



Community radio: volunteer input

Guidelines for community radio stations that wish to use volunteer time as part of station turnover

Guidance

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Contents

Section		Page
1	Background	1
2	Legislative context and implementation	2
3	Definition of a 'volunteer'	3
4	Reporting requirements and traceability	4
5	Volunteer rates	5
Annex		Page
1	Examples of income breakdown scenarios	6

Section 1

Background

Ofcom recognises the value of volunteer inputs as part of the total operational turnover of some community radio services. However, we believe it would be inappropriate for any community radio station to be able to generate all of its funding from a combination of on-air commercial revenues and the value of volunteer inputs.

This document sets out guidelines covering volunteer inputs used by the community radio sector. These guidelines set specific financial values on volunteer inputs provided to community radio stations.

Community radio stations may wish to count volunteer inputs as part of their turnover because by offsetting volunteer input against other sources of income, it allows for greater revenues to be obtained from on-air commercial sources.

Community radio licences include licence conditions setting out the position with respect to the income that may be derived from advertising and sponsorship, volunteer inputs, and other sources respectively.

Section 2

Legislative context and implementation

The terms of the Community Radio Order 2004 and the Broadcasting Act 1990, as modified by the Community Radio (Amendment) Orders of 2010 and 2015, place limits on the sources of income of licensed community radio services.

In the Community Radio (Amendment) Order 2015 changes were made to the rules regarding income from the sale of remunerated on-air advertising and sponsorship. In summary these are:

- Each station is allowed a 'fixed revenue allowance' of £15,000 per financial year from paid for on-air advertising and sponsorship;
- Some stations may also be allowed up to 50% of their total relevant income per financial year (i.e. disregarding the 'fixed revenue allowance') from paid-for on-air advertising and sponsorship, if certain qualifications apply.

For further information about the funding rules, please see our 'Notes of guidance for community radio licence applicants and licensees'¹.

As a result of the changes to the legislation outlined above, we have modified our rules in relation to how much income licensees need to seek from sources other than on-air advertising and sponsorship, and the value of volunteer inputs.

- 1. Licensees which receive up to £15,000 per annum from on-air advertising and sponsorship do NOT need to match this income with funding from other sources.**
- 2. For licensees whose licence allows them to take more than £15,000 per annum from on-air advertising and sponsorship (see condition 6, part 2 of the schedule to the licence), the following key rule applies:**
 - **After taking into account the annual 'fixed revenue allowance' of £15,000, a minimum of 25% of remaining annual operational income must come from sources other than on-air commercial funding and the value of volunteer inputs.**

Put another way, with regard to on-air advertising and sponsorship income above £15,000, rule 2 says that stations claiming a value for volunteer inputs and generating further income from on-air commercial sources must always generate at least 25% of this remaining income from other sources (grants, donations, service level agreements, the value of non-volunteer in-kind support etc).

See annex 1 of this document for some illustrations of various income scenarios and how volunteer input may be counted.

¹ https://www.ofcom.org.uk/_data/assets/pdf_file/0021/37209/notesofguidance.pdf

Section 3

Definition of a ‘volunteer’

There are many, often competing, definitions of what constitutes a volunteer. However, for the purposes of valuing volunteer time as part of the turnover of community radio services, we propose a simple definition, supplemented by some examples of what, for Ofcom, would and would not be considered as a volunteer input.

A volunteer is a person contributing to the operation or management of a community radio service who is not in receipt of payment for their time, services or expertise, and is not required to provide any such contribution by a third party (e.g. as part of a course of study).

In light of the above, the following volunteer input would normally be considered acceptable:

- Inputs from unpaid directors of the community radio service;
- Inputs provided by students which are not a requirement of their particular course of study (e.g. only extra-curricular activities would be acceptable);
- Additional unpaid inputs by individuals who may be employed by the community radio service on an occasional freelance basis.

