

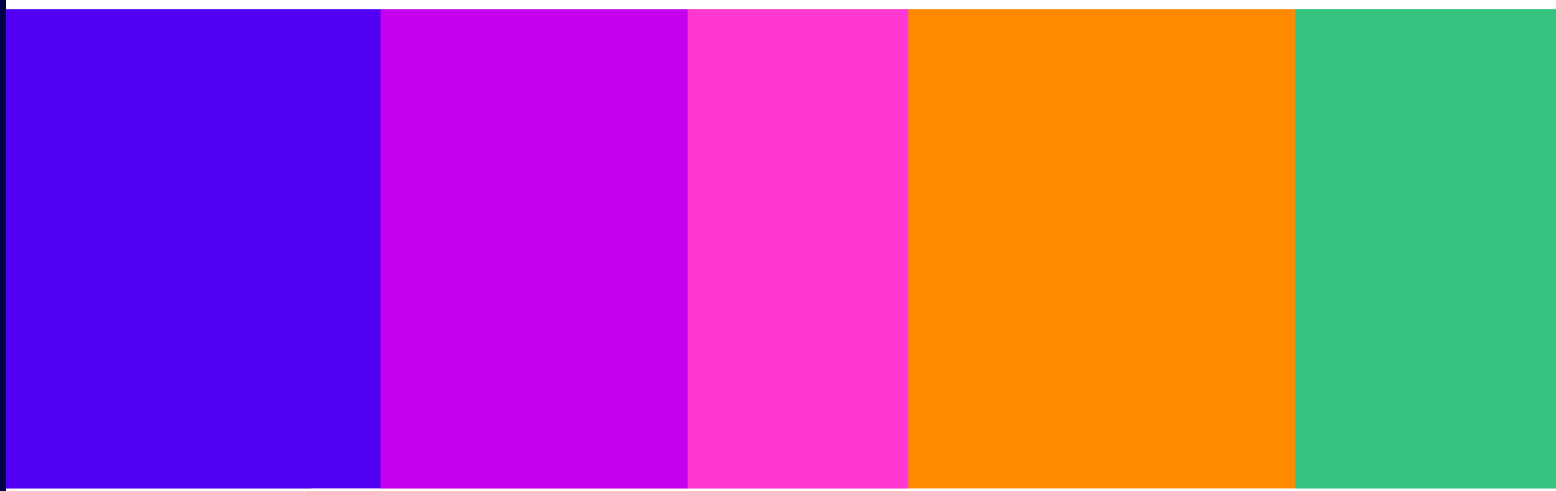
Community Radio Fund

End of year report: 2023-24

Annual report on Community Radio Fund – [Welsh overview](#)

Report

Published 7 August 2024



Contents

Section

1. Overview	3
2. Community Radio Fund End of Year Report 2023-24.....	4

1. Overview

- 1.1 This document reports on how the Community Radio Fund ("the Fund") was administered in 2023-24. Ofcom has been tasked by the Department for Digital, Culture, Media and Sport ("DCMS") with administering the Fund. DCMS provides a sum of money each year for the Fund and grants are awarded to Ofcom-licensed community radio stations.

2. Community Radio Fund End of Year Report 2023-24

- 2.1 The Fund exists to help community radio licensees and to support core costs incurred in the provision of community radio services.
- 2.2 Ofcom administers the Fund on behalf of DCMS. The money allocated to the Fund is given out in the form of grants, following a formal application process.
- 2.3 The decisions on grant applications are made by the Community Radio Fund Panel (“the Panel”), which reports to the Ofcom Policy and Management Board.
- 2.4 DCMS allocated £400,000 to the Fund for the financial year 1 April 2023 to 31 March 2024. DCMS made available a further £50,000 and also agreed that:
- a previous grant underspend of £4,020; and;
 - a grant return from a previous awardee of £17,245 ahead of the second round of funding in January 2024 could be allocated to the Fund.
- As a result, a total of £471,265 was made available.
- 2.5 The Panel met twice during the year to consider applications for grant awards, in July 2023 and February 2024.

Summary of payments

- 2.6 In the first round, grants totalling £213,433 were awarded to 13 stations.
- 2.7 In the second round, grants totalling £257,832 were awarded to 14 stations.
- 2.8 Over the two funding rounds, 125 applications were considered requesting a total of £2,463,040.
- 2.9 Grants over the course of the year ranged from £5,300 to £28,000, with an average payment of £17,454 grants were awarded in total across both rounds of funding. A total of 27 grants were awarded across the two rounds of funding.

