing news and current affairs

Regardless of the economy's recovery or otherwise, the long-term issues regarding the future sustainability of news and current affairs programming were persisting. IBI first raised the issues regarding the long-term viability of news services with a Joint Oireachtas Committee sometime in the mid-2000s. Those pressures had continued to grow and intensify. As 2022 ended, there was a feeling that 2023 could be a challenging year.

c) The Future of Media Commission

Nonetheless, the Future of Media Commission report had been published and recognised independent radio's vital role in public service content. Funding of €6 million had been provided for two pilot schemes as recommended by the FOMC, and it was expected that progress would quickly follow. IBI members sensed that there was a belief among legislators and those involved in developing broadcasting policy that the necessary decisions to ensure the future of news and current affairs on independent radio had been made. Now, it was time to move on to other issues.

d) The new regulator

Preparations for the establishment of Coimisiún na Meán were proceeding, and there was a keen sense of anticipation as to how the new regulator with widely expanded powers across broadcasters, online platforms and video-on-demand providers would seek to address the issues facing the sector.

Broadcasting licenses are mission-critical elements in the life of any independent radio station, without which they cannot operate. Uncertainty regarding the fate of a license creates a massive disruption to a company and makes planning and investment difficult, if not impossible. In November 2022, many independent stations began taking the first steps to embark on their re-licensing process in early/mid-2023, while others expected the process to start for them imminently.

e) Unconditional support for newspapers

Recognising the plight of the newspaper industry, in Budget 2023, delivered just a few weeks previously, the Government had reduced VAT on newspapers to ZERO, a move estimated to provide a sum in the region of €40 million to newspaper and magazine operators annually. The provision of this measure was entirely without conditions, with no expectation of the cost-saving being passed to the consumer, and newspaper operators were not required to provide any additional or specific content. This starkly contrasts the conditionality attached to any measures introduced for radio.

f) Glaring inequities regarding the levy paid for regulation.

The IBI delegation briefed the Committee on its belief that the Broadcasting Levy, which is paid by all broadcasters, should be similarly reduced to assist radio broadcasters in the interests of fairness and equity. The case for reduction, or even elimination of the levy, was strengthened by the fact that it was known at that stage that during 2023, there would be wide disparities as to how broadcasters, platforms, and video-on-demand providers would bear the cost of regulation.

Simply put – in 2023, broadcasters would pay for their own regulation while the Irish Exchequer would pay for regulating Facebook, Google, YouTube, Twitter/X, and other similar platforms and VODs!

Around this time, IBI held a briefing event for members of the Oireachtas in Buswells Hotel attended by over 120 TDs and Senators of all parties, plus Government Ministers and Ministers of State.

Virtually all politicians present at that event were unanimous in their robust support for action on the levy and addressing the glaring inequality between how the costs of regulation were being borne by radio stations versus online platforms and VODs, entities which, over the years, have contributed to undermining the business models on which radio has been established and developed. These entities have also contributed hugely to misinformation, disinformation, and the undermining of the democratic process.

g) Ongoing challenges facing news and current affairs

At the Joint Oireachtas Committee meeting in November 2022, the IBI delegation once again informed the Committee of the ongoing pressures faced concerning the continued delivery of news and current affairs services on independent radio.

The Committee was informed that unless urgent action was taken, a crisis would emerge concerning the continued operation of news services and current affairs programming on independent stations, an aspect of the services provided by our stations which was universally valued by all. There was widespread acknowledgement that, along with RTÉ,

independent radio played a vital role in the democratic ecosystem by providing fair and balanced coverage integral to local, regional, and national life.

h) Media support schemes recommended by the Future of Media Commission

With €6 million in approved funding, there was optimism that the pilot Media Support Schemes would be up and running before too long in 2023, with the full array of other schemes rolled out soon after. This would appear to be the solution to the long-discussed problems of maintaining the viability and sustainability of news.

i) Radio regulated vs. Online free-for-all

The lack of equity in the treatment of radio operators when compared to the treatment of online service providers and video-on-demand services was also highlighted to the Committee. This ranges from the impunity with which these services distribute and disseminate content that would rightfully lead to the enforced removal of licenses and closure of licensed broadcasters to the inequities relating to the permitted commercial operations of the respective media sectors.

j) Sound & Vision

Also, when IBI appeared in front of the JOC in November last year, work was advancing on several special and exciting Sound and Vision Projects:

Clár sa Charr – a campaign across 11 stations which was scheduled to begin in early 2023, aiming to make learning Irish accessible, fun, and interactive and made in a way that it fit into prime-time radio programming in a way that was natural and didn't sound forced.

Irish Music Month – Irish music is a massive part of the daily output on Irish radio. February 2023 was to be the second Irish Music Month run across 25 stations around the country with Hot Press magazine.

Ours to Protect – an innovative environmental project targeted at moving from looking at the problems to inspiring listeners with stories of people and projects who

are implementing solutions. The project, the largest ever conceived on independent radio, involved 24 stations, which was scheduled to start in June 2023.

k) Audiences

While facing much uncertainty and volatility in other areas, the audiences commanded by independent radio remained steady at that time, comprising roughly 70% of prime-time radio listening in Ireland.

Meanwhile, RTÉ Radio held a roughly 30% prime-time Market Share, with RTÉ One at 21.3%, 2FM at 5.8%, Lyric FM at 2.4%, and other RTÉ Services at 0.6% (Source: JNLR/Ipsos 2022-2)

While the RTÉ audience was a fraction of independent radio, the station continued to enjoy a majority “share of voice” in relation to the debate around future funding of broadcast services. Its level of public trust and reputation appeared unassailable.

l) Recruiting Younger Audiences

Essential for the future of broadcasting and indeed to the future of our communities and our country is the issue of young people engaging with media which provides accurate, impartial, fair, balanced, and reliable information. While remaining remarkably strong, to secure the engagement of young people to radio, radio operators must invest, innovate, change, and adapt constantly. This issue was highlighted in our presentation to the Joint Oireachtas Committee when we made the presentation last year.

m) And finally

A few days after the IBI appeared in front of the Joint Oireachtas Committee in the Seanad Chamber, there was one development, which it is fair to say no one foresaw this time last year.

On the last day of November 2022, something took place which is likely to have a far-reaching effect on broadcasting, news, information and the spread of disinformation and misinformation and a consequential impact on everyday life, journalism, and news and especially on public discourse, Government, and democracy. Open AI, a company whose

founders include Microsoft and Elon Musk, launched Chat GPT, an artificial interface which:
“enables users to refine and steer a conversation towards a desired length, format, style,
level of detail and language.”

2. Chapter Two: How things have unfolded since November 2022

a) Commercial situation

While quarter four and the opening weeks of 2023 saw a solid commercial performance, the financial outlook for radio has worsened from February onwards. Multiple interest rate increases have dampened consumer confidence and demand, with a resulting slowing of marketing activity and spending.

In addition to challenges on the revenue side, the sector continues to be challenged by inflation, with anecdotal evidence suggesting that in 2022 and 2023, the rates of inflation experienced by radio operators are well more than the headline inflation rate over the last two years which has varied from 10% to its current lower level of below just 5%. Such ongoing challenge on costs is posing significant pressures on radio operators.

The ongoing war in Ukraine and the tragic events in the Middle East over recent weeks are introducing increased uncertainty.

b) The levy

Despite the overwhelming statements of support for easing the burden of the broadcasting levy on radio broadcasters from politicians from all parties, the levy has remained in place during 2023.

Minister Catherine Martin stated that it is an essential principle that the cost of regulation is borne by the regulated.

Nonetheless, the Exchequer bore the cost of regulating the designated Online Services and the Video on Demand services during 2022. It is proposed that this will continue in 2024.

We have a major issue with such blatant unfairness and unequal treatment.

c) A looming crisis in news and current affairs on independent radio

IBI has long warned various Ministers and Governments, Joint Oireachtas Committees, and regulators of an emerging crisis about the sustainability of the levels of news and current affairs programming on independent radio.

d) A tipping point?