In light of the above, the following volunteer inputs would not normally be considered acceptable:

- Additional inputs provided by full-time and regular part-time employees of the community radio service on a voluntary basis;
- Inputs from unpaid trainees;
- Inputs from those on work experience placements at the station;
- Inputs provided by students as part of their course-work or syllabus.

Categories of volunteer

Ofcom recognises that a community radio service may wish to recognise volunteer inputs of various types. For example, perhaps in relation to the following station activities: management; programming; community out-reach work; fund raising; training; and administration. However, in terms of monetary value, and for the sake of simplicity, we have decided on a straightforward two-tier system offering stations the chance to claim a higher rate for those volunteers who have senior managerial responsibilities alongside a standard rate for those volunteers who are only responsible for the provision of their own inputs to the operation of the service.

Section 4

Reporting requirements and traceability

Ofcom requires that stations wishing to include the value of volunteer inputs in relation to their financial reporting are able to substantiate any such claims. This means that a station needs to be able to trace back a claim to a particular individual if required to do so by Ofcom. In practical terms, this may mean that a station needs to consider having a volunteer membership scheme or some other way of 'registering' its volunteers, so that it can produce evidence as to who they are. In addition, a station will then need to require its volunteers to sign in and out of the station or otherwise record the hours contributed. Any such records would then need to be counter-signed as fair and accurate by station management.

In terms of reporting, Ofcom will keep this to a minimum. Stations are asked to provide a simple spreadsheet of hours claimed in either one or two value categories. This spreadsheet should include the number of volunteers involved, the number of hours claimed and the nominal value of any such claims. In cases of query or complaint, Ofcom may require sight of the more detailed volunteer records underpinning the particular claim involved. It will therefore be a requirement of the scheme that these membership records will need to be kept for possible future inspection. For traceability, these more detailed records will need to breakdown the total claim by the various roles against which the value of volunteer inputs are being claimed, and the identity of the volunteers.

Section 5

Volunteer rates

Ofcom has investigated rates of pay within local radio in the UK, as well as rates of pay recognised by the European Social Fund (ESF) for volunteer inputs (when used as match-funding against its grants). Figures for both commercial radio services and BBC local radio stations were obtained and taken into account. These are broadly in line with the community radio and ESF rates of pay set out below:

Source	Lower rate of pay	Upper rate of pay
Community Radio*	£15-17,000	£24-27,000
ESF Volunteer Rates	£16,300 (Project Administrator)	£23,000 (Project Co-ordinator)

*Rates of pay will vary according to the experience of the employee concerned, responsibilities of the post, location of the station, budgetary constraints, and so on. These figures should be used as a guide only.

In light of these examples, and based on the information Ofcom received about local commercial radio and BBC local radio rates of pay, we have decided to use the European Social Fund (ESF) rates as set out above. These equate to the hourly equivalent figures set out below:

Type of Volunteer	Responsibilities	Hourly Rate
Senior Volunteer	With responsibility for station outputs and/or the outputs of other volunteers. Typically this will be a station manager.	£13.13
Standard Volunteer	With responsibility only for their own outputs.	£9.38

We note from the ESF website that the above figures have been in place since at least 2007. Should these figures change in future we would propose to review the volunteer rates we use and may keep them in line with revised ESF figures, after we have first re-assessed rates of pay within the wider broadcast radio industry.

Annex 1

Examples of income breakdown scenarios

There is no requirement for community radio stations to count volunteer inputs as part of their turnover, but, for those that wish to do so, these guidelines and example scenarios apply.

As detailed in section 2 of this document each licensed community radio station is allowed a 'fixed revenue allowance' of £15,000 per financial year from paid for on-air advertising and sponsorship, without having to match this income from other sources.