Panel priorities

- 2.10 Ofcom publishes a statement from the Panel following each funding round which sets out the awards made and sets out the Panel’s funding priorities. As part of this statement, the Panel also provides general feedback on the applications received to provide some assistance for unsuccessful applicants in any future applications which they might submit.
- 2.11 The Panel considered that the grants made should, as far as possible, support the financial stability and long-term sustainability of stations, and so were likely to favour applications which prioritised these areas and/or offered prospects of becoming self-sustaining beyond the term of the grant.
- 2.12 The Panel highlighted in both rounds that a small number of stations had not read the guidance notes, published by Ofcom, which establish the types of application which cannot be funded, such as rent/utility costs and the payment of licence fees.

- 2.13 The Panel emphasised following both rounds that stations applying for funding for job roles should be clear about the responsibilities and expectations of those roles, and highlighted

that strong applications often included measurable targets for their roles, such as expected income from sales/income generation roles.

- 2.14 The Panel highlighted after the last round that they had funded some applications proposing innovative income generation methods, such as through digital marketing, and encouraged other stations to consider innovative approaches in future.
- 2.15 Following the second round, the Panel indicated that, while realism about a station's situation is important, they also enjoyed reading applications from stations which sold their success stories in their bids.

Grant monitoring

- 2.16 The Panel has a reporting procedure in place to check that grant awards are spent as agreed. A grant agreement is put in place between Ofcom and each Licensee awarded a grant, and this sets out the terms of the award, including an expenditure period. At the end of the grant expenditure period successful applicants are required to complete a report (the 'grant report') detailing how they spent their Fund grant. In addition, interim grant reports are requested halfway through the relevant expenditure period. The interim reports are to help identify any potential issues arising with the grant spending. If a satisfactory report is not made, the Panel may require repayment of the grant and may consider not making a further grant to a Licensee in a future round.
- 2.17 In the event that a Licensee ceases to hold its broadcasting licence (e.g. by surrender or revocation) while a grant agreement is in place, any unspent grant monies will be required to be repaid in full.
- 2.18 All reviewed grant reports received during 2023-24 were satisfactory but the process is ongoing. Ofcom checks each report carefully and seeks clarification from grant recipients during the review process where necessary.
- 2.19 The Panel considered a number of requests to repurpose part of the funding received, or to lengthen the term of a grant following difficulties filling funded vacancies. The Panel considers each request of this nature on its own terms, taking into account the reasons behind the initial award in making its decision on whether to approve such requests.

Community radio sector and future of the Fund

- 2.20 The analogue community radio sector has remained stable, following the completion of the final round of licensing in 2020. There remain a handful of stations due to launch, but there are currently a total of 309 community radio stations broadcasting on AM or FM. We are seeing a small number of services struggling to generate sufficient levels of volunteers to maintain the levels of local content as set out in Key Commitments, which has resulted in five licence surrenders. A further two licences were rescinded owing to the licensee being dissolved at Companies House for a significant amount of time, with no indication from the licensee of plans to restore the licence. However, when we do hear of licensees considering handing back their licence, we encourage them to see if there are any other local groups who would consider taking on the licence given we are not re-advertising any analogue community radio licences at present. This approach has proved to be successful in some cases.

- 2.21 At present, we have received 163 applications for Community Digital Sound Programme (C-DSP) licences, which are community radio licences for digital radio broadcasting on small-scale DAB multiplexes. In total, we have now awarded 134 licences and of these, 96 C-DSP stations are now broadcasting. C-DSP licensees are eligible to apply for the fund from their launch date, while there are a further 38 awarded and pending launch. Of these licences awarded, 69 are direct simulcast of existing analogue community radio services while 65 are new services to the market. We expect these numbers to continue to grow significantly over the coming years due to the continued roll-out of the SSDAB multiplex licensing programme.
- 2.22 Ofcom's current funding agreement with DCMS lasts until 2024-25.

Panel members

- 2.23 The Panel is made up of three members appointed by Ofcom's Policy and Management Board. For 2023-24 these were:
- Mark Jones, the Chairman of the Panel, who is a former BBC employee with extensive experience in radio reporting, production and management;
 - Olu Bankole, an Ofcom employee, who has extensive experience in financial and funding matters and;
 - Alan Stewart, the former Head of the Independent Television Commission in Scotland and former Ofcom employee, with extensive experience in broadcasting relations and local community affairs.
- 2.24 Olu Bankole's tenure as a member ended at the end of the 23/24 financial year, having joined the Panel in 2021. Ofcom and the Panel would like to place on record their thanks to Olu for her years of service. Olu has been replaced on the Panel by Clare McNally-Luke – an Ofcom employee – who has now assumed her role and will consider applications in the first round of funding in Financial Year 2024/25; the application window for this round of funding closed on Friday 14 June.