

# PUBLIC FUNDING REVIEW OF PUBLIC SERVICE BROADCASTERS

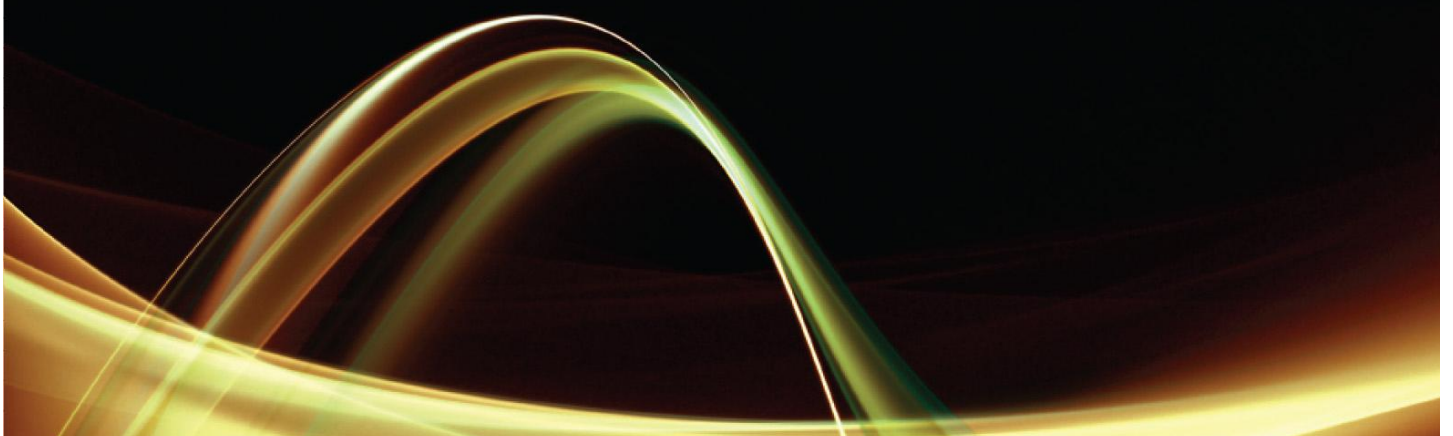
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A report submitted to the Minister for Communications, Energy and Natural Resources further to section 124(4) of the Broadcasting Act, 2009 for the Broadcasting Authority of Ireland

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# 1 EXECUTIVE SUMMARY

Historically, Ireland's Public Service Broadcasters (PSBs) have been central to delivering a television service to Ireland: RTÉ as the long-established backbone of indigenous television and radio services in Ireland, and, more recently, TG4 fulfilling the specific but important need for television programming in the Irish language.

The last seven years have been undeniably difficult for RTÉ and TG4. Commercial revenues and public funding have each fallen significantly, forcing cuts not only to overheads, but also to content spending. Consumer television viewing habits are changing: Irish consumers are watching less television overall, and when they do watch, the growing prevalence of digital reception methods means that today's Irish viewer is more likely than ever to choose a digital channel over the formerly analogue terrestrial channels. TG4, RTÉ One and RTÉ Two have all seen reduced viewing shares, but RTÉ has also capitalised on the trend to multichannel by launching two new digital channels with good early success – News Now and Junior. RTÉ's radio services have been somewhat more stable in terms of viewership, although also suffering restrictions in funding. Both RTÉ and TG4 have responded to global trends towards online and on-demand services, developed well-used non-linear digital services.

As the first in a series of annual reviews between the more substantial five year reviews, this report will assess the performance of both RTÉ and TG4 during the 2013 calendar year. Where possible, comparisons are made to historical norms to understand the impact of changing market conditions on the service which the PSBs have delivered.

The assessment will focus in particular on the five areas we consider to be of central importance to the fulfilment of public service, namely:

- **audience** performance, including share and reach;
- the level and nature of content **output** produced;
- the **value for money** being delivered;
- the role played in supporting **creativity** in Ireland, and;
- the contribution towards the vitality of the **Irish language and culture** in Ireland.

While there are other measures of activity or performance, our aim in this annual review is to concentrate on these key activities.

On the basis of our findings, we will make a recommendation on whether or how the public funding provided to RTÉ and TG4 should be modified.

## 1.1 2009 Broadcasting Act – review framework

The Broadcasting Act 2009 imposed a statutory duty on the Broadcasting Authority of Ireland (the BAI) to undertake an annual review of the two public service broadcasters in Ireland – RTÉ and TG4.

The 2010 review (of 2009 performance) was the first year of this process. Oliver & Ohlbaum Associates (O&O) undertook the 2010 review on behalf of the BAI. In the 2010 review, it was suggested that some clarity be brought to the Act's requirements for both an annual review of funding and performance, and a five year review of the same. It was suggested that the annual review should be reduced in scale to a "health check" whereas the five year review would be a full study of PSB in Ireland, with long-term recommendations on strategy and funding.

We see the Five Year review as the primary opportunity for funding modification, and believe a degree of stability in funding, insofar as possible, during each five-year period will benefit long-term planning and combat short-termism at the broadcasters. Abnormal circumstances – such as a repeat of the 2008 downturn - may, of course, prompt an adjustment of funding during a five-year period.

The BAI introduced several of the recommendations from the 2010 review, in particular drawing a clear distinction between a relatively “light” annual review and a more in depth review every five years.

To date, the BAI has conducted three annual reviews and one five year review of public funding under Section 124(8) of the Broadcasting Act. The recommendations emerging from the five year review have been considered and incorporated into the annual review process. These primarily concerned the need to establish a more explicit link between the annual process and the five year strategy of each public service broadcaster. The annual process now serves to facilitate a check on progress against the five year strategy. It is the means by which the commitments in the strategy are reaffirmed on an annual basis. If there is to be diversion from the five year plan, the annual framework represents the opportunity to present this change with accompanying rationale. Note that the new framework was not in place for the 2013 review, and will apply from the 2014 review cycle onwards – and thus while it has been introduced, it has not been fully implemented for this review.

In addition to the elements of the review which seek to address the specific concerns raised by the EU over state funding of broadcasters (namely the matters of overcompensation and surpluses), this review also contains a broader look at overall performance. The report covers the performance of the public service broadcasters RTÉ and TG4 of their overall activities, including their TV channels, radio services, performing groups and online catch-up TV offerings, and their use of public funding.

The report is based on four quantitative elements, using detailed study of broadcaster returns, schedule information, audience data and financial information to provide an analytical framework to studying performance. We have also assessed qualitative measures of performance with the broadcasters, utilising the work they have already conducted on 2013 performance.

Building on these sources of basic information, we have combined the findings with our broader experience of PSB economics to provide an understanding of the efficiency, effectiveness and value for money provided by the PSBs. We have also assessed the extent to which each PSB has complied with the policy of the European Commission in respect of maintenance of surpluses, and express an opinion on the current level and adequacy of public funding.

## **1.2 Developments in the Irish broadcast media sector**

Television access in Ireland is at its highest-ever levels, with 1.59m Irish homes having a television set as of January 2014 (93% penetration), of which 98% are digital.

In spite of the growing range of alternative digital-age entertainments, linear television still represents a very important part of Irish life, with Irish adults tuning in for an average of 208 minutes every day. TV consumption habits did, however, see some change in 2013: on average, Irish adults were watching 7 minutes less television per day in 2013 than in 2012, with the biggest changes coming from young adults (15-24 years), who watched 10% less TV in 2013.

A combination of this fall in overall television consumption and the increased prevalence of multichannel services, caused a notable reduction in daily reach for all of the main Irish channels, including RTÉ One, RTÉ Two and TG4. Irish radio has not seen an equivalent rapid growth in stations, so RTÉ's radio services have seen greater audience stability.

Commercial incomes for Irish broadcasters continued to suffer in the face of a depressed advertising market, resulting from the lacklustre Irish economy. Television and radio advertising spending in Ireland has decreased by 32% and 28% respectively between 2007 and 2013. This has been directly reflected in the commercial revenues the Irish PSBs have earned. Television advertising spending continued to fall between 2012 and 2013, but radio advertising spending was maintained at 2012 levels, following years of steep decline. In addition, increasing amounts of television advertising is now accounted for by the “opt outs” on UK-based channels, and this revenue leaves the Irish market completely.



Public funding for Irish TV, following cuts in the early years of the recession, has remained relatively flat since 2011, helping to provide some degree of cushioning for the rapid changes the PSB have seen in commercial income, although not making up for the decline in commercial income. Taking effect in 2014, RTÉ will need to absorb a €5m reduction in funding from the Department of Social and Family Affairs.



### 1.3 Review of the performance of TG4 in 2013

TG4 reports good performance against the commitments it set for 2013, failing only 1 (2%) of its 41 commitments (the failed commitment related to the project to deliver a digital archive). Under each commitment, TG4 listed a number of Key Performance Indicators. Overall performance against these KPIs was weaker than performance against the headline commitments, with 147 (15%) of the 415 KPIs being missed, albeit by narrow margins in many cases.



We have summarised our view on TG4’s performance below:


**Figure 1: Overall assessment of TG4’s performance for 2013**

Performance	Comment	Assessment of Performance Weak   Strong
<b>Audience</b>		
<b>Overall reach fell</b> (13% consolidated daily reach in 2013 vs. 14% in 2012)	Reach is arguably the best measure of universality – a crucial element in any PSB’s objectives. This decrease is notable, though by no means unique among PSBs in the Western world, particularly following a recent digital switchover and increased channel choice.	
TG4 had <b>less success</b> reaching <b>younger audiences</b> (6% reach for Under 35s vs. 25% reach for Over 55s)	All age groups except 55+ are under-represented vs the overall Irish TV audience viewing profile, especially under 15s (5% of TG4 audience vs 12% of all-channel audience) and 15-34s (13% of TG4 audience vs 23% all-channel average). While demographic trends in the speaking of Irish may explain some of this difference, this is nevertheless a concerning discrepancy.	

