



Minutes of Meeting of the Authority of Broadcasting Authority of Ireland

Date 9/09/2013 **Time:** 9.30am **Venue:** 2-5 Warrington Place, Dublin 2

Minutes

Attendance

Authority: Bob Collins, Paula Downey (item 3a), John Waters, Michael Moriarty, Michelle McShortall, Maria Moloney.

Apologies: Siobhán Ní Ghadhra, Larry Bass, Colum Kenny.

Executive: Michael O'Keeffe, Celene Craig (items 1-2, items 3b-7), Aoife Clabby, Ciarán Kissane, Margaret Tumelty, Neil O'Brien.

1. Minutes of Previous Meeting and Matters Arising

Minutes of the previous meeting of the Authority, held on 15th July 2013, were approved by the Members and signed by the Chairperson.

The Chairperson acknowledged his thanks to the members for their attendance, in light of the late cancellation of the meeting originally scheduled for September 2nd. It was acknowledged that some members who had been in a position to attend the September 2nd meeting were not available for the re-scheduled meeting. Members were informed that the note on the Archiving Scheme would be deferred to the October meeting, due to a conflict of interest and a resultant quorum issue.

a. PSB: Five year review of public funding for public service broadcasters

The Chief Executive provided members with an update on the reviews being undertaken by NewERA, arising out of the findings of the five-year review of public funding and Ministerial recommendations in that regard.

It was noted that the Joint Oireachtas Committee on Communications, Energy and Natural Resources had invited representatives of the BAI to appear before them to present the findings of the five year review of public funding, and that a date remained to be finalised.

b. Broadcasting Funding Scheme

Members were informed that the statutory review of the Broadcasting Funding Scheme had been submitted to the Minister for Communications, Energy and Natural Resources by the end of July. It was noted that proposals in respect of a new draft Scheme would be presented at the October meeting of the Authority.

c. BAI and BFS Financial Statements 2012

Sign-off of the BAI and BFS financial statements by the Comptroller and Auditor General was still awaited.



d. BAI Public Conversations

Members were informed that a note would be presented to the October meeting of the Authority and that one event would take place before the end of the year.

e. Sectoral Impact Assessment

It was noted that the sectoral impact assessment in respect of changes to programming on RTÉ 2 had been submitted to the Minister. No feedback had been received to date.

f. BAI Strategy Statement 2014-2016

Members were informed that the public consultation on the development of a new organisational strategy had been launched on August 27th and that feedback from the event had been very positive. The consultation was scheduled to run until October 22nd.

g. Referendum Guidelines

Members were informed that the new *Guidelines in Respect of Coverage of Referenda* had been published on August 8th and had become operational with immediate effect. It was noted that a copy of the Guidelines had been issued to all broadcasters in the State in advance of the referenda being held on 4th October.

h. Three Year Estimates

It was noted that work on the development of the three-year financial estimates was nearing conclusion and would be submitted to the Department of Communications, Energy and Natural Resources in advance of the 30th September deadline.

i. Personnel Changes-Finance

Members were informed that Finance Officer, Jessica Holmquist, was finishing her contract with the BAI and that a new appointment, Anne Louise O'Donovan, was scheduled to start as Finance Officer with the BAI on the week commencing September 16th.

2. Policy

a. Review of Commercial DTT

Members considered the contents of a draft report, prepared for the BAI by Oliver & Ohlbaum Associates Limited, examining the prospects for commercial digital terrestrial television in the Republic of Ireland. Members discussed the report findings and the strategic implications for the BAI and for public policy on digital terrestrial television more generally.

It was agreed that it would be useful for representatives from Oliver & Ohlbaum to attend the October meeting of the Authority to enable a more detailed discussion of a number of significant policy issues raised in the report, including the implications of the report's



findings for the BAI strategic goals regarding diversity and plurality, the provision of Irish content for audiences in Ireland and the future of relevant spectrum.

3. Contractual Matters

a. Licensing: Ratification of Contract Award Committee's Recommendations

In his capacity as a member of the Contract Awards Committee, John Waters declared an interest in the item under discussion and recused himself from the meeting.

Members were presented with the recommendations of the Contract Awards Committee (CAC) in respect of four radio contractors; FM104, South East Radio, East Coast FM and 98FM, whose licence applications were assessed through the fast-track application process. The Authority was asked to ratify the recommendations of the CAC, in accordance with section 67(8)(c) of the Broadcasting Act.