Before making this submission, IBI surveyed member stations concerning their issues in delivering their news services.

Stations estimated that (excluding sport and special interest programming) roughly 27% of content can be classified as news and current affairs.

The numbers employed in delivering news and current affairs had decreased on 32% of stations over the last five years.

The other headline information is:

- The departure of staff is an industry-wide trend, with 91% reporting departures from news and current affairs teams over the last 12 months.
- Well over 50% of stations currently have one or more vacancies in their news and current affairs teams.
- Staff retention (91%) and lack of adequate resources (73%) are cited as the two most significant challenges to the continued delivery of news and current affairs content.
- The impacts of this situation are leading to an ongoing erosion of news and current affairs, with only 27% of stations saying that these issues have yet to lead to some curtailment of news and current affairs services.

- There are no large reserves available to stations. Sixty per cent report they are making “small profits”; 27% say they are “profitable,” while 13% say they are “breaking even”.

Despite repeated requests over the years, IBI member stations' requests for assistance in retaining and developing News and Current Affairs appear to have fallen on deaf ears.

News and current affairs are excluded from Sound and Vision funding, and to date, there have yet to be any timely solutions proffered by the Government or policymakers.

Horror is often expressed at the prospect of public funds being used to support news and current affairs coverage on independent radio. However, no such reservations are expressed when public money is repeatedly used to support news and current affairs on RTÉ and TG4 while the reduction to zero of VAT on newspapers and magazines is the foregoing of government revenue and presumably to support news and current affairs, is agreed without anyone demurring on similar grounds.

It has been mooted that the schemes recommended by the Future of Media Commission will answer the structural issues experienced by radio operators in relation to news and current affairs. Will they?

e) Development of new media support schemes as recommended by FOMC

IBI welcomed the fact that the final report of the Future of Media Commission recognised the role of independent radio as a public service content provider.

IBI welcomes the fact that the Commission, the broader body politic, and the public recognise the vital role of news, current affairs, and information programming on independent radio. This has been reflected in many public statements.

The report recommended the establishment of new schemes, which are:

- The Local Democracy Reporting Scheme
- Supports for Digital Transformation

- News Reporting Scheme
- Courts Reporting Scheme
- Media Access and Media Training Scheme
- Community Media Scheme

The Government accepted the recommendations of the FOMC about establishing these funds.

In Budget 2023, the Government allocated a sum of €6 million towards the implementation of two pilot schemes. These are i) the Court Reporting Scheme and ii) the Local Democracy Reporting Scheme.

IBI engaged in extensive consultation with officials from the Department concerning the design and development of these pilot schemes.

IBI wishes to place on record its appreciation to the various officials in the Department and CnaM for the positive, constructive, and collaborative way they have engaged with us on behalf of our member stations.

Regrettably, however, we believe these schemes will not meet independent radio operators' central and immediate needs under ongoing and persistent pressure to maintain our levels of news and current affairs.

f) Glaring shortcomings

The additionality requirement misses the point: We understand that the new schemes have the concept of additionality at the heart of their conception, design, and future operation. Any funding from these schemes can only be directed to additional programming and content generation. Funding under these schemes to support existing staff or programme content will not be possible.

Time-limited period won't work for retaining staff: Further, we understand that funding will only be provided for specified periods, likely to be one or two years at a time. Given the

staffing crisis which pertains to our sector, where it is proving increasingly difficult, if not often close to impossible, to source staff for full-time positions, sourcing staff for fixed-term contracts is not practical.

Existing popular content will have to be displaced to achieve funding. In addition, with its requirement for additionality (as well as the central requirement for additionality across all Sound and Vision Schemes), it is a fact that in a context where radio airtime is a finite resource, to meet the additionality requirement, existing and popular material would have to be displaced from schedules.

Schemes of limited relevance: It should be noted that many of the schemes recommended need to be revised for the content typically generated by most radio stations, for example, Court Reporting, which is not a regular or extensive source of programming or content unlike in newspapers. Where Court coverage is undertaken, it is often of specific high-profile cases which tend to be infrequent or in the case of Court Cases of national profile; reportage is sourced through our Network News Courts correspondents or, in other cases, through specialist court reporting agencies.

Lack of Ringfenced Funds: Regarding the scope of the schemes, as proposed, the funding will be platform neutral, and it is foreseeable that, in some instances, radio operators may receive little, if any, funding. The failure to develop specific schemes for broadcast radio, one of the most popular and effective media with a proven track record of delivering quality content that meets the requirements expected of credible media operators, is another weakness of the proposed funding framework. Funding needs to be appropriate for the needs of radio, and a significant element needs to be ring-fenced for radio.

These schemes will not arrive for years! Finally, concerning the timing of these schemes, as it currently stands, due to the referral of the scheme design to the European Commission for State Funding approval, we do not envisage that any of the schemes will be open for applications until the latter half of 2024 at best. Given the likely timelines for the development and evaluation of applications, negotiation of funding contracts, recruitment,

and onboarding of additional staff, etc., it is unlikely that any of these pilot schemes will be able to be operational until 2025 or beyond.

It should be noted that it is envisaged that the pilot schemes will be evaluated after 12 months, with learnings to be incorporated into the development of the full suite of schemes recommended by the Future of Media Commission. Based on previous timeframes, these schemes may be delayed until 2026/2027!

Notwithstanding the suitability or not of the schemes, this timing is not fit for purpose. It would have been hoped that in relation to the Local Democracy Reporting Scheme, for example, stations would be able to access funding to assist in the coverage of the upcoming Local and European Elections in mid-2024. This will not be possible. Depending on the timing of the next General Election, it is likely that the schemes may not even be in place by then! This would be a great pity because surely local, national, and European election coverage is the epitome of “Local Democracy Reporting”?

g) Innovative use of Sound and Vision schemes

Since the advent of Covid, the Minister, Department, and regulators (BAI and, most recently, CnaM) are commended for using the Sound and Vision fund.

During the pandemic, the funding provided under special Sound and Vision Covid rounds was central to developing, funding, and delivering essential and innovative programming that greatly assisted the country in getting through the most significant emergency it has ever faced in recent memory.

More recently, the BAI and CnaM have supported a range of projects on independent radio, which have provided funding and have supported the development of cross-sectoral programming initiatives, which have led to the creation of additional high-quality programming targeted at areas of public interest.

In November 2022, these schemes were at various preparation and planning stages. Since then, they have all launched and have been tremendously successful.

Clár sa Charr successfully brought Irish language programming to primetime radio across 11 stations, with typical stations running the activity on air and through their social channels across three months. The resources provided for this initiative would not have been possible without the support of the Sound and Vision Fund.

In February, 25 stations participated in *Irish Music Month*, which featured a variety of initiatives to highlight the extent of diversity, quality, and creativity among original artists across the country. Hundreds of artists and bands of all genres and music styles submitted original material, with almost 100 shortlisted for live performances on air across participating stations in the search for a new Irish music star. The campaign culminated in a live event in The Academy in Dublin where Brad Heidi, chosen by Galway Bay FM, was selected as the ultimate winner of the *Search for a Local Music Hero*. This exciting new artist will release their debut single shortly and is guaranteed airplay on participating independent radio stations. Once again, this initiative would not have been possible without the support of Sound and Vision.

We are glad to say that the Sound and Vision scheme over recent years is a success story.

Participation levels by independent radio in the scheme have transformed from a situation where only a handful of stations participated to a much broader and healthier participation, leading to vast amounts of positive and targeted content, representing the epitome of public service content.

Key to this is the development of themed Sound and Vision rounds, which are ring-fenced for independent radio and the positive approach adopted by the regulator when they have been provided with the resources to work with independent radio broadcasters.

We believe that this way forward is critical to maintain participation and generate even more targeted public service content on themes essential to the development of the public good. Some simple changes need to be introduced.