<b>Reach among Irish language user audiences</b> is reported at <b>90%</b>	By its own metrics, TG4's reach is strong among "Irish language user audiences". The 13% overall all-individuals reach also compares well to the 14% of the Irish population speaking Irish daily <sup>1</sup> , indicating satisfactory delivery of TG4's core objective of providing a broadcast service to the Irish-speaking population.	  Overall reach remains good, and share performance is good relative to other terrestrial channels.  TG4's heavily older-skewing audience profile and its reliance on sport and film to draw audiences is of concern.
<b>Average all-day share</b> increased slightly (1.94% to 1.97%)	Although all-day share was broadly flat between 2012 and 2013, TG4 performed better than other terrestrial broadcasters, all but one of which lost share. TG4 remained the 8 <sup>th</sup> most-watched channel in Ireland.	
In <b>digital</b> , TG4 increased <b>monthly player streams</b> slightly (by nearly 5%), and delivered good growth in <b>website page impressions</b> (up 66%) and <b>unique visitors</b> (up 32%)	TG4's website use increased markedly, but growth in the Player service was slight, and it remains far less-used than RTÉ Player (1.6m streams for the TG4 player for the year vs. an annualised 86.4m for RTÉ Player). This reflects the differences in scale and scope between RTÉ and TG4, and may also be reflecting the older-skewing audience of TG4.	
<b>By genre</b> , TG4's top audience-drawing content, by some margin, is <b>Sport</b> and <b>Film</b> (predominantly International film)	Over half (53%) of the programmes drawing an audience of >100k were Sport and International Film. Moreover, these two genres achieved a much higher average reach (199k and 206k respectively) than Irish originations such as Music (157k), Documentaries (138k) and Entertainment (131k).  Despite increasing investment in Irish-made original content, the new Irish originations are significantly less-watched than sport and film, which casts some doubt on the validity of TG4's overall reach and share figures as measures of its success at reaching Irish audiences with Irish content.	
<b>Output &amp; Content</b>		
TG4 delivered a <b>1767 hours of new Irish language hours</b> (a 5.9% increase on 2012, and 11.1% more than 2010)	TG4 has succeeded in steadily increasing its output of new Irish-language hours over the past four years, largely driven by growth in non-sport Irish-language acquisitions and external Irish-language commissions – evidence of active steps to address the audience imbalance discussed above, but with more work to do.	  TG4 has performed well in increasing output of new Irish hours without requiring additional funding.  The genre mix
The broadcast schedule is comprised of <b>23% Irish originations</b> ( <i>Excluding RTÉ-provided content</i> )	Given the constraints on TG4's budget compared to other terrestrial channels, we are unsurprised to see a relatively low proportion of Irish originations in the broadcast schedule, and the remainder of the remaining schedule filled with acquisitions, both dubbed (33%) and non-dubbed (44%).  Given the competitive cost-per-hour figures TG4 reports, we feel TG4 performs as well as could be expected on this metric, given the current budget levels.	

<sup>1</sup> Irish Census 2011 respondents reporting speaking Irish daily either within, within and outside, or outside of an education system.

TG4's <b>new Irish output</b> is dominated by Sport (528hrs) and Children's / Teens (371 hours). News, Entertainment, and Documentaries comprised a further 546 hours	TG4 produces a good range of genres of new Irish content, including appropriate levels of output in key public service genres like News (201 hours) and Children's (371 hours).	appears to be reasonable, although the specific nature of the programming is clearly more successful in attracting older audiences.  Programmes are well enjoyed, based on the best data available.
TG4's content is typically <b>enjoyed</b> by between 89% (News) and 75% (Entertainment) of panellists	TG4's content – particularly News and Sport – is well-appreciated by panellists who watched these programmes. All other genres achieved an average of 75% or more when panellists were asked whether they enjoyed key programmes in these genres.  We feel there are limitations to this data – the enjoyment ratios are based on a self-selecting group of audience members who chose to watch those programmes, in the face of considerable (and growing) channel choice.	
Value for money		
TG4 spent <b>75% of public funding</b> on Irish language content, and no more than 12% each on broadcast costs and overheads	We agree with the Crowe Horwath assessment that there is no further meaningful scope to find further efficiencies in the TG4 operating model: public money is being allocated well.	  We believe TG4 delivers good value for money relative to its funding levels.
<b>Cost per viewer hour</b> has risen slightly (at 28c / hour for TG4 output)	28c per hour is expensive as compared to International benchmarks, but this is more a reflection of TG4's small audiences than an indication of over-spending on content.	
Creativity		
Spent <b>€21.5m</b> on programming and services from the <b>Irish independent production sector</b>	TG4 has adopted a predominantly "publisher broadcaster" model, and therefore provides excellent support to the Irish independent production sector, investing 89% of its total content spend with the sector.	  TG4 makes a valuable contribution to the independent production sector in Ireland.  We believe there may be scope for further development in new strands, but advocate incremental change.
TG4's <b>expenditure on indigenous Irish content</b> makes up the bulk of its programming spending	Although the schedule is skewed in favour of acquisitions, Irish originations account for by far the majority of TG4's programme spending (77%).  There may be room for marginal improvement here, but we are cautious in making recommendations for significant change from the status quo, given the relatively poor contribution Irish originated content on TG4 makes to its reach.	
TG4 launched <b>60 brand new programme titles</b> in 2013 and won <b>49 programme / content awards and nominations</b>	There may be scope for further risk-taking and a more innovative schedule, although again, we would advocate careful steps towards this goal given the relatively small margins of error in the TG4 budget.  TG4's content is well-recognised by industry awards.	



Irish language and culture		
TG4 allocated <b>95%</b> of programme <b>spending</b> on Irish language content	TG4 has increased the proportion of programme spending on Irish language content from 94% 2012 to 95% in 2013. We believe future reviews would benefit from evidence that the full cost of TG4's non-Irish content is covered by the commercial revenue earned against that content alone, not the total commercial revenue earned by TG4 on all content.	 <p>Providing Irish-language services is TG4's core aim, and it succeeds in focusing spending here.</p> <p>We believe there may be room for small further improvement in the proportion of the schedule broadcast in Irish.</p>
The broadcast schedule was <b>59% Irish-language content</b>	TG4 has successfully delivered an increase in the proportion of the schedule in Irish, from 48% in 2010 to 60% in 2013. There may be room for further improvement, but given the disparity in the per-hour content costs of Irish vs. non-Irish content at TG4, it is possible the TG4 is approaching the limits of what is deliverable.	
TG4's online services are valuable to the Irish diaspora: <b>44% of website page views</b> and <b>41% of player streams</b> are from outside Ireland	TG4's online services are nearly as popular internationally as they are in the Republic of Ireland, demonstrating TG4's performance against its objective of providing a worldwide service.	

## 1.4 Review of the performance of RTÉ in 2013


Overall, RTÉ fully met 1 (82%) of its 2013 Commitments, failing to meet 38 (18%). Of the failed commitments, RTÉ reports 14 as being "largely" achieved, where targets were missed by only a narrow margin. The most common reasons for failing to meet commitments were financial constraints, implementation delays, a missed audience (reach or share) target, and missed commercial revenue targets.



We have summarised our view on RTÉ's performance below:

Figure 2: Overall assessment of RTÉ's performance for 2013


Performance	Comment	Assessment of Performance Weak  Strong
<b>Audience</b>		
<b>Overall reach</b> at <b>95%</b> or <b>96%</b> for all demographics	Overall reach for 15+ adults remains constant, with a slight reduction in reach for over 35 audiences compensated for by an increase in reach for under 35 audiences: a good achievement in balancing RTÉ's reach among different demographics and achieving greater universality.	



<p><b>TV reach and share</b> for RTÉ One and Two continued to decline (RTÉ One: 68% weekly reach, 28.7% peak-time share / RTÉ Two: 54% weekly reach, 7.8% peak-time share)</p>	<p>As TV viewing becomes more fragmented, with more consumers having a larger choice of channels than ever before, the traditional RTÉ services – RTÉ One and Two – are seeing reduced reach and share.</p> <p>RTÉ is taking advantage of changing trends towards multichannel itself; the two new digital channels News Now and Junior both grew viewership in 2013, following their launch in 2012.</p>	<p>In line with other Western PSBs, RTÉ has lost reach and share, especially in TV, as digital TV services have become more prevalent.</p>
<p><b>Radio reach and share:</b> Radio 1 and 2fm saw decreases on some reach measures, although Radio 1 increased peak-time share. Lyric fm and RnaG both increased weekly reach. Weekly reach (15+ adults): Radio 1, 37%; 2fm, 22%; lyric fm, 8%; RnaG, 2%.</p>	<p>RTÉ's radio audience figures have showed better stability than its TV audience figures over the past 5 years, some slight decreases in RTÉ Radio 1 and 2fm reach causing missed targets in 2013, but a much less marked of declining all-day share than is seen in RTÉ One and RTÉ Two over the time period. Radio 2fm saw some audience churn in 2013.</p> <p>Audience reach for some demographics is a concern, with considerable underperformance in 15-24s (RTÉ reaching 12% vs 75% reached by all radio stations), 25-34s (23% vs 79%) and 35-44s (33% vs 82%).</p>	<p>Nevertheless, RTÉ continues to dominate TV viewing, and provides evidence of universality, in reaching audiences of all ages.</p> <p>Despite achieving good audience shares, universality in radio is more of a concern, with younger demographics (under 55s) being under-represented.</p>
<p><b>Digital services</b> continue to grow in popularity. RTÉ.ie weekly reach increased to 22%; average monthly browsers level at 1.9m. RTÉ Player reach decreased to 17%, but overall monthly streams grew to 7.2m (including non-RTÉ Player streams). Aertel reach halved to 16%.</p>	<p>Growth in digital services appears to have slowed compared to the 2009-2011 period. Reach for RTÉ Player has decreased slightly, partly because the Olympics were being shown in 2012, although the remaining users are using the service more intensively.</p> <p>As in other markets, a strong digital offering from the leading PSB is proving an incentive for commercial broadcasters to develop their own services, including catch-up services.</p> <p>RTÉ Aertel has seen major reduction in reach, as Irish consumers find more convenient sources of information.</p>	
<p><b>Output &amp; Content</b></p>		
<p><b>New hours</b> of television: 9321hrs content, of radio: 29196hrs content</p>	<p>RTÉ increased new television hours by 9%, driven by a large increase in News &amp; Current Affairs output, with reductions in output in nearly every other genre. In radio, overall output and genre mix was broadly in line with 2012, with a 1% decrease in total output hours, following 3 years of small rises in output.</p>	 <p>RTÉ has reduced spending on content while increasing output hours.</p>
<p><b>Programming spending</b> for RTÉ One / Two: €166m, for radio: €53m</p>	<p>In both TV and radio, we see a contraction in content spending in 2013. Added to the previous three years of smaller declines in content spending, in 2013 RTÉ was spending 22% less on RTÉ One and Two content, and 14% less content for its main radio stations, compared to 2010.</p>	<p>This does not seem to have adversely affected perception of quality scores, although it may have been a factor in the reduced audience figures seen.</p>
<p>Most services <b>increased perception of quality</b> scores</p>	<p>This pattern of maintaining overall output in the face of falling spending levels does not seem to have adversely affected quality scores: only 2fm saw a decrease in audience perception of quality, with all of RTÉ's other major radio stations and TV channels seeing modest rises in scores.</p>	