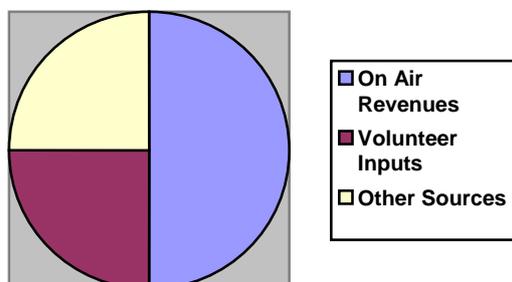
For licensees whose licence allows them to take more than £15,000 per annum from on-air advertising and sponsorship, a minimum of 25% of remaining annual operational income must come from sources other than on-air commercial (i.e. advertising and sponsorship) revenues and the value of volunteer inputs taken together.

A number of examples of income breakdown scenarios are set out below for guidance. These examples **only** apply to income above the fixed revenue allowance (i.e. above the first £15,000 of income from the sale of on-air advertising and sponsorship).

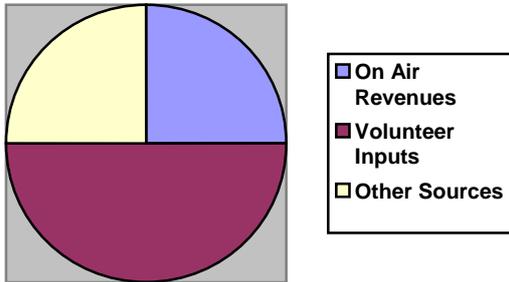
Interpretation:

- 'On-air revenues' and 'commercial sources' refers to on-air advertising and sponsorship taken together.
- 'Volunteer inputs' refers to the value of volunteer time at the rates discussed elsewhere in this document.
- 'Other sources' and 'non-commercial sources' refers to all other income streams, e.g. grants, donations, service level agreements, non-volunteer in-kind support, station fundraising events.

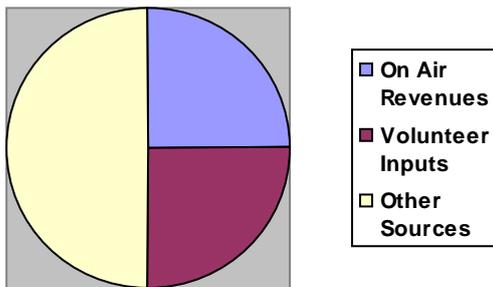
Example 1: After the 'fixed revenue allowance' the greatest percentage of income is from on-air commercial revenues



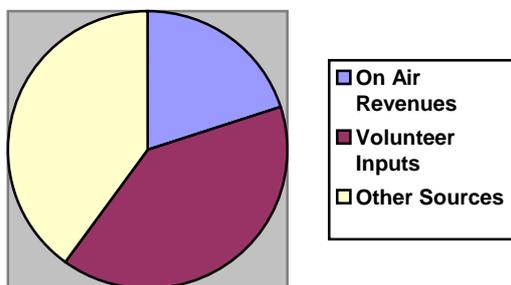
Example 2: After the 'fixed revenue allowance' the greatest percentage of income is from volunteer inputs.



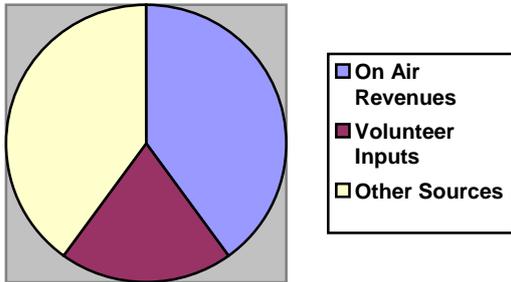
Example 3: After the 'fixed revenue allowance' the greatest percentage of income is from 'other' and 'non-commercial' sources.



Example 4: After the 'fixed revenue allowance' the station gets a smaller percentage of income from on-air commercial sources.



Example 5: After 'fixed revenue allowance' station claims a smaller percentage of income from value of volunteer inputs.



Example 6: After the 'fixed revenue allowance' the station claims a smaller percentage of income from 'other sources'.