The horizon for funding allocation under Sound and Vision is ad hoc, making it difficult to properly plan for specific projects or station incorporation of the programming types that need to be developed! We have yet to determine with any certainty the timing or nature of rounds, making it challenging to undertake long-term planning. The entire future of Sound and Vision is uncertain following the expiry of the current scheme, which will take place in early 2024!

So, there will be no Irish Music Month in February 2024 simply because the timing of the appropriate round under which a submission can be submitted makes this impossible.

It is unlikely that there will be a repeat of *Clár sa Charr* anytime soon as we have no idea if there will be another Sound and Vision Scheme targeted at the Irish language and whether, when it does emerge, we can generate and submit an application!

So, it is evident that the scheme, as it currently operates, needs some simple tweaks. If that is done, we believe the Sound and Vision Scheme has enormous potential for developing innovative content across various essential and relevant themes. And we are confident that given the necessary resources and support, we can work constructively with CnaM to really make a success of such initiatives.

With some simple changes in the overall design, concentration and emphasis of the Sound and Vision Scheme, it can vastly increase its impact on independent radio and function as a catalyst for further targeted and themed content development. Changes include a sensible programme of themes, ringfenced funding for radio, and providing certainty to scheduling and timing of the various rounds.

However, it should be noted that the Sound and Vision Scheme cannot be an antidote or solution to the most pressing crisis facing independent radio, namely the maintenance of news and current affairs programming.

h) Coimisúin na Meán

IBI welcomes the establishment of CnaM and enjoys positive relationships with many of the key staff and Commissioners.

We are currently organising a meeting with the two main Commissioners involved with broadcasting, namely the Commissioner for Broadcasting and the Commissioner for Media Development.

We hope to build on existing positive relationships and work collaboratively on addressing the challenges faced by our members and developing the sector's output to benefit our most valuable stakeholders, the Irish listening public.

Expanding the number of people involved in the regulator will pose a series of challenges in that many will have limited sector experience. IBI is committed to working with CnaM to ensure that positive insight and information can be developed promptly.

Concerning the immediate agenda for discussion with CnaM, there are several areas that we wish to highlight:

i) Licensing / Re-Licensing:

Given the large body of work faced by CnaM following its establishment and the expansion of the regulator's role, as well as the pressing staffing needs of the new organisation, the situation regarding the re-licensing of operators could be better. As it stands, there are a considerable number of radio operators whose licenses are due to expire imminently and who need to be made aware of the timelines and conditions regarding extensions of their licenses. This creates a range of issues for operators, which impact their ability to plan and invest in their businesses.

ii) Increased requirements in relation to Irish language, sustainability and GEDI

Based on newspaper reports and informal feedback from member stations, IBI understands that in the negotiation of contracts, CnaM is seeking increased commitments across these defined areas.

At the outset, IBI wishes to emphasise that it is positively disposed towards and supports the maintenance and development of the Irish language and culture, sustainability, and the mobilisation of Irish society to face the challenges of the climate crisis and the achievement of proper representation across the areas of gender, equality, diversity, and inclusivity.

However, while we accept our responsibilities in this area, we believe it is incumbent on the legislators, Government, and the regulator to take cognisance of the practicalities and resourcing issues generated by such requirements.

It is only fair to point out that in the current financial environment faced by broadcasters, particularly concerning the areas of news and current affairs where these issues are most effectively targeted, the pressures on radio operators to find sufficient resources – both financial and human - to plan and execute meaningful initiatives in these areas properly is immense. We believe assistance and support in this area could be imaginatively targeted and would deliver a range of qualitative and quantitative returns.

j) Growing and maintaining younger audiences

Young people are the future of this country.

It is often said that they are not interested in news and current affairs. This is wrong. Young people are interested in their communities, society, and the world. They are most impacted by current issues and challenges which face everyone.

How they engage with news and information and how they interact with issues and challenges facing our society is vastly different from the past and continues to change.

It is sometimes said that young people do not listen to the radio. This, too, is wrong. Radio has proven amazingly resilient and adaptable in attracting and retaining younger audiences. Independent research demonstrates that listenership to radio, while not being as strong as older demographics, is still considerable.

This is because radio operators have invested hugely in changing and adapting their operations to take account of the multitude of channels that now interact with the world.

But more must be done to change and adapt our output to meet the ever-evolving needs of younger audiences. In particular, much work must be done so that media operators such as radio stations can provide reliable, trustworthy, fair, balanced, and accurate news and information to younger audiences. To do this requires investment and the application of resources. Constantly under pressure, media organisations who often exist on the edge of constant crisis management to both “keep the show on the road” and “the wolf from the door” require support and financial assistance to achieve that.

Adapting businesses to meet the challenges of changing technology is a key Government objective. Ordinary commercial businesses are eligible for considerable State support to achieve digital transformation and adapt their business practices to the increasingly digital world. These schemes do not meet the particular needs of radio stations where digital transformation is imperative to keep pace with change but, more importantly, to keep younger audiences engaged through new means. The benefits of such action will, of course, be felt by the radio stations. Still, beyond that, the positive spin-offs in media literacy, political engagement and community involvement will be far greater than those for the individual businesses.

The Future of Media Commission recommends a special fund for digital transformation. Unfortunately, we do not have faith that these schemes will meet the particular needs of our sector and will likely not be of sufficient scale to achieve meaningful change in our area. We urge action to create suitable schemes to target radio in this regard.

3. Chapter Three: The crisis in RTÉ and its impacts across the broader sector

a) Framing the solutions

RTÉ is essential to the broadcasting ecosystem and Irish life & culture.

Independent radio is equally as essential.

RTÉ's importance in Irish life is frequently mentioned. IBI believes the organisation's current crisis marks a critical inflexion point in Irish life.

Equally, it is necessary to highlight that similarly independent stations also play an essential part in the lives of our listeners and in the lives of people and communities all over this country. The vital news, information, conversations, and programming are not restricted to RTÉ.

To borrow a phrase from another situation, there must be “parity of esteem.”

b) Terminology is important

Since the crisis in RTÉ first broke in June of this year, it has been noteworthy that in much of the political discourse, discussion and debate, the terminology that many participants have used is that RTÉ “are *the* public service broadcaster.”

Such terminology is misleading and steers the debate toward giving RTÉ sole primacy concerning crucial decisions. This terminology is inaccurate and unfair.

RTÉ is undoubtedly a public service broadcasting organisation. However, it is not the only organisation that provides public service broadcasting.

It may be the largest organisation providing public service broadcasting, but it should not be the *only* organisation that is supported in doing so.

While it is a semi-state organisation engaged in providing a service to the public, it is also a commercial organisation required by legislation to maximise its commercial revenue to date.

While it is the largest organisation engaged in public service broadcasting, not everything it does is public service broadcasting.

While the Independent Broadcasters of Ireland members are commercial organisations, we also provide public service broadcasting to the Irish people. As cited elsewhere in this document, it is estimated that approximately 27% of the content we broadcast can be described as public service content. We are required by legislation to ensure that at least 20% of our content is news and current affairs public service broadcasting output.

c) IBI want to see a successful, properly funded, appropriately focused RTÉ

Notwithstanding our frequent and ongoing position as competitors for listeners, revenue, support, and funding, IBI enjoys a positive and collaborative working relationship with RTÉ. We work closely with many levels of the organisation, and many staff there began their careers in independent radio.

Currently, IBI is engaged in day-to-day cooperation with RTE in relation to Radiocentre Ireland, the IMRO Radio Awards, the Joint National Listenership Research (JNLR), and Radioplayer Ireland, to name just a few.

We do not wish to see them fail; we want to resolve the current crisis as soon as possible to ensure a strong, fit-for-purpose RTE and a strong, vibrant, independent sector. Such a situation is essential for diversity of choice and media plurality.

d) Listenership to Radio – Are all listeners equal?