Value for money		
<b>Overall net surplus</b> of €0.6m	RTÉ made a small net surplus in 2013 by reducing operating costs, although audience perception that RTÉ is good value for money also fell. Public funding for each service was close to agreed thresholds, differing by no more than 1% of total public funding in the few instances where there was a discrepancy.	  RTÉ succeeded in balancing income and spending for the first time since 2008.  Costs per viewer / listener hour have continued to fall.
<b>Commercial revenues</b> have continued to fall: now at €145.2m	RTÉ's commercial revenue continued to fall in 2013, in line with continued decline in the TV ad market in Ireland as a result of the ongoing economic difficulties. RTÉ saw some encouraging performance in Digital Commercial Revenue, following global trends.	
<b>Cost per viewer / listener hour</b>	Despite falling audiences for some services, RTÉ succeeded in reducing its cost per viewer / listener hour from 2012 to 2013 for all services except Raidió na Gaeltachta, as a result of lower programming costs.	
Creativity		
<b>Independent production sector spending</b> at 21% of TV content spending, and 2.2% of radio content spending	<p>As a proportion of the cost of material transmitted in the year, RTÉ spent 21.1% of its RTÉ One and RTÉ Two content expenditure commissioning content from the independent production sectors in 2013, a somewhat reduced proportion compared to the 25.8% seen in 2010. Use of external commissioning in radio has historically been far lower, and currently stands at only 2.2% of total radio content spending.</p> <p>Although RTÉ meets its statutory independent sector spending commitments, spending €39.3m overall, of which &gt;3% is on radio and &gt;95% is on TV content.</p> <p>We see room for further use of independent production companies, especially in TV, and recommend that the majority of any future increases in RTÉ's programme spending be allocated to the independent production sector.</p>	  RTÉ does produce a good range of original Irish content, and is a major source of support for the Irish independent production sector.  However, we note a decrease in the externally-spent proportion of the TV content budget in recent years. We feel there is room for further risk-taking, in producing more indigenous content vs. acquisitions, and in addressing the in-house/independent commissioning balance to better support the Irish independent production sector.
<b>Irish originations</b> (internal production, statutory commissions) plus Irish acquisitions accounts for €207.3m (90%) of total broadcast content expenditure	<p>RTÉ spends the overwhelming majority of its programming budget on Irish-made programming.</p> <p>Although international acquisitions represent 9.6% of programming spending, RTÉ must be careful to fully justify this spending in future, given the increasingly buoyant commercial broadcasting sector in Ireland which may be able to meet market demand for International acquisitions.</p>	
<b>A range of new titles and creative initiatives</b>	<p>Although RTÉ's television production spending has been falling, RTÉ continues to produce a good range of new content, returning key series and developing new strands in all major genres.</p> <p>RTÉ continues to innovate in multi-platform content, delivering initiatives such as <i>RTÉ Goes Wild</i> and <i>Tots</i>, <i>Tweens</i> and <i>Teens week</i>. Creativity was evident in Radio, with the RTÉ Comedy Writing Room providing opportunities for new writers, and also in the <i>Orchestras &amp; Choirs</i>, with six new commissions awarded in 2013.</p>	



Irish language and culture		
<b>RTÉ's Irish language programme</b> spending has decreased in line with overall programme spending	In common with English-language programme spending, RTÉ's Irish-language television and radio content spending has been reduced markedly since 2010: TV by 42%, and radio by 16%. Irish language television output is largely News and Current Affairs.	 <p>RTÉ continues to provide a good range of services to promote Irish language and culture, and delivers content to TG4 as required by statute.</p> <p>Spending on Irish-language content for broadcast on RTÉ has fallen in line with overall cuts in content spending.</p>
<b>€7.1m on TG4 content</b>	RTÉ spent €7.1m providing the equivalent of one hour's Irish-language content per day for TG4 in 2013, less than in 2012 (€7.7m) and 2011 (€8.8m).	

## 1.5 Recommendations for future reviews

In our 2010 review, we suggested that a clear distinction should be made between the objectives and conduct of the annual reviews and those of the five year reviews also enshrined in the Broadcasting Act. The BAI has adopted many of these principles.

We believe that a full annual review of funding does not give the broadcasters the stability required to make long-term decisions in the interests of the consumers, the licence fee payers or the broadcasters themselves. We thus remain convinced that the annual review should serve as a check on strategy implementation and as a mechanism should a rapid response be required – in the event of a downturn as severe as that in 2008/09, for example. Micromanaging income on an annual basis will only add insecurity to the system and lead to short termism.

This annual review falls at an odd time, in that the performance under review is that of the last year before the broadcasters implement the strategies laid out in the five year review undertaken in 2012. The present review of 2013 performance is to inform the funding broadcasters will receive in 2015. Next year's review should be much more focused on the five year strategy.

To this end the performance measures and metrics used should focus on the fulfilment of the strategy and its delivery of the objectives of public service broadcasting. Once again, we would emphasise that this approach places more emphasis on the five year review which should be seen and treated as a major exercise, with long term implications for the broadcasters.

In terms of the commitments framework itself, we welcome the steps that both RTÉ and TG4 have taken to reduce the total number of commitments they make, although we still feel some commitments made for 2014 go into more detail than necessary. We have outlined our recommendations on future refinements to the commitments in more detail in Chapter 7. We are, for example, not convinced that it is helpful for a business the size of TG4 to set 415 Key Performance Indicators for annual regulatory review. At the very least, it challenges the definition of "key". We also continue to be concerned by the lack of specificity in TG4's commitments – many are not clearly testable, and lack straightforward pass / fail criteria. We propose that TG4 adopts RTÉ's approach of setting a very small number of tightly-defined quantitative targets to underpin each commitment.

In addition, we conclude that the RTÉ and TG4 audience surveys, while valuable for making management decisions, are not fully suited for PSB review, lacking sufficient scope and ability for comparison between different broadcasters. We would therefore advocate the introduction of a centralised annual survey, administered by the BAI, which tracks public perceptions of the PSBs against their key public service objectives.

## 1.6 Funding modification recommendations

We do not see a case for recommending a funding modification to either broadcaster based on the 2013 performance review, for two primary reasons. Firstly, there have been no major changes in the Irish economy generally, or to the Irish television and radio industry specifically in the review period. Secondly, the Irish broadcasting market is currently the subject of two reviews, due for publication in the near future: the DCENR economic analysis of the Irish advertising market, and whether permitted advertising minutage for Irish PSBs should be reduced to support growth of the Irish commercial broadcast sector; and the NewERA analysis of RTÉ's operational efficiency. Until these reviews have completed, we do not feel it would be helpful to alter the amount of public funding. We recognise that some of the missed commitments have been explained as due to financial constraints – 1 commitment for TG4 and 14 commitments for RTÉ. However, at present none of the missed targets represent a serious failure of the broadcasters' public service objects that would warrant adjustment of their public funding outside the five year strategy. We also note that the indications are that 2014 sees a slightly healthier economic outlook, which should benefit commercial revenues.

### 1.6.1 TG4: increase funding in line with inflation

TG4 delivers a valued service in an efficient manner, and we conclude that TG4's current level of funding is both adequate to meet its objectives, and appropriate for an Irish-language indigenous broadcasting service in a nation the size of Ireland. We therefore do not see a case for adjusting its public funding on the basis of annual review, and recommend that the TG4 grant be increased in line with inflation.

TG4 delivers a service which is valued by its core audience, and delivers a good range of Irish-language output. The Crowe Horwath evaluation that no further efficiencies are possible under the TG4 operating model has been accepted by the BAI, and we have seen no evidence to dispute this judgment. We therefore feel that TG4 is using the available funds efficiently.

TG4 does face some challenges in terms of its demographic universality and reliance on films and sport to draw its larger audiences, but we do not view funding increases as a panacea to these problems. We see no strong case for increasing TG4's public funding based on the findings of this review. However, given how carefully balanced the TG4 budget is, we feel that reductions to the TG4 budget put the quality of the broadcaster's output at risk. In turn, this would jeopardise TG4's viewership in the age of digital television and ever-wider channel choice, particularly as its current core audience ages.

We therefore recommend increasing TG4's funding in line with inflation.