In the case of FM104, following an Authority query regarding derogation from the statutory news and current affairs requirement which had been sought by the Incumbent through the fast-track process, members were informed that legal opinion had been obtained confirming that the granting of a derogation was solely within the remit of the Authority. Consequently, the CAC was presenting recommendations in respect of FM104's application, excluding derogation.

The Authority had regard to the evaluation reports in respect of each Incumbent, which detailed the proposed amended terms to the schedules of their respective contracts.

The Authority was satisfied to ratify the CAC's recommendations in respect of South East Radio, East Coast Radio, FM104 and 98FM.

b. Contract Extension: WLR FM

Members considered a request for an extension to the sound broadcasting contract of WLR FM in order to facilitate the submission and approval by the BAI of a share purchase agreement between WLR's main shareholder, Thomas Crosbie Holdings Plc, and a new corporate entity, Sappho Limited which is a subsidiary of Landmark Media Investments Limited.

The Authority was satisfied to approve a contract extension for WLR FM until 31st January 2014.

c. Ownership and Control Changes: Newstalk

Members considered a request received from News 106 Limited, seeking approval for the appointment of Mr. Gerard Whelan as Chief Executive of the contractor. Members had regard to a submission made by Newstalk, in addition to an assessment of the proposed change, having regard to the BAI Ownership and Control Policy, 2012.



Following discussion, the Authority was satisfied to approve the appointment of Mr. Whelan as Chief Executive.

d. Ownership and Control Changes: Highland Radio

Members were asked to approve the appointment of two additional non-executive directors to the Board of Directors of Donegal Highland Radio Limited, in addition to the permanent appointment of Mr. Shaun Doherty to the combined roles of Managing Director and Programme Controller. Mr. Doherty's appointment to the roles on an acting-up basis had previously been approved by the BAI in June 2013.

In considering the submission, the Authority had regard to a submission received from the Chief Executive of the Contractor, Mr. Gerry Rabbitt, together with an executive assessment of the proposed change, having reference to the BAI Ownership and Control Policy.

Following discussion, the Authority was satisfied to approve the changes, as submitted.

4. Broadcasting Funding Scheme

a. Sound & Vision Scheme: Outcomes Round 18

Members considered the outcomes in respect of the assessment process for Round 18 of Sound & Vision II and the related package of recommendations proposing funding support of €4.462m for 119 projects, including 102 radio projects and 17 television projects.

Members had regard to details of the applications received together with an overview of the assessment process for the round and an executive analysis of the package of recommendations.

Members welcomed the feedback from the assessors that the overall quality of applications continues to improve, resulting in an increased number of qualifying applications. Members also had regard to the approach taken at the strategic assessment phase and noted that the package of recommendations was approximately €1m above the indicative allocation for the round. Members considered the rationale put forward by the executive in support of an increased level of funding in the round.

Members reviewed the emerging package of recommendations in terms of format and genre and noted that the round included a significant allocation for education and entertainment, two genres which had been underrepresented in previous rounds.

Following discussion, the Authority was satisfied to increase the indicative allocation for Round 18 from €3.5m to €4.48m, as recommended following strategic assessment. The Authority was further satisfied to approve the package of recommendations, as set out in the executive note.



5. For Information

a. **RTÉ Code of Fair Trading Practice: Letter from DCENR to RTÉ**

A copy of the Authority's detailed response to DCENR on RTÉ's draft Code of Fair Trading Practice was circulated to the members, together with correspondence from the Department to RTÉ, setting out the Department's views in respect of the draft Code.

b. **TV3 response to 5 Year Review of Public Funding and TV3 Autumn Schedule**

Members were provided with a copy of TV3's response to the 5 year review of public funding for public service broadcasters. A copy of TV3's Autumn schedule was also circulated to the members. The increase in the level of Irish content was noted and acknowledged.

c. **Annual Review Meeting with UTV Radio Group**

A report of the CEO's annual review meeting with UTV radio group was circulated for members' information.

6. A.O.B.

a. **PPI Radio Awards**

Members were reminded that the PPI Radio Awards were scheduled to take place on Friday October 4th and that anyone interested in attending should contact the executive.

b. **Protocol for Decision Making Between Meetings**

The Chairperson informed members that the protocol for decision making between meetings may have to be invoked to extend the contract of Shannonside/Northern Sound in order to facilitate a number of issues arising out of the fast-track application process. The members were satisfied to provide approval in principle for the protocol to be invoked, should it be required.

7. Date of Next Meeting

The next meeting of the Authority will be held on 14th October 2013, at 9.30am in the BAI offices.

**Bob Collins,
Chairperson**

14th October, 2013