The independently verified information regarding radio listenership, provided by the Joint National Listenership Research (JNLR), shows that on weekdays, the split in prime-time weekday market share is 28.5% listening to any RTÉ radio service, with 71.5% listening to independent radio (source: JNLR/Ipsos 2023-2)

In making decisions about the future funding of broadcasting, particularly public service radio broadcasting, this needs to be kept at the forefront of considerations.

The question needs to be asked: is all public service broadcasting output treated equally?

Are the needs and interests of listeners to all stations, regardless of their ownership and location, treated equally and fairly?

e) Support for RTÉ compared with support for independent broadcasters

The Independent Broadcasters of Ireland believe there are apparent disparities between how funding for RTÉ is allocated and how we, as independent, are expected to account for any support we receive.

When receiving public money, RTÉ typically receives large tranches to address general deficits or shortcomings. To our knowledge, it is never linked to specific public service objectives; it is not accounted for on a line-by-line budget basis. It simply goes to RTÉ.

In the case of independent broadcasters, when we receive public money, mainly through the Sound and Vision Scheme, we must submit proposals, budgets, programme objectives, and other detailed information before receiving any funding. Subsequently, we must account for the expenditure and provide proof that the money received has been used in the manner under which it was sought.

We have no issues with it. It has not been the case in relation to RTÉ. We believe the same standards should be applied to all broadcasters receiving public money.

f) Can all content on RTÉ be classified as public service broadcasting?

We believe that only the content of clear public service should receive public funds, and the concentration of public funding should be around this output. A clear rationale should be provided for funding content that is not clearly public service content.

It should be noted that in relation to the provision of funding for independent radio stations, the position of IBI is that public funding should only be provided to us for material that has

clear public service purposes and generally in instances where the market cannot sustain the output commercially. There is a long record of this being done correctly on independent radio through the Sound and Vision funds.

g) Ensure accountability for public money

There has been speculation about whether and if it is possible to ensure accountability regarding public money spent in creating complex programme schedules where some output is clearly public service and other output is plainly commercial. Is such accountability possible?

The simple answer is yes, and independent radio and how it accounts for any public money it receives has clearly demonstrated this.

Across the history of the Sound and Vision Scheme and, particularly in more recent years, the experience of independent radio has demonstrated how it is entirely feasible for public money to be ring-fenced towards the support of programming with clear public service goals and objectives.

We believe the same principle should apply in relation to RTÉ for future funding. This will require considerable change concerning RTÉ's operation, but it is feasible and necessary.

h) Should advertising be removed entirely from RTÉ?

It is the view of the Independent Broadcasters of Ireland that there are other ways forward. Primary in our considerations is the current importance of RTÉ as a component of the market for radio advertising in this country. If such a step is undertaken, the result would likely be a damaging disruption for the Irish radio market with a consequent, very negative, knock-on effect on independent stations and operators.

i) The license fee?

Who should the license fee support? Should it only be for RTÉ?

It is important to note that the principle is already well established that license fee revenue should not be solely the preserve of RTÉ. License fee revenue is used to fund the Sound and Vision Scheme, which has become an increasingly significant source of funding for many independent stations since the Covid pandemic.

The Sound and Vision Scheme funds are based on license fee receipts, and with the steep fall in revenue from this source, Sound and Vision funding will be impacted. In such a scenario, this will negatively impact independent radio,

j) The mechanism

The license fee on which funding is currently generated for broadcasting is no longer suitable.

As well as the structural and operational shortcomings which have been exposed more than ever, we have believed going back as far as 2013 that it should be replaced.

The mechanism to replace it is not a matter for us to decide. However, underpinning it should be a commitment and advocacy from the Government and legislators that public service broadcasting, regardless of who carries it out, is a public good that benefits society and should be supported.

All benefit whether they avail of Irish public service broadcasting content or not.

However, levying a flat fee on all individuals or households regardless of ability to pay is a blunt and counterproductive instrument. Any new charge should reflect the ability to pay and be progressive, i.e., people who can pay more should pay more, with a reasonable cap on the maximum amount that individuals or households would be required to pay annually.

k) Trust and public support

Whatever the financial and organisational impacts, the events that have unfolded over recent months have devastated the public perception of the broadcaster and public trust; the currency of broadcasters and an essential foundation for credibility and public support have been shredded.

This decrease in public trust must be addressed and repaired as a matter of urgency. There is a danger that a decline in trust for RTÉ will metastasise and damage the standing of broadcasting and journalism in Irish society in general. In an era where many would seek to undermine the structures and norms of democratic society, no one can afford to be complacent.

Addressing this situation will undoubtedly require tough decisions, political courage and support.

We believe there is a requirement for vigorous advocacy of public service broadcasting, not just on RTÉ but on independent radio as represented by IBI.

Both RTÉ and IBI share common responsibilities under legislation and regulation and are operated, in the case of IBI stations, based on public licenses. We have rights and responsibilities as broadcasters, and as well as operating commercially; we contribute a vital public service to society and democracy through journalism, the provision of information and the facilitation of public debate, discussion, and accountability. This is an important role.

IBI is willing to engage with other interested parties in public advocacy to ensure public support for the necessary change.

4. Chapter Four: So, what does success look like and how can it be achieved?

a) The current period is an enormous opportunity for positive reform

For more years than we care to remember, IBI has been making submissions and highlighting problems of sustainability, viability, and threats to services. Opportunities have been missed. Some progress has been achieved, but much remains to be done overall.

We are at crunch time.

This document has attempted to outline the issues, the challenges, and what we believe needs to be tackled. No doubt, a sense of frustration can be detected at points throughout.

Independent Broadcasters are frustrated. We know the value of what we do – to our listeners, our stakeholders, and society. We are staring at a range of threats which we are willing and able to tackle, but we need support.

We do not want to go the way of other countries, where news and information programming is eroded and decreased to a point where it is almost meaningless because of a severe lack of action. We know this is not good for our organisations and our people, but more importantly, it is not good for society and democracy.

The issues are solvable, and here we set out a few simple things that can be done.

b) Framing the future debate

Recognition that independent radio is Irish radio's largest and hugely important public service content provider. It is not all about RTÉ.

c) Fairness and equity

Address the glaring unfairness of how the levy system is implemented.

Give comparable support to the independent broadcasting sector as given to newspapers and magazines. Assistance should not always come “with strings attached.”

d) Acknowledge independent radio faces a crisis in maintaining news & current affairs

Independent broadcasters need help in maintaining vital news and current affairs services. There is currently a crisis concerning maintaining levels of service. The majority of radio stations in Ireland are trying to deliver news and current affairs with far fewer resources than five years ago. Most stations are having to curtail their news and current affairs coverage because of a crisis in resourcing and staffing.

This crisis requires similar political engagement and attention as is being invested in the crisis in RTÉ.

Please accept our bona fides concerning the shortcomings we are identifying in the proposed schemes recommended by the Future of Media Commission that we are highlighting:

- the focus on additionality misses the point.
- the timing of the introduction of the funds is not appropriate to help us deal with the current crisis.
- the focus on fixed-term contracted staff to deliver the content will not work.
- to access the funding, radio stations will be required to displace existing content.

e) Quickly develop a New Scheme for News and Current Affairs on independent radio

Our most critical area is maintaining and developing core news and current affairs services on independent radio.

In 2013, the last time when reform of the funding of broadcasting was being seriously addressed, IBI presented a plan for a scheme to support news and current affairs on independent radio.

We attach a copy of this plan (see Appendix I), which, though dated in parts, is still relevant. It can easily be updated. Adopting such a plan will ensure the survival and growth of independent radio news and current affairs services. It requires a comparatively modest investment. The most urgent ingredient is political will and concerted action. We need a “can

do” attitude rather than a “can’t do” attitude in relation to this. Unfortunately, the latter attitude has predominated in our experience. We need a change!

f) Encouragement of innovation and investment in new areas of programming

While IBI has been highly critical of the Sound and Vision Scheme for many years, thanks to flexibility, imagination, and innovation by the regulator, collaboration with broadcasters, and support by successive Ministers, this scheme has been transformed.