### 1.6.2 RTÉ: increase funding in line with inflation

Although RTÉ's income has been reduced markedly in recent years, it has been able to find savings while maintaining a service appropriate to its objects. We conclude that RTÉ's current level of funding is both adequate to meet its objectives, and appropriate for a principal television and radio public broadcasting

service in a nation the size of Ireland. We do not see a case for adjusting its public funding on the basis of annual review, and therefore recommend that the RTÉ public funding is increased in line with inflation.

In its Recommendations to the Minister<sup>2</sup>, the BAI set out a case for increasing investment in RTÉ's programme output. This was contingent on full realisation of efficiency measures, and on further investment being made predominantly in the independent production sector (although recognising the value of a healthy internal production department also). The BAI further proposes a future cap on commercial revenue, to further the growth of the commercial broadcasting sector in Ireland, and ultimately, the indigenous Irish television industry as a whole.

It is beyond the scope of this annual review to undertake the in-depth analysis required to conclude on either of these issues.

We feel there is no immediate need to increase RTÉ's public funding on the basis of this review. As with TG4, significant further reductions in programming spending from current levels could start to jeopardise output and reach as programme quality is adversely affected. RTÉ has already absorbed large cuts to its overheads and programming budgets with limited impact to quality scores or audience figures. The extent to which any further cuts can be absorbed will be clarified in the upcoming NewERA report on RTÉ's efficiency.

On the basis of the current report, we therefore recommend RTÉ's public funding is held constant in real terms. RTÉ will need to absorb a €5m reduction in funding from the Department of Social and Family Affairs, taking effect in 2014: we believe that growth in RTÉ's advertising revenue will cover most or all of this cut, hence there is no need to "top up" the public funding from other sources.

RTÉ will need to absorb a €5m reduction in funding from the Department of Social and Family Affairs, taking effect in 2014: we believe that growth in RTÉ's advertising revenue will cover most or all of this cut, hence there is no need to "top up" the public funding from other sources.

We therefore recommend increasing RTÉ's funding in line with inflation.

## 1.7 Future funding recommendations

If additional funds were made available to TG4, we would support further investment in content, in particular low-volume, high-quality Irish content, which would serve to generate renewed interest in the channel and draw in fresh audiences, as well as being well-placed for distribution on the global secondary market.

We would argue that any additional funding for RTÉ should largely be directed towards the independent production sector, for four reasons: efficiency – making more cost-effective programmes; stimulating creativity and ensuring diversity; industrial policy – supporting the creative industries and growing the sector's international exports; and correcting market power imbalances due to the relative size of the disparate supplier community and a concentrated number of buyers.

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<sup>2</sup> Section 124 Review: Authority Recommendations (Broadcasting Authority Ireland, June 2013)

## 2 THE MACRO ENVIRONMENT

Before progressing to analyse the performance of TG4 and RTÉ in Chapters 4-6, Chapter 2 first considers the wider trends in the Irish television market, in order to contextualise the performance of the PSBs under review.

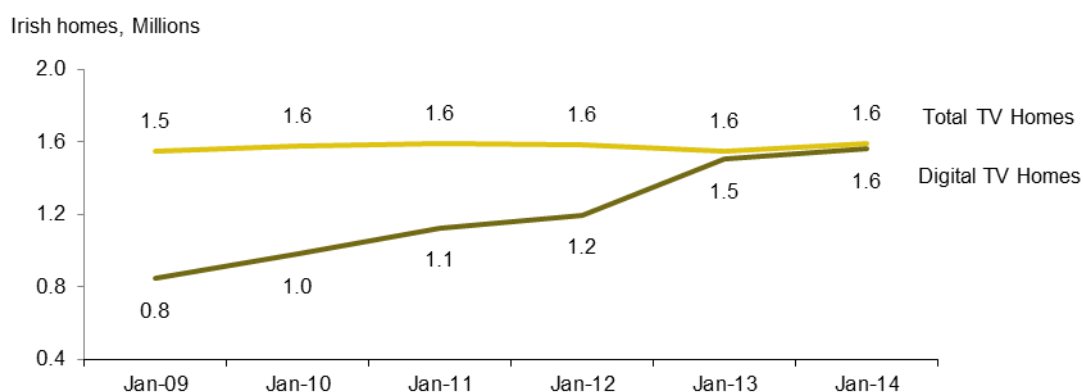
Following the digital switchover in 2012, nearly all (98%) of Irish TV homes now have digital television. More Irish consumers than ever before are now enjoying the increased channel choice that digital brings, and as a whole, Irish audiences are spending less time watching the traditional terrestrial channels – including the major PSB channels – in favour of digital channels. Total consumption of television has also decreased: Irish viewers watched fewer minutes of television per day in 2013 than 2012, especially in the 15-24 age group.

Ireland's economic performance continued to disappoint, with a 0.3% contraction in GDP during the 2013 financial year<sup>3</sup>. The economic conditions continued to weigh heavily on advertising revenues in the broadcasting sector, with further decreases in TV advertising spending in Ireland. The Irish radio industry did, however, manage to halt years of falling advertising spending. Real-term public funding for PSBs remained at 2012 levels.

### 2.1 Television access in Ireland

More Irish homes than ever now have access to television (Figure 3): 93% of Irish households have a television set<sup>4</sup>, and many of the remaining 7% are able to access Irish TV content online via on-demand services. In the wake of the digital switchover in 2012, 98% of Irish TV homes have digital television, putting digital TV penetration at 91% in Ireland<sup>5</sup>.

**Figure 3: Number of TV homes in Ireland, 2009-2013**



Source: Nielsen/TAM Ireland

Digital satellite (the majority of which is Sky) remained the most widely-used reception method, although Irish DTT (Saorview) has grown rapidly since digital switchover in late 2012. Reception by IPTV services

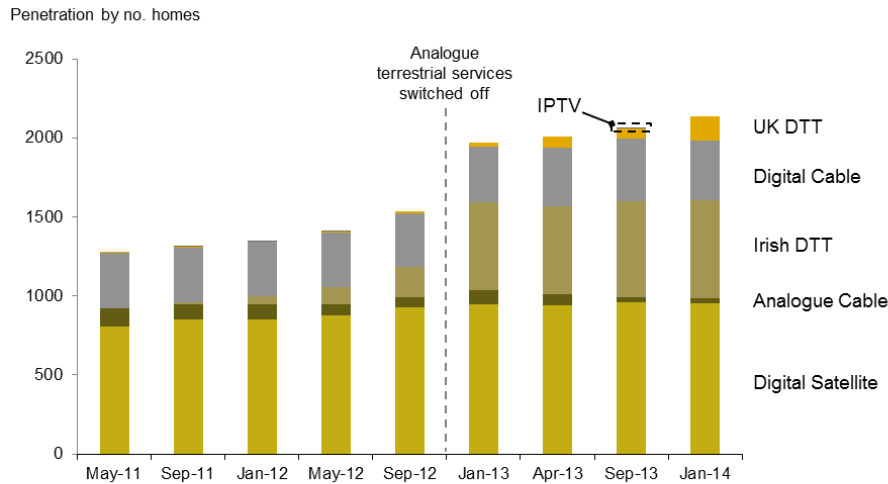
<sup>3</sup> Central Statistics Office, 2014

<sup>4</sup> Eurostat, Comreg, TAM Ireland / Nielsen TAM, Oliver & Ohlbaum analysis

<sup>5</sup> Eurostat, Comreg, TAM Ireland / Nielsen TAM, Oliver & Ohlbaum analysis

remained negligible in 2013, but UK Freeview DTT has started to make a significant impact on the Irish market:

**Figure 4: Penetration of digital and cable reception methods in Ireland, 2011-2014**



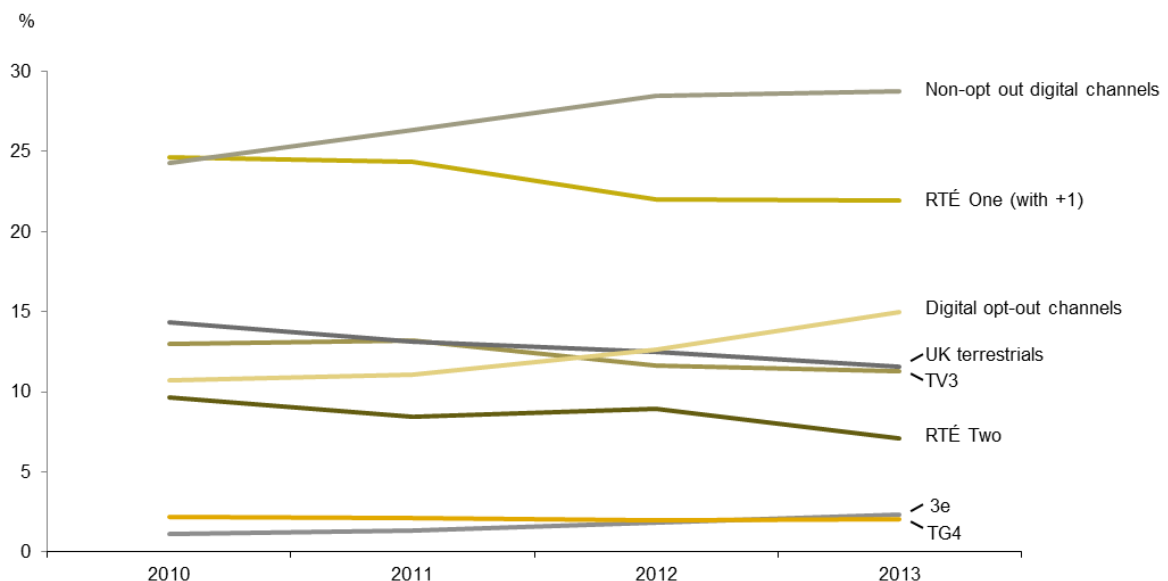
Note: Many households have multiple reception methods

Source: TAM Ireland / Nielsen TAM, Oliver & Ohlbaum analysis

## 2.2 Irish television viewing habits

Due in part to the growth of digital TV services, and the increased channel choice that comes with this, most of the major Irish broadcasters – including RTÉ and TG4 – have seen erosion in viewing share at the expense of digital channels. Many of the digital channels which are enjoying increasing share are international channels which now offer “opt-out” advertising services, i.e. selling ROI-specific advertising against their programming and capturing a share of Irish TV advertising spending, for the most part without any investment in Irish-originated content.

**Figure 5: Share of live viewing in Ireland, 2010-2013**



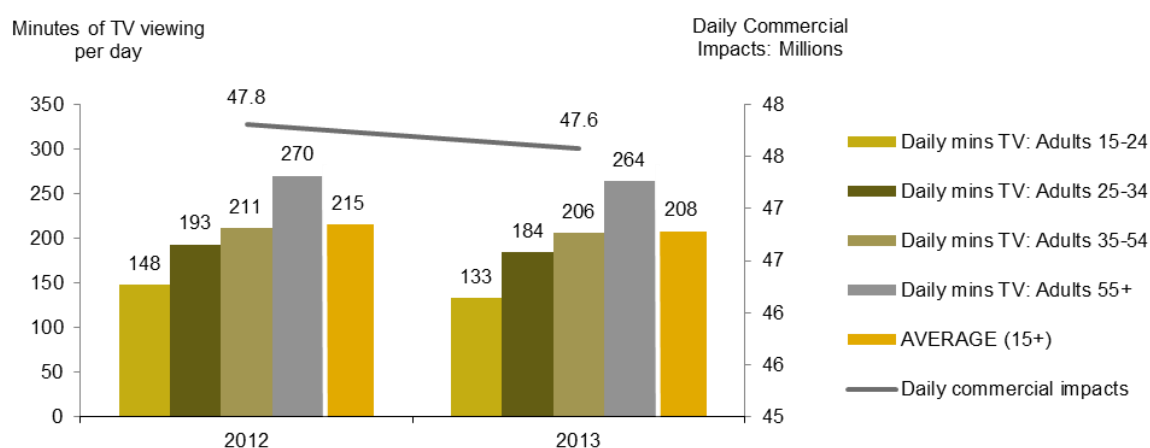
Note: A channel defined as “opt-out” if it is offering Irish advertising as of 2013

Source: TG4, TAM Ireland / Nielsen TAM, Oliver & Ohlbaum analysis

As well as changing channel preferences, another factor driving lower average daily reach numbers for major terrestrial channels was a slight reduction in overall TV viewing in Ireland (see Figure 6). On average, Irish adults watched 7 minutes less television per day in 2013 (215 minutes in 2012, 208 minutes in 2013). The decrease in viewing was especially marked in the 15-24 age group: this demographic was already watching less TV than any other age group in 2012, and the number of minutes watched per day by these young adults fell by a further 10% between 2012 and 2013. This may be as a result of these younger audiences switching to other forms of digital-age entertainment, such as social media and, especially, non-linear media consumption.

These changing viewing habits drove a slight reduction in number of daily television commercial impacts seen by the Irish population, in turn reducing potential advertising revenues.

**Figure 6: Average minutes TV viewed per day in Ireland and daily Irish TV commercial impacts, 2012-2013**



Source: TAM Ireland / Nielsen TAM, Oliver & Ohlbaum analysis

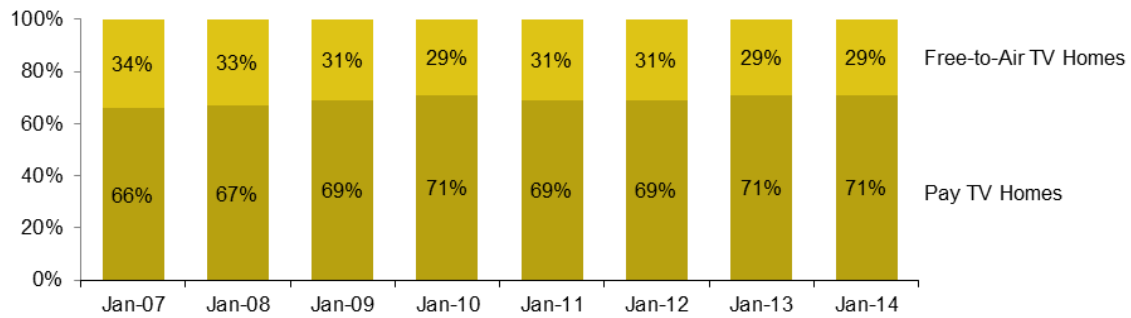
## 2.3 Irish television industry revenues

The Irish TV industry has had a challenging recession. There has been some growth in the pay TV market in the last 4 years (see Figure 7), and cuts to public funding (Figure 10). Advertising revenues have continued to fall, and are now markedly lower than pre-recession levels (Figure 8). This has led RTÉ and TG4 to undertake cost-control measures, reducing spending on programming as well as overheads.

### 2.3.1 Pay TV subscriptions

After a slight setback in 2011 – likely due to reduced household disposable incomes during the recession – the proportion of Irish TV homes taking pay TV services has now returned to 71% after dipping slightly to 69% in 2011-2012 (see Figure 7). Consumers spent €649.9m on Pay TV services in Ireland in 2012; the figure will be a little higher for 2013, based on price increases from some providers, including Sky, growth in the overall number of TV homes in Ireland, and given fixed penetration. The figure of €649.9m per year (€141.9 per capita) is similar to the UK (€134.2 per capita), and compares to other Western European markets of similar size, such as Denmark (€191.8 per capita)<sup>6</sup>.

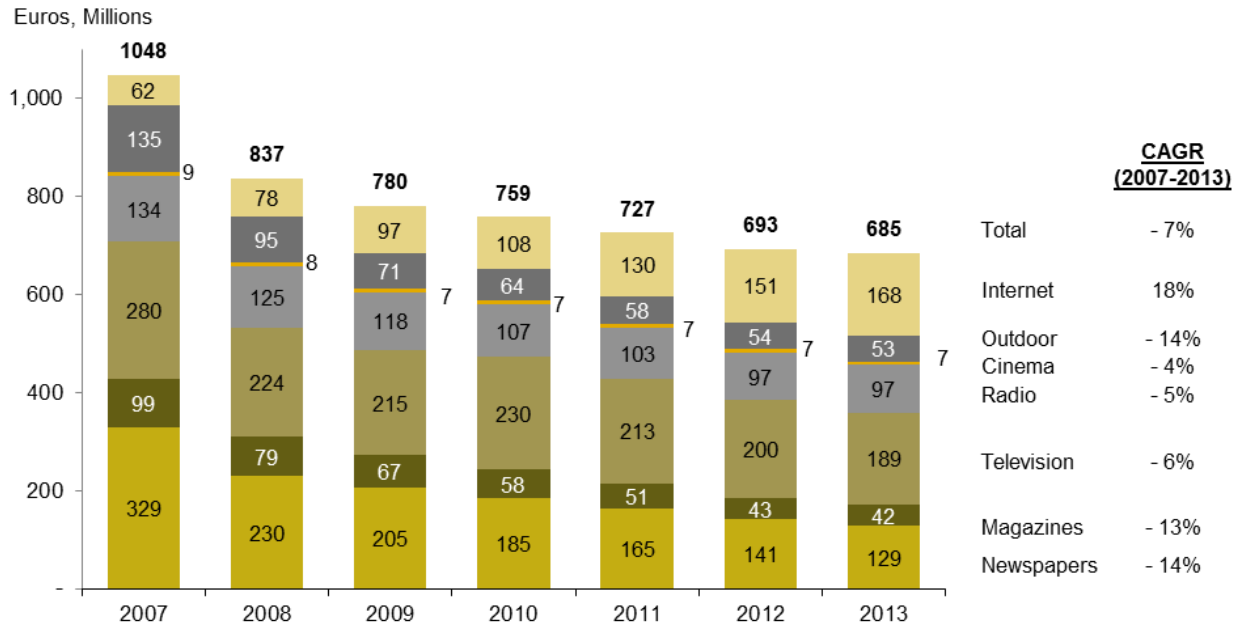
<sup>6</sup> European Audiovisual Observatory, Screen Digest, WARC

**Figure 7: Proportion of Irish TV homes taking Pay TV, 2007-2013**

Source: Comreg, TAM Ireland / Nielsen TAM, Oliver & Ohlbaum analysis

### 2.3.2 Advertising revenue

The economic downturn hit the Irish advertising industry hard, and it has yet to begin a serious recovery: 2013 advertising expenditure stood at 65% of its 2007 level. Although not suffering as badly as print media advertising revenues – which fell by 60% over the period – the broadcast media sector has also seen a decline in advertising revenue, with a CAGR of -6% and -5% for television and radio respectively between 2007 and 2013.