It still needs consistent timings and delivery and a format where broadcasters can't plan beyond ad-hoc and one-off measures.

We believe that this can be addressed in a relatively straightforward manner with the scheme transformed into an engine for the growth of innovative programming on an ongoing basis across areas of enormous importance to Irish society, including addressing the climate crisis, gender, equality, diversity & inclusion, Irish language, culture, heritage, and history.

g) Investment in recruiting young audiences

Develop a special scheme to assist independent radio stations transform their output using technology and appropriately trained professional content creators and producers to evolve on-air content to engage younger audiences through additional channels complementary to existing FM broadcasts.

h) Incentivise investment in radio

Like all sectors of the long-established media, the Irish radio sector has been under pressure for many years. The business environment marked by a lack of growth, digital disruption, relatively short-term license regimes and future uncertainty is not an attractive investment opportunity.

Developing incentives to attract investment is a normal part of Government business and industrial policy. In another creative business sector, the Irish film industry has significantly

benefited from attractive incentives and has been instrumental in developing a significant and growing industry.

We believe that as part of a suite of measures, the development of a similar initiative exclusively relating to independent radio would be a positive initiative.

i) Addressing the challenges posed by Artificial Intelligence technology

This time last year, we had no idea of the scope, speed, or potential disruption of Artificial Intelligence and its rapidly increasing range of use.

The threats to providing accurate and trustworthy news and information are obvious. However, it is likely that we are not fully aware of the scope and extent of the challenges and dangers that this new technology presents.

We believe that Government and regulators must act without delay to ensure that the experience of unregulated growth, competition, and expansion which resulted from the emergence and exponential growth of online and social media platforms with all the resulting damage to society and democracy is not repeated and indeed multiplied by a similar experience concerning Artificial Intelligence and how it may be applied in the media space.

Conclusion

The last 12 months since IBI last appeared in front of the Joint Oireachtas Committee to discuss the future of independent radio have seen the long warned of crisis in providing news and current affairs on our stations become a reality.

For years before that appearance in the Seanad Chamber in November 2022, we have warned of this looming crisis.

The sense of unfairness in relation to how licensed and regulated independent radio is treated when compared to online, social media and video-on-demand services continues. The situation with the Broadcasting Levy exemplifies this.

The Future of Media Commission report initially appeared to offer a way forward in relation to support for news and current affairs.

Unfortunately, it appears that any assistance, however unsuitable it may be to meet our needs, is still a long way away.

Amid the pressure on our democratic systems and in the wake of the emergence of another tragic conflict in the Middle East, the importance of credible news and information has never been more apparent. Equally, the warning signs about the adverse effects of misinformation and disinformation have never been louder. There has been much talk about the importance of independent radio.

We clearly outline our problems, suggesting clear, practical, cost-effective solutions and comply with accountability, transparency, and public value requirements.

Equally, we are warning of the likely consequences of inaction in relation to these issues.

The time for talking has passed...We need action now.

Appendix I

Public Service Broadcasting on Independent Radio Stations, a scheme proposed by the Independent Broadcasters of Ireland in October 2013

The following document was developed and submitted by IBI in 2013, when reform of the Television License Fee was once again being considered.

Though ten years old, the document is still relevant.

While some of the analysis and industry information has dated the central thrust of the document, a practical scheme designed by IBI to address the funding challenge for news and current affairs on independent radio remains valid



**Public Service Broadcasting on Independent Radio Stations
A Scheme Proposed by the Independent Broadcasters of Ireland (IBI)**

October 2013

1. Introduction to the Independent Broadcasters of Ireland

The Independent Broadcasters of Ireland (IBI) represents the 2 national, 4 regional, 1 multi-city and 27 local commercial radio stations throughout Ireland. The mission of the IBI is to promote a strong and vibrant radio sector which reflects the preferences and needs of the listening public. Within our membership there exists a diverse collection of radio stations – significant diversity in ownership, target audience, location and franchise area. These independent broadcasters make a significant contribution to the Irish economy not only in economic terms but also to the social and cultural aspect of the economy.

Listenership to independent broadcasting in Ireland has never been stronger. In excess of 70% of the Irish population, 2.5 million people, tune into independent radio on a daily basis, which clearly shows the value listeners place on our programming. Independent radio provides a valuable public service to Irish radio listeners and is funded entirely from the sale of advertising and sponsorship at no cost to the General Exchequer.

The sustained success of Independent Broadcasting over the past 22 years reflects the talent, expertise and commitment of the operators. It is a direct result of radio stations putting the listener at the centre of their business. Giving the listener the high quality programming that they want to hear has resulted in increased and retained listeners, which in turn attracts financial revenue streams from advertising and sponsorship. The commercial operations of the business are intrinsically linked to the delivery of quality programming and striking the right balance between the two is central to every broadcaster's long term viability and success.

The IBI is focused on the future and monitors sectoral developments with a view to representing the interests of independent radio sector on issues which will determine the future of broadcasting, and to engage fully with the Regulator and other stakeholders in all matters. Ireland has a proud tradition of radio broadcasting and the IBI aims to ensure that independent broadcasters are to the fore in shaping the future of the Irish broadcasting industry.

2. Independent Public Service Broadcasting – The Context

The 1988 Broadcasting Act set out the framework for the development of independent radio in Ireland. Central to the development of the new sector was the obligation on all independent radio broadcasters that 20% of content comprise of “news and current affairs”. The independent sector took this requirement and through imaginative and creative programming developed a country wide independent radio service which has become the primary source of radio listening for nearly 70% of the Irish public on a daily basis. This is achieved through localised programming that reflects the lives of the communities it serves; responds to the needs and interests of those communities; provides a forum for news,

information, local sports coverage, discussion, debate and interaction that is not replicated in any other media format in this country.

Regardless of the ownership and control framework of the companies providing the service; the economic performance of the operators or the viability of the business model on which independent radio is based, the facts are undeniable: independent radio is providing a service to the public that is widely used; performs a useful role in society and has become an integral part of local identity in every county in the country.

Independent radio performs a public service broadcasting function and are required under the terms of their broadcasting contracts to provide a range of services targeted towards reflecting diversity; supporting local organisations and promoting and developing Irish culture .

In addition to the public service obligations that are inherent in operating a licensed independent service; the public service nature of much of the content developed and provided by independent radio companies there are a number of other features which clearly demonstrate the public service broadcasting nature inherent in operating independent radio. Radio stations are obliged by the Broadcasting Authority of Ireland (BAI) to provide commercial airtime free of charge when it is deemed to be of important public interest and station operators are required to ensure that the airwaves are available to the State and continuity of service can be maintained on occasions of national emergency. As well as these obligations inherent in receiving a license to broadcast, independent radio stations have developed an important role in relation to local democratic engagement and perform many important functions in relation to countless local communities, organisations and individuals throughout the country. From its inception the sector has performed a role that cannot be performed by the State Broadcaster RTE. Regardless of the future of the sector it will never be possible for the State Broadcaster to replicate the services provided by independent radio in Ireland. The sector provides a unique localised service to this country.

3. The Current Situation: The Communications Revolution

In the last 10 years a revolution in communications has been taking place. Without rehearsing the situation at any length, while the independent radio sector developed in a context where the main mass marketing media available were radio, television and print. Throughout the first 10 – 15 years of its existence while competition was intense the paradigm in which media operated was by and large a national one.

The advent of globalisation, the explosion of the internet and the consolidation taking place across retail, marketing and services has completely changed the world as we know it. International and trans-national media is burgeoning with Google, News International, Twitter, Facebook and other mega corporations proudly disrupting and destroying “traditional” media on the back of automated content, low cost base and internationalised operations that are growing beyond the control of Governments.

There are economic and practical considerations in independent radio stations producing public service programming. The requirement to broadcast speech programming including news and current affairs, which the independent sector has embraced with enthusiasm throughout its history is an arduous and expensive obligation. It is demonstrable that 20% of

a station's content comprises a far greater proportion of station costs. This is due to the fact that despite a record of tight cost management and staff flexibility and multi skilling news and current affairs remains expensive to produce. The largest cost is in terms of human resources. Looked at from a positive perspective nationally this cost creates considerable employment with in excess of 1,500 presenters, journalists, producers, researchers, technical and other administration and support staff employed in the sector. In addition employment is provided to a range of contractors, freelance and casual staff. Given the labour intensive and costly nature of producing programming of a public service nature, if forced station operators will target the resources required to produce public service content in order to maintain savings and ensure survival.

For its part the BAI is willing to allow derogations in respect of such programming on the grounds of maintaining viability. It should be noted that across the youth broadcasting sector" a number of stations have been granted derogations by the BAI to reduce the percentage of news and current affairs provided. The derogations granted to some stations in respect of news and current affairs content is the tip of the iceberg.

The advent of independent radio filled a "gap in the Irish radio market". For many years there was a "market in that gap". Currently and for the foreseeable future the "market in the gap" is contracting. Should the contraction continue the lack of a viable market will leave a gap in the market that no one – RTÉ, Facebook or anyone – will be able to economically service. This is an appalling vista.

The current situation facing independent radio stations can be further divided into a few different sections including the current television licence fee, the effect of technological changes and the advertising environment.

a. The Television Licence Fee

Television licences were first introduced in Ireland in 1962 to cover the costs of the establishment and running of what was then Telefís Éireann, now RTÉ. Given the absence of other broadcasters in Ireland at the time the entire amount of the licence fee collected was allocated to Telefís Éireann.

The Irish Radio and Television Act 1988 changed the broadcasting landscape in Ireland with the introduction of independent radio and television stations. When introducing the bill in the Dáil, then Minister Ray Burke described it as public service broadcasting in private hands and he proposed 25% of the television licence revenue be allocated to independent broadcasters, a suggestion that was rejected by Government. In its place the Government implemented a cap on the advertising revenue that could be generated by RTÉ but this cap was removed in 1993.

With the growth of independent broadcasters in the 1990s, to include national and local radio stations and an independent television station, and the collective strength of these broadcasters, efforts began again to distribute some of the television licence fee to independent broadcasters. The result of these efforts was the Sound and Vision Fund, announced by then Minister for Communications Dermot Ahern in May 2003. This represented 5% (Broadcasting Act 2009 increased this to 7%) of the revenues collected from the television licence fee being set aside to cover the costs associated with making specific programmes by any broadcaster or programme maker. This set a precedent by which the television license fee could be accessible to broadcasters other than RTÉ and achieved what had been attempted by other Communications Ministers i.e. provision of licence fee monies to non-RTÉ broadcasters for the production of programmes of a public service nature.

b. Technology

Technology has changed the way we live our lives. This change has been more pronounced in the past five years than in any other time period and few could have predicted the impact and the proliferation of technology that we now deal with. When the original legislation for the television licence was introduced the television was a box positioned in the corner of the room and thus introducing a licence on such a device was easy. When the Broadcasting Act 2009 was going through the various stages in the Houses of the Oireachtas the same could not be said. By the time the 2009 Act was being discussed and amended it was possible to access television and radio programming on computers and laptops, iPhones had begun to grab the minds and imagination of the population and we were watching television and listening to radio programmes on our phones.

The convergence of media and technology resulted in people no longer having a box in the corner and yet still able to access the same broadcast content and programming via other technologies. In addition, it was possible to access television and radio content without the necessity of having to pay a television licence. The widespread use and availability of technology made the notion of a television licence fee based solely on a particular device moot.

The idea of replacing the television licence fee with a Public Broadcasting Charge was included in the Fine Gael/Labour Programme for Government. Their proposal was to:

...examine the role and collection of the TV licence fee in light of existing and projected convergence of broadcasting technologies, transform the TV licence fee into a household based Public Broadcasting Charge applied to all households and applicable businesses, regardless of the device they use to access content and review new ways of TV licence collection, including the possibility of paying in instalments through another utility bill, collection by local authorities, Revenue or new contract with An Post.

c. Advertising

Independent radio broadcasting in Ireland is completely reliant on commercial revenues to fund broadcasting and operational activities. The collapse in sentiment among advertising buyers has directly and proportionally affected the entire sector, both RTÉ and independent broadcasters. This however is where the similarities between state-funded and independent broadcasting ends. While RTÉ is affected by the decrease in advertising it is largely protected from financial repercussions through the revenues received from the television fee.

Independent broadcasters do not have this level of security and despite this must maintain a consistently high standard of programming regardless of the financial position of the broadcaster. This is expected by the listeners and any reduction in broadcasting quality will result in lower audience figures and thereby ever lower advertising revenues. Independent broadcasters cannot pass the extra costs of running its business to the end user as the consumption of radio is free. The financial losses incurred as a result of the marked decrease in advertising revenues, have been borne by the broadcasters causing concern regarding viability.

In addition to the financial environment, the regulation surrounding advertising on independent radio stations is extremely limiting, and restricts independent radio stations from competing effectively in the commercial sphere due to them being out of line with commercial practices elsewhere across the media landscape. Furthermore, these restrictions have major implications for all independent radio operators and their ability to sustain both levels of service to their listeners and future staffing levels for their employees. Over the last two years since the end of 2010 total advertising revenue in Ireland has fallen by 10%, from €839.5m to €758.9m in 2012, according to agency estimates. Independent radio revenue has fallen by 11% in that same period, from €145.6m to €129.4m in 2012. Depressed economic conditions have clearly been a major factor in this but the rise in commercial popularity of web, mobile and social media channels has accentuated the pressure on traditional media like radio.

4. The Future of Media in Ireland

There are numerous strands of media available in Ireland. Firstly we have the traditional media which are still consumed in huge quantities. Radio through its content driven focus and its closeness to the listener has remained extremely strong in Ireland but many other branches of the media cannot say the same thing. The number of television viewers in Ireland has dropped. British television channels are readily available, broadcast into most houses in Ireland and Irish television stations are littered with both British and American television programmes. The sales of newspapers has decreased dramatically in the past few years and there are now record low levels of newspapers being sold in Ireland.

One could say that this is market forces at work and with every generation there are changes to society and life as we know. The truth is that current technological changes are presenting us with a greater threat now than ever before. Irish people's connection to the political, democratic, economical and social life of our country is largely through our media. If for example we were to get to a stage where our only source of news was Sky News or Fox News then we would have lost our connection to the democratic process in Ireland. We need to ensure that indigenous Irish media is nourished and cultivated so that it is not subsumed and thus ensure that Irish people stay independent of thought and connected to the culture and governance of this country.

Radio is the cornerstone to retaining our identity. Radio is an indigenous medium that does not transfer in the same manner as television, newspapers or websites, a fact that is proven by the high levels of listenership to Irish radio stations despite the availability of radio stations from all five continents. Radio's key attributes are its local focus, its relevance to the lives of its listeners, its ease of access, it is free to the end user and the ease with which one can dip in and out. Local radio in particular, in Ireland is unique both in its content and in the fact that it has retained its strong focus on the locality that it broadcasts to.

The strength of RTÉ's public service broadcasting is its adeptness, access and reach with regards to national and global issues. This cannot be mirrored by independent radio stations the majority of which broadcast at local or regional levels. The strength of the independent local and regional radio stations is their access, relevance and skill in broadcasting local and regional issues, and this in turn cannot be mirrored by RTÉ. This highlights the fact that there is more than one method to conduct public service broadcasting and hence there is a necessity for more than one type of broadcaster to cater for the public service broadcasting requirements of the Irish audience.

Ireland cannot afford to be a country without an independent radio network but this is a likely vista for the future if appropriate changes are not put in place now.

5. The Alternative

So, what is the answer? Is there a different way or a fairer way that that licence fee revenues can be utilised? Or maybe commercial and market forces should be allowed to dictate resulting in a thinning of local content, syndication of radio programmes and only the strongest independent radio stations surviving.

The first question to be asked is what do the public who pay the licence fee want in terms of public service broadcasting and who do they want to deliver it? It would seem logical and fair that those stations who meet this demand be properly resourced. From a radio perspective, it would appear that the first question has already been asked and answered. Every quarter, the JNLR results show that 70% of all radio listening in Ireland is to an independent radio stations so as the Irish public vote with their ears it is the independent radio stations that they are choosing.

Which leaves us with the second question of how do we fund the public service broadcasting on the stations that the public have chosen? The legislation to introduce a public service broadcasting charge in place of a television licence fee has allowed for the opportunity to examine the broadcasting landscape in depth and effectively and efficiently plan for the future.

All broadcasters in Ireland both state-funded and independent are commercial broadcasters in that commercial revenue from advertising and sponsorship is required to ensure adequate operational funding is available. At the same time, all broadcasters both state-funded and independent are also public service broadcasters in that they all broadcast programmes which are public service in content, albeit to varying degrees depending on the broadcaster in question. While there does not appear to be an issue with RTÉ being defined as a public service broadcaster the same cannot be said for independent broadcasters. Great credence is given to the statutory requirements placed on RTÉ to provide public service programming but the same Broadcasting Act which decrees this requirement also sets public service broadcasting requirements for independent radio broadcasters. All independent radio broadcasters are required under the Broadcasting Act 2009 to provide the public with certain programming. For independent radio stations this includes a requirement to:

- Broadcast programmes in the Irish language;
- Broadcast programmes relating to Irish culture;
- Offer broadcasting opportunities for new talent in music, drama and entertainment;
- Provide a diversity of services catering for a wider range of tastes including minority interests;
- Serve local communities or communities of interest.

In addition and most importantly, the Broadcasting Act 2009 outlines the commitment required by independent radio stations to news and current affairs.

- 39.** (c) in the case of sound broadcasters a minimum of –
- i. not less than 20 per cent of the broadcasting time, and

- ii. if the broadcasting service is provided for more than 12 hours in any one day, two hours of broadcasting time between 07.00 hours and 19.00 hours,

is devoted to the broadcasting of news and current affairs programmes, unless a derogation from this requirement is authorised by the Authority under *subsection (3)*, At each and every stage in the process the public are involved and offered an opportunity to feed into the process. They are informed of the planned action and intentions of the contractor and the regulator, expressions of interest and licence applications are available to the public for examination, oral hearings are open to the public and are held in a venue which is accessible to the franchise area that will be served. In addition, independent radio stations are the only licensed broadcasting group in the state which has to reapply for its licence on a regular basis with a chance that the licence might be awarded to another group.

The corner stone of the legislation will the definition of public service broadcasting. There has never been an accepted definition of what constitutes public service broadcasting. The BBC's remit is to "Educate, inform and entertain" but this definition is rather broad and would appear to cover any given programme that a broadcaster could envisage. UNESCO's definition of public service broadcasting reads as follows:

Public Service Broadcasting (PSB) is broadcasting made, financed and controlled by the public, for the public. It is neither commercial nor state-owned, free from political interference and pressure from commercial forces. Through PSB, citizens are informed, educated and also entertained. When guaranteed with pluralism, programming diversity, editorial independence, appropriate funding, accountability and transparency, public service broadcasting can serve as a cornerstone of democracy.

In Ireland RTÉ has always been called "the public service broadcaster" and therefore by extension everything that is broadcast by RTÉ has become accepted as public service broadcasting. The logic behind what has become a conventional and established definition is difficult to fathom especially in light of the changes which have taken place in the broadcasting landscape since enacting the Radio and Television Act of 1988. There has been a dramatic increase in the number of independent radio and television stations now available to the Irish market with each independent radio station statutorily and contractually obliged to provide a minimum of 20% of news and current affairs, Irish language programming and programming which serve their local communities. The schedules of the majority of the independent radio stations include programmes on farming, religion, traditional music, folklore, history and heritage. It could not be argued that the content of these programmes of this nature are not public service in nature and yet, the independent radio sector is still defined as being "commercial broadcasters". In fact every week independent radio stations broadcast in excess of 1300 hours of content which on the narrowest of definitions easily falls into the public service content category.

The question remains, is public service broadcasting determined by the content that is broadcast or by the broadcaster who broadcasts it?

6. The Future – Fund Public Service Broadcasting

The IBI is calling for revenue from the Government's new Public Service Broadcasting Charge to be allocated to support public service broadcasting on independent radio stations. Such support would allow independent radio stations to expand the range and depth of news and current affairs that is broadcast.

Funding from the new Public Broadcasting Charge should assist in the production of public service broadcasting on independent radio stations, the radio stations themselves should take responsibility for providing some level of the funding required. Secondly, in order to avoid confusion, the portion of public service content that could be funded would be the 20% requirement set out in the contracts of each independent radio station. As a statutory and contractual obligation this would ensure that the state-aid rules are not being breached and it would also allow for monitoring of adherence to the scheme by the regulator, without resulting in an additional workload for the BAI.

The Public Service Broadcasting Charge is being introduced by the Department of Communications, Energy and Natural Resources to ensure that the funding of public service broadcasting is equitable in terms of those who are tasked with paying the charge and the amount that is paid. It also aims to be devised independent to take into consideration the changes in technology that have occurred since the original Television Licence Fee was introduced in the 1960s. If there is to be equity amongst the payees, equity amongst the technologies then surely there must also be equity amongst those who have access to the revenues collected. The Minister for Communications, Energy and Natural Resources has accepted the value of the public service programming and the public service contribution of independent radio stations. In light of this and to ensure the goals of equity and fairness are adhered to, the public service element of the independent radio stations should be facilitated under the revenue within the Public Broadcasting Charge.

Working from the Department of Communications own figures, it is anticipated that the new Public Broadcasting Charge will result in an uplift in the region of €30 million in revenues collected resulting in a total of €230 million. The IBI suggests that 7% of the total be allocated to independent radio stations under a scheme to assist in the production of public service content and programming.

1. Objectives of the Fund

The core objectives of the PSB Fund are:

- i. To ensure that the Irish listening public is served by a vibrant Irish broadcasting sector;
- ii. To allow independent radio stations to deliver diversity in content, programming, information and entertainment to its listeners;
- iii. To allow independent radio stations offer high quality and innovative indigenous content to the audience;
- iv. To maintain plurality of content and opinion on the Irish airwaves;
- v. To increase the quality of public service broadcasting provided by independent radio stations to the public at national, regional and local level.

2. Scope of PSB Fund

The potential scope of such a fund is endless but it is important that the fund would be easy to understand, easy to administer and easy to monitor. As a result it only programming which falls within the statutory 20% speech requirement which includes news and current affairs, as set out in the Broadcasting Act 2009 would be eligible to receive funding. Given that RTÉ also has statutory requirements placed upon it, which are funded by the current television licence fee, it appears fair to apply the same funding requirements on the independent sector and only fund broadcasting requirements which are set out in statute.

3. Process for Application

Independent radio stations would be required to submit a multiannual application for funding, outlining their programming commitments and how they would utilise the funding for improving public service programming and content. To ensure complete transparency it is suggested that applications be submitted to the BAI for consideration and approval. As part of the BAI's usual monitoring of radio stations, monitoring of a radio station's adherence to the public service funding application would be included.

4. Transparency

A clear and precise definition of the programme commitments would be required in addition to the metrics for fulfilling these commitments. Detailed guidelines for the content to be supported, the level of support available, eligible costs and auditing requirements would be clearly set out prior to application. This would enable independent radio stations to ensure that the monies received were not in excess of the cost of providing the public service programming.

5. State Aid

The Amsterdam Protocol defines state aid in line with Article 106(1) TFEU (ex-article 81(1) EC), intervention by the State or by means of State resources which confers an advantage to the beneficiary. The decisive element of State aid is its effect and not its purpose: it must be liable to affect trade between Member States and it must distort or threaten to distort competition. State aid is forbidden under EU law. State aid may nonetheless be permitted

Compensation: Intervention by the State or by means of State resources that does not constitute State aid within the meaning of Article 107 TFEU (ex-article 87 TEC) provided that the recipient undertaking actually has clearly defined public service obligations to discharge and that this compensation does not exceed what is necessary to cover all part of the costs incurred in the discharge of these obligations.

Taking these definitions into account the possibility of providing financial support for the provision of public service programming on independent radio stations would appear to be achievable.

7. The Independent Radio Public Service Broadcasting Scheme

Objective: To support and develop public service broadcasting content on independent stations.

- **Content to be supported:**

Speech programming including news and current affairs and talk programmes up to a maximum of 20% of broadcast output. Stations with a derogation of the 20% level would qualify up to the derogation limit.

Content would include news, sport and information bulletins, current affairs and talk programmes, local and national sports commentary and analysis and Irish language and culture programmes. These programmes to be produced and broadcast in the context of complying with a Statement of Annual Performance Commitments by radio stations participating in the scheme.

See appendix 1.

- **Qualifying organisations:**

Independent professional broadcasters with a statutory and contractual obligation to broadcast a minimum percentage of speech programming including news and current affairs, whose listenership is subject to independent measurement by JNLR and who operate under a long term licence awarded by the broadcasting regulator. *The fund would not be available to State owned broadcasters. The fund would not be used to support independent TV which has already benefitted from additional revenues received through an increase in advertising minutage. The fund would not be used to support Community radio stations as they already benefit from very significant support under the Sound and Vision scheme and do not have comparable statutory obligations. The fund would not be used to support other non-broadcast news organisations that do not have a statutory obligation to produce public service content.*

- **Level of support**

Qualifying broadcasters would receive up to 75% of the cost of producing and broadcasting qualifying content. Support sought cannot exceed 30% of total operation budget of participating stations and will be capped at a maximum of €400,000/annum for local and regional stations and €1m/annum for national stations. These figures would be indexed to the Household Broadcasting Charge. Funding would be provided quarterly in advance.

- **Eligible costs**

These costs would include staffing and overheads including transmission on a pro rata basis.

See appendix 2.

- **Cost of scheme**

If all qualifying Independent radio stations participate, it is estimated that the scheme would cost approx. €13-14m/annum.

- **Job creation**

The scheme would underpin the sustainability of current activity and allow participating stations to improve the quality of current content production. It would also mean that additional staff could be recruited to increase the quantity of coverage of Councils, Courts and community events.

The scheme would encourage job creation in terms of additional news and sport reporters, researchers and producers, support of 100% of the cost of employing additional staff would qualify for the first 2 years of employment subject to a maximum grant/job of €25,000/job. It is estimated that the scheme would result in approx. 100 new jobs in the first 2 years.

- **Administration**

It is envisaged that the scheme would be administered by the BAI. The Authority has a high level of established expertise gained from many years of monitoring the level of news and current affairs content on stations as well as administering the Sound and Vision scheme.

- **Applying**

Stations would apply by submitting a three year budget for the full range of operations with a detailed breakdown of the resources committed to news and current affairs including talk programming.

This would be submitted in June each year with the objective of agreeing the level of support to be provided by the end of September. Support would be provided on a multiannual (3 year) basis subject to an annual review.

- **Audit:**

Before end March of the following year an independent audit of operating costs including news and current affairs costs would be submitted to the BAI. This would be carried out by the station's auditors as part of the station's annual audit.

An audit of compliance with Performance Commitments would be carried out by the BAI as part of the normal monitoring and performance review.

- **Ensuring the scheme improves quality**

The BAI would appoint a Content Development Officer who would advise and mentor stations in developing improving quality.

8. Independent Public Service Broadcasting - A Positive Vision for the Future

In shaping the future of independent radio in Ireland it is essential that future actions are grounded in a positive vision of what it is that we are seeking to preserve and what it is that we are seeking to develop. Accordingly we are setting out the main elements which we believe an Independent Public Service Broadcasting Scheme should seek to nurture and develop.

- **Diversity** - reflecting the local and regional and national characteristics of the country
- Broad based and **accessible** – ensuring that access to broadcast media is not confined to small numbers or a privileged “commentariat” in urban centres
- Reflecting, supporting and developing **Irish culture** in all its facets as it grows and develops.
- Reflecting **local identity** and addressing **local concerns**
- Empowering **democracy** and facilitating **democratic engagement** - providing a forum for debate and discussion on local issues. Encouraging participation and providing an outlet for expression and a place for democratic accountability whether during local, national or European elections or through coverage of the activities of Local Authorities – coverage that simply cannot be replicated on a national basis
- Providing **information and coverage of issues**; events and personalities that will never impact on a national agenda but which are of huge significance to discrete audiences
- An **alternative view** – in tune with the local and defined areas to which radio stations broadcast to and reflecting individual points of view
- **Free to air** – content and involvement that is not dependent on subscriptions nor hiding behind pay walls
- Ensuring that **content and culture** is not sacrificed in a race to the bottom and a headlong drive for efficiencies in order to maintain viability in a shrinking market
- Where radio operators are rewarded for investing in **quality programming** that services the public good; provides employment and is based on solid public service broadcasting principles
- **News, sport and information** programming is encouraged and is seen as a key driver of business success rather than an onerous cost that must be minimised at every possible opportunity

Appendix 1:

Annual Statement of performance Commitments:

Strategic objectives:

1. Excellence in broadcasting: Fulfill our public service 20% news and current affairs obligation and strive for the highest standards of journalistic accountability and ethics on and off air.
2. Produce high quality distinctly Irish content that provides diversity and is an alternative to that produced by State owned broadcasters.
3. Manage the finances of Public Service content production in an open and transparent manner so that the service is organised to deliver the best value for money to the Irish public.

Performance Commitment	Metric
Broadcast news and current affairs including talk programming with an emphasis, where appropriate, on a local or regional perspective	Minimum of 20% news and current affairs content as measured in annual performance review equating to 1,752 hours minimum per annum
Coverage of key local, regional and national political discourse	National, local and European election coverage and debates Reports and discussion on County and City Council meetings
Maintain commitment to Irish language and culture	A wide range of: <ul style="list-style-type: none"> • Bilingual and Irish language programming, minimum of 52 hours broadcast time; • Programming focused on local and national cultural activities including drama. Minimum of 104 hours broadcast time
Links with education	Establish direct links with second and third level institutions focusing on work experience and media literacy courses.
Increase engagement with local and national sports	Direct links with sports clubs across the main codes and also minority sports. At least 200 hours of indepth coverage. Live coverage of GAA Club and County games. Live commentary (where appropriate) of League of Ireland soccer
Reflect the daily lives and concerns of people living in the franchise area.	Weekly features on health, rural issues including farming (where appropriate), social and consumer issues.
Coverage of religious, community and cultural activities including minority cultures.	For example broadcast coverage of weekly mass/service, live music, coverage of festivals etc

Appendix 2:

Eligible costs:

- Wage costs of staff involved in management and production and broadcast of eligible content pro rata to their involvement. (Eg 100% of the cost of news reporters would qualify but only 20% of the cost of technical support staff).
- Acquisition of national news service – 100%
- Transmission costs (pro rata)
- Rent and rates (pro rata)
- Technical support and maintenance (pro rata)
- Light/heat/insurance/postage/stationery/general costs etc (pro rata)
- Motor/travel (pro rata)
- Phone/mobile/broadband (pro rata)
- Legal and professional (pro rata)
- Training (pro rata)