**Figure 8: Nominal advertising expenditure in Ireland, 2007-2013**

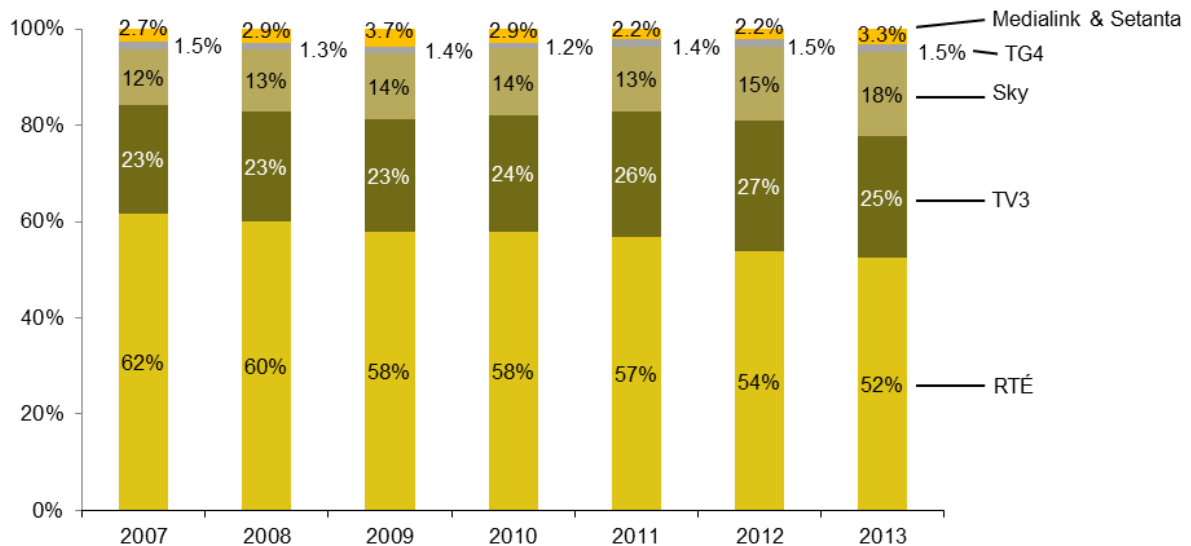
Source: Zenith, Oliver & Ohlbaum analysis

The overall advertising market in Ireland was maintained close to 2012 levels in 2013, but overall spending was propped up by a rapidly growing Internet advertising market, which compensated for continued shrinkage in nearly all other media, including television. Television advertising revenues fell a further 6% 2012-2013, although, in radio, five years of declining revenues were halted, with 2013 radio advertising spending stable at 2012 levels.



According to its own estimates, RTÉ continues to take the largest share of the Irish TV advertising market, taking just over half of the net advertising revenue allocated to the major Irish TV broadcasters (see Figure 9). RTÉ has, however, seen notable erosion of this share in recent years, falling from 62% share in 2007 to 52% share in 2013. This has been to the advantage of commercial broadcasters TV3 and, particularly, Sky. TG4 has managed to hold its share of advertising revenue relatively constant during the period.

**Figure 9: Share of net advertising revenue for the main Irish TV broadcasters, 2007-2013**

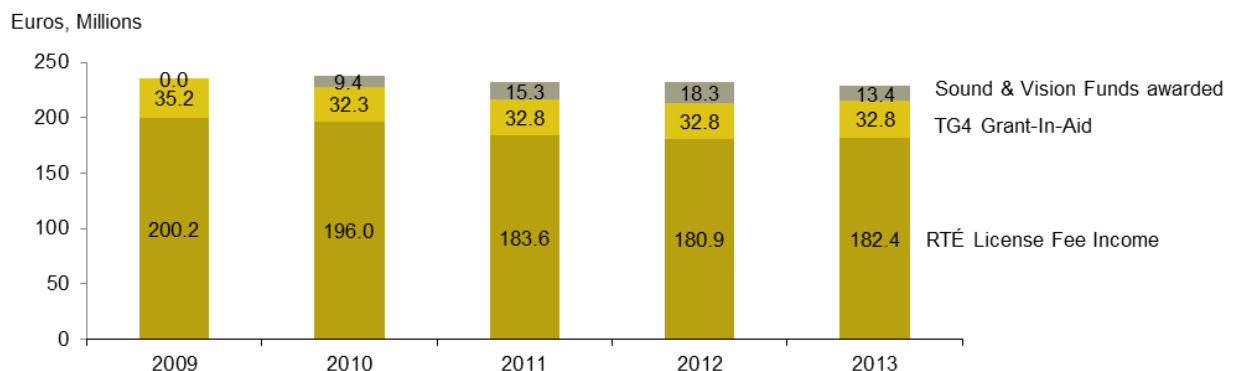


Source: RTÉ, Oliver & Ohlbaum analysis

### 2.3.3 Public funding for broadcasters

Public funding for Irish television has been reduced since 2009. TG4 has suffered a 7% fall in grant aid, while RTÉ's licence fee income has decreased by 9%. Notwithstanding the considerable impact of these reductions in public income, the decrease in public funding has been less dramatic than the fall in advertising revenue, providing some degree of cushioning for the rapid changes in commercial income that RTÉ in particular depends on.

**Figure 10: Nominal Irish television public funding, 2009-2013**



Source: RTÉ, TG4, BAI, Oliver & Ohlbaum analysis

Independent production companies are able to apply for funding from the BAI Sound and Vision fund, to



support programme-making costs for content to be broadcast on Irish public and commercial broadcasters.

### 3 ANALYSIS FRAMEWORK

When we undertook the first performance review in 2010 on 2009 performance, one of the areas we commented on was the large amount of commitments made by each broadcaster.

RTÉ made 78 separate performance commitments for 2009. TG4 made a smaller number of commitments, but in relation to the size of the service, still a significant number. We questioned whether this amount of individual commitments was really necessary to measure performance. In addition, several commitments were found not to be relevant or impossible to measure. Other commitments were made for things over which the broadcaster could have no control or were heavily dependent on the economy.

We recognise that the number of commitments have been reduced for both broadcasters since the 2010 review. In the 2014 review of 2013 performance, RTÉ made 27 separate performance commitments, although each of these carried a number of specific performance “targets” – 219 in total – effectively making the actual number of commitments much higher. TG4 followed a comparable approach, making 41 separate performance commitments, but underpinning each with a set of “key performance indicators” – a total of 415 – again, greatly increasing the actual number of commitments.

We also recognise that the number of commitments coming into effect for the 2015 review of 2014 performance have been further reduced: RTÉ has reduced its 27 performance commitments to 22, rationalising its 219 targets down to 115 targets for 2014, while TG4 consolidated its 41 performance commitments into 17 separate commitments. The updates reflect the new framework and accompanying metrics agreed between the broadcasters and the BAI.

In light of the above, we would note and maintain the following general points on performance commitments:

- A smaller number of tightly defined, potentially more onerous commitments help focus attention and effort;
- Quantitative measures are more suited to annual reviews, which should be seen as a monitor of broadcaster performance, although qualitative supporting information provides useful context to metrics provided;
- In the case of broadcast services, commitments to reach measures, particularly at a population segment level, are the best way to measure the most fundamental of public service objects – the provision of a universal service;
- However, setting quantitative measures alone can lead to the chasing of targets for their own sake; and sufficient regard should be taken to programme quality, range and impact (see Chapter 7 for further details on our recommendations for future reviews);
- More detailed measures (including more qualitative commitments) should be included at the five-year review stage being a more comprehensive process (see Chapter 7 for further details on our recommendations for future reviews);
- It should be noted where these commitments are aspirational – looking for revenue increases may be ambitious, but lead to a number of commitments being missed. The process should not penalise this ambition, but commitments (in particular short-term ones) should be realistic, and;
- The commitments should focus on those measures over which the broadcasters have some influence.

Although we have looked at all the broadcasters’ commitments for 2013, we have focused this annual review on five key areas which we believe are central to PSB delivery.

These 5 key areas are as follows:

- **Audience:** A PSB's overall audience – in terms of reach and share – is a key measure of whether it is fulfilling its public service obligation to provide a universal service. We will also be looking for evidence that the demographic mix of the audience is balanced: again, as a measure of universality of the service. This analysis will include not only the linear broadcast services, but also the on-demand and on-line services which many viewers / listeners are increasingly treating as a central part of their television and radio consumption habits.
- **Output & Content:** A PSB's overall level of output, and its source, acts as a measure of whether public money is being spent effectively, and in the right places. A public service broadcaster is obligated to provide a given level of service in genres such as Children's content and News programming, so we will pay particular attention to the output in such genres when assessing output by genre.
- **Value for money:** The value-for-money analysis will encompass a discussion of the commercial revenues earned, summarise the public income received, and report on how the broadcasters allocate their revenues, in particular, to programming costs vs. transmission costs and other overheads. We will also provide details of the content cost per hour, and costs per viewer / listener hour to measure the broadcaster's overall efficiency at reaching its audiences in a cost-effective way.
- **Creativity:** The independent production sector in Ireland is a valuable source of innovation and plurality – which is good for audiences – and also a major contributor to the Irish creative economy, which risks losing critical mass without support from the PSBs. Within the broadcasters' wider remit to support creativity in Ireland, we will also examine the output of new and original content, and any evidence for initiatives designed to support Irish creativity in broadcast media and music performance.
- **Irish language and culture:** Providing Irish-language output is a part of RTÉ's objectives, delivered through services such as Raidió na Gaeltachta, and Irish content is of course central to TG4's objectives. We will report the broadcaster's output of Irish language content and, for TG4, the schedule balance between Irish-language and other-language programming. International access to Irish culture is the final element assessed under this heading: for RTÉ and TG4, this is predominantly achieved through their websites and online catch-up services.

Additional commitments not falling within these five key areas are reviewed briefly towards the end of the report.

As well as analysing the 2013 Commitment performance under these headings, we have provided a forward-looking analysis of how the 2014 Commitments map to these five areas in Chapter 7 (Figure 87 / Figure 88).

## 4 REVIEW OF THE PERFORMANCE OF TG4

Chapter 4 assesses the performance of TG4 in 2013 in relation to the commitments set out in its Annual Statement of Performance Commitments 2013, in particular, those which relate to the core areas of:

- Audience
- Output & Content
- Value for Money
- Creativity
- Irish Language & Culture

This chapter first provides an overview of TG4's overall 2013 performance, and then examines performance in each of these five areas in turn. The assessment of performance in each area is based not only on the relevant commitments TG4 has made, but also on analysis of the data that TG4 supplied as part of this review process. Performance against the remaining commitments – those which do not closely relate to any of the five focus areas – will be summarised in Appendix 1.

To support a forward-looking view on future annual reviews, we have included comparisons between the commitments in TG4's 2013 Annual Statement of Performance Commitments and their 2014 equivalents.

Based on the evidence presented in this Chapter, an opinion is expressed in Chapter 8 on whether a licence fee modification is desirable or necessary, and the nature of the modification, in accordance with the adjustment formula provided in Section 124 of the Broadcasting Act 2009.

### 4.1 Overview of performance against commitments

TG4 made 41 separate performance commitments for 2013, and reported only one failed commitment:

**Figure 11: TG4 performance commitments by type and number met, 2013**

Assessment Area	Total No. Commitments	No. Commitments Met	No. Commitments Not Met	% of commitments not met
Audience	2	2	0	0%
Output	9	9	0	0%
Value for money	5	5	0	0%
Creativity	5	5	0	0%
Irish Language & Culture	4	4	0	0%
Additional Commitments	16	15	1	6%
<b>TOTAL</b>	<b>41</b>	<b>40</b>	<b>1</b>	<b>2%</b>

Source: TG4 Review of 2013 Performance, Oliver & Ohlbaum analysis

We do not consider all commitments to be of equal importance, but have made no attempt to “weight” commitments differently due to their inherent subjectivity. Instead, we have included our own analysis of performance in each area throughout the Chapter, and formed an overall view of performance in each of our five areas of analysis on the basis of this new analysis as well as the commitments performance.

TG4's single failed commitment related to the project to develop an archive to provide public access to TG4 content. This initiative was delayed due to financial constraints; TG4 plans to begin the project in 2014 if funding allows.

TG4's criteria for deeming a commitment to have been achieved or not sometimes suffer from a lack of objectivity: many of the commitments are qualitative in nature, with no quantitative metric to judge performance against. TG4 presents a number of specific KPIs against each commitment in its "Statement of Performance Commitments for 2013" (January 2013). These KPIs – 415 in total – are often quantifiable and have clear numerical pass / fail criteria, but TG4 do not report performance against these KPIs.

Based on our analysis of the KPI targets in light of the information which TG4 provided in its review document, 15.4% of the 415 KPIs were not fully met and 65.5% were fully met. We were unable to assess the remaining 19.0% due to insufficient information:

**Figure 12: TG4 performance KPIs by type and number met, 2013**

Assessment Area	Total No. KPIs	No. KPIs Met	No. KPIs Not Met	No. KPIs which are not measurable	% of KPIs not met
Audience	33	11	7	15	21%
Output	68	43	9	16	13%
Value for money	29	16	9	4	31%
Creativity	33	22	7	4	21%
Irish Language & Culture	41	33	3	5	7%
Additional Commitments	211	147	29	35	14%
<b>TOTAL</b>	<b>415</b>	<b>272</b>	<b>64</b>	<b>79</b>	<b>15%</b>

Source: TG4 Review of 2013 Performance, Oliver & Ohlbaum analysis

The proportion of missed KPIs was highest in Value for Money (31%), Creativity (21%) and Audience (21%).

In many instances, TG4 deemed a Commitment to have been fulfilled, even if there were failures against some of the specific KPIs attached to that Commitment. Although risking being misleading, we do not feel this approach is used to mask failure: most KPIs were of low impact, and failed KPIs generally missed by a narrow margin. We could see no KPI-level failures of sufficiently high impact to lead us to question TG4's judgement that its overall commitment had been met. Nevertheless, a move towards clear, quantifiable pass / fail criteria against each commitment would be valuable for future reviews – see Chapter 7 for further details of this recommendation.

TG4 has chosen to report its performance on the basis of its Commitments, not its KPIs, so beyond the analysis above, we will not report in any further detail on TG4's KPI performance.

## 4.2 Audience commitments and analysis

Although TG4 met its audience commitments, consolidated daily reach for the channel fell to 13%, from 14% in 2012. Reach is a crucial measure of a PSB's success in meeting its commitment to universality, so the fall is of some concern, although this is by no means a unique problem to TG4 among Western-world PSBs, particularly following a digital switchover. TG4's audience share was broadly flat (2012: 1.94%, 2013: 1.97%)<sup>7</sup>, which is a good performance in a market where all but one other terrestrial channel lost share.

TG4's online services showed growth, with 5% growth in annual player streams (to 1.66m), a 32% rise in unique website visitors (to 1.59m) and a 66% growth in page impressions.

As measured by prevalence of titles in the list, the Top 150 TG4 programmes by reach was mostly made up of Sport and International Film. Although TG4's new Irish originated content such as Music, Irish Film and Documentaries also featured, they were much less widely watched.

### 4.2.1 TG4's performance against its audience commitments

**Figure 13: TG4's audience commitments, 2013**

No.	Performance Target	Action Taken / Result – Reported by TG4	Met Target?
19	Maintain and if possible increase TG4's audience	<ul style="list-style-type: none"> <li>TG4 remained the <b>8th</b> most popular channel in Ireland</li> <li>One of only two terrestrial channels (from Ireland and the UK) to increase viewing share on the previous year.</li> <li>Daily reach: <b>530,000</b></li> <li>Weekly reach: <b>1.6m</b></li> <li>Weekly reach with Irish language audiences was over <b>90%</b> in Q4 2013.</li> <li>TG4's website is ranked <b>number 1</b> in terms of world rankings of Irish language websites.</li> <li>The number of unique visitors to the website grew by almost <b>32%</b> in 2013 (to 1.59m), page impressions grew almost <b>66%</b> (to 1.66m) and Player streams by almost <b>5%</b>.</li> </ul>	Yes
20	Continue to enhance access to TG4's content and engage with audiences across all digital platforms and devices by implementing TG4's Digital Strategy targets for 2013	<ul style="list-style-type: none"> <li>Player service performed strongly, with <b>1.66m</b> programme streams achieved in 2013.</li> <li>Established "CúlaTV", a children's Player service.</li> <li>TG4 website <b>#1</b> in world rankings of Irish language websites.</li> <li>Developed and launched <b>4</b> new Irish language Apps.</li> <li>Launched the TG4 Player App for iOS.</li> <li>Ongoing development on the TG4 Player App for iPads and the TG4 Smart TV App.</li> <li>New on-line resource for all those interested in traditional singing in Irish was added to the TG4 website.</li> </ul>	Yes

Source: TG4, TAM Ireland Ltd / Nielsen TAM, Alexa

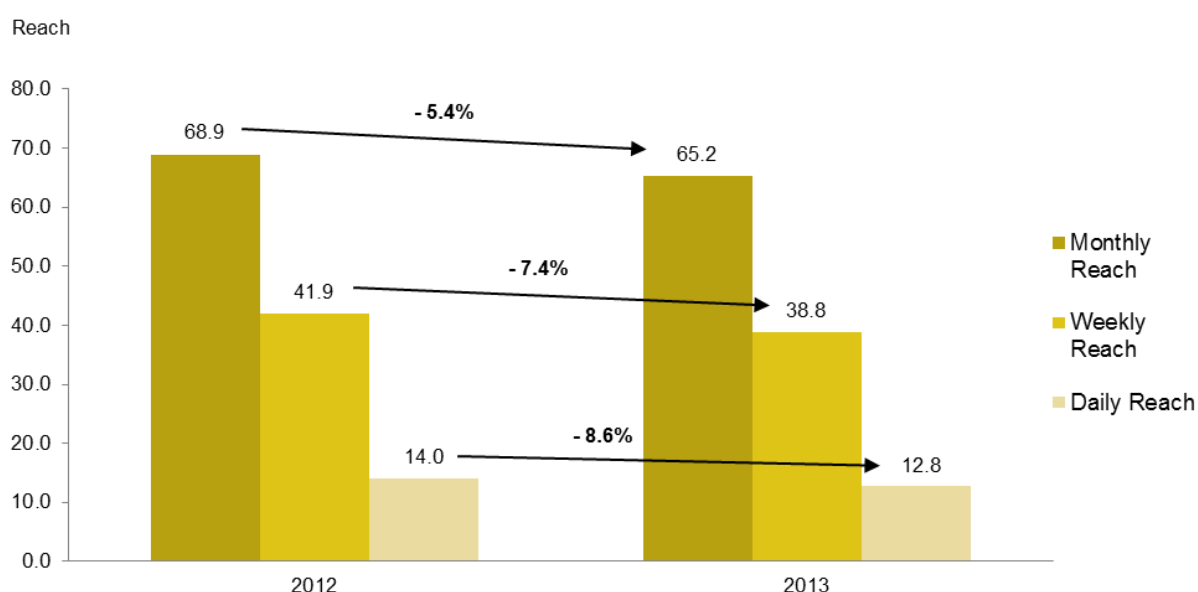
TG4 reports meeting its target to maintain or increase its audiences (**Commitment 19**), highlighting its increased viewing share and its retained position as the 8<sup>th</sup> most-popular channel in Ireland. The increase

<sup>7</sup> TAM Ireland Ltd / Nielsen TAM, TG4. Live all-day audience share.

in TG4's audience share was minimal, but this performance compares well to other terrestrial channels, all but one of which suffered a fall in share.

However, TG4's monthly, weekly and daily reach has declined since 2012, (see Figure 14). We see this more as a reflection of industry trends in the digital age (see Figure 5 and associated commentary) rather than a specific failure on TG4's part. TG4 now reaches 14% of the Irish population daily, although it claims to have a weekly reach among Irish Language User Audiences of 90%<sup>8</sup>. TG4's estimate of annual reach among Irish Language User Audiences was 79% in 2012<sup>9</sup>, but TG4 do not consider this figure to be directly comparable to the 2013 estimate, given the figures come from different sources using different methodologies.

**Figure 14: TG4 consolidated all-day reach, 2012-2013**

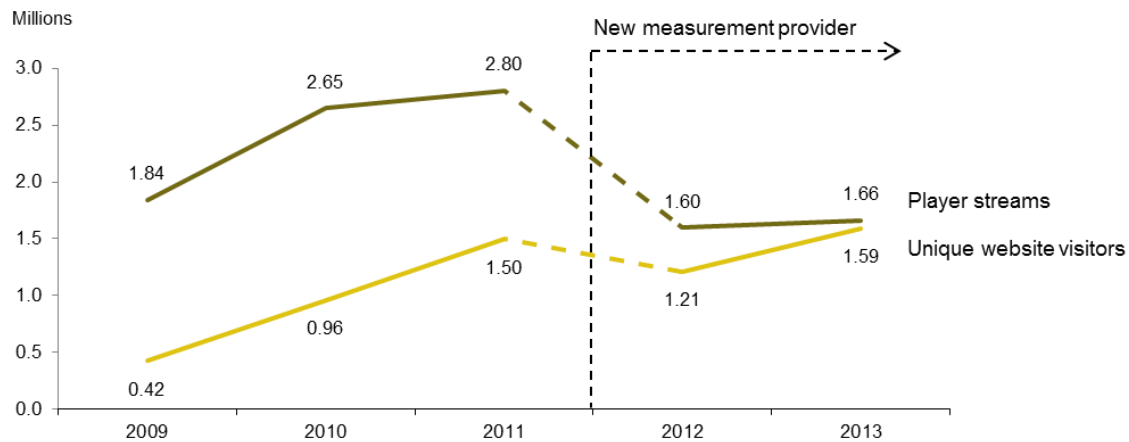


TG4's digital platforms continued to gain popularity in 2013 (**Commitment 20**), with the TG4 website retaining its leading position as the most-visited Irish-language website worldwide, and delivering 66% more page impressions and 32% more unique visitors over the year, indicating more people are using the TG4 website, and that the average visitor is using the website more (see Figure 15). Growth in Player Streams was more modest, at 5% compared to the previous year.

Note that TG4 changed measurement provider between 2011 and 2012, so comparisons between 2009-2010 trend and 2012-2013 trend cannot be made. Unfortunately, no further data is available to support historical trend analysis.

<sup>8</sup> TG4 Fios Físe Survey, Q4 2013

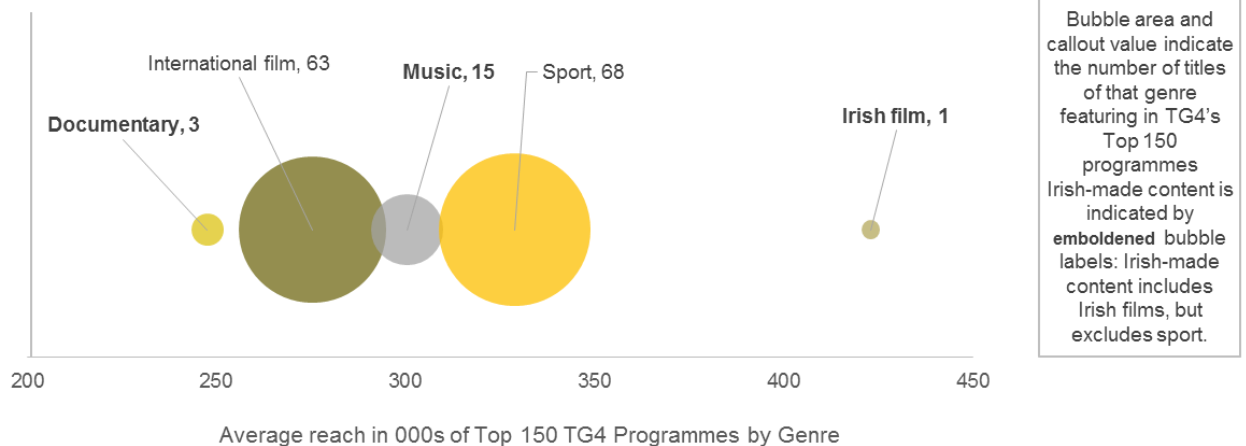
<sup>9</sup> IPSOS MRBI survey, 2012

**Figure 15: TG4 online audience metrics, 2009-2013**

Source: TG4

As shown in Figure 16 below, the list of TG4's Top 150 programmes in 2013, by reach, is dominated by Irish Sport – particularly Rugby and GAA – and International film, largely from the USA. On the occasion when an Irish film was shown (the black comedy crime film *Intermission*) it earned one of the highest reaches of TG4's 2013 titles, at 12<sup>th</sup> place on the list.

Some of TG4's Music programming does feature in the Top 150, along with 3 Irish Documentaries, although only one of these made it into the Top 100.

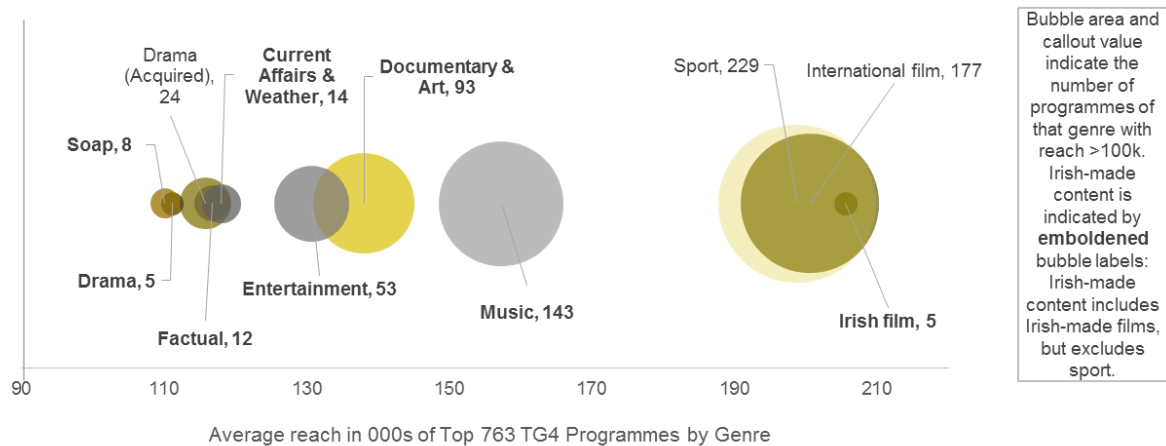
**Figure 16: Average Reach and Prevalence of Programming Genres featured in TG4's Top 150 Programmes, 2013**

Source: TG4, Nielsen / TAM Ireland, Oliver &amp; Ohlbaum analysis

Expanding the above analysis to include all 763 TG4 programmes that achieved a reach over 100,000 (Figure 17), a similar pattern emerges: the audience-drawing schedule is dominated by Sport and International Film and to a lesser, but still significant, extent, Music. There are also a good number of Irish-made Documentaries and Entertainment programmes – including Irish dancing and reality shows – that achieved a reach in excess of 100,000. These included a number of commissions from Irish independent production companies.



**Figure 17: Average Reach and Prevalence of Programmes by Genre of all TG4 Programmes Reaching >100,000 Viewers, 2013**



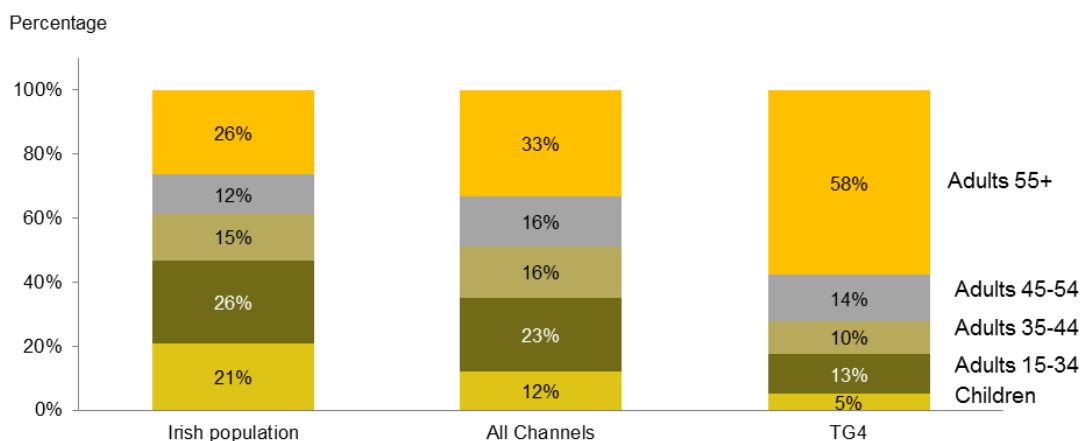
Source: TG4, Nielsen / TAM Ireland, Oliver & Ohlbaum analysis

Much of TG4's Irish-made Soap, Drama, Factual and Current Affairs & Weather output did not make it into the list of >100k reach programmes, with exceptions coming from strands such as *Fíorscéal* (Current Affairs) and *Ros na Rún* (Soap). Overall, TG4 appears to rely heavily on Sport and International Film to draw its larger audiences. Original commissioned output is of secondary importance to audiences.

In its 2013 Recommendations to Minister<sup>10</sup>, the BAI noted that, following consultants' review of the PSB's Five-Year Strategy proposals, a more rigorous evaluation of the audience-generating potential of TG4's schedule would be beneficial. The above analysis at least partially fulfils this aim.

Turning finally to consider the demographic make-up of the TG4 audience, we note that younger viewers are badly under-represented in the TG4 audience numbers, with the TG4 viewership dominated by 55+ Adults, and much more limited showing from other demographics. TG4 data was largely insufficient to assess this issue properly, so we have based our analysis below on data from Nielsen:

**Figure 18: TG4's television audience demographic profile vs demographic profile for Ireland as a whole, 2013**



Notes: All Day, Monday-Sunday, Consolidated Viewing

Source: Nielsen / TAM Ireland, Eurostat, Oliver & Ohlbaum analysis

<sup>10</sup> Section 124 Review: Authority Recommendations (Broadcasting Authority Ireland, June 2013)

The problem is especially marked in the 15-34 and under-15 age groups, both of which are significantly under-represented in the TG4 audience profile compared to the profile of Irish TV audiences as a whole. We recognise that TG4 has been investing in children's content in recent years, but it seems to be struggling against competition from dedicated children's channels:

**Figure 19: TG4 children's viewing index vs other major channels watched by children, May 2014**

Channel	All-Individuals Audience Share	Share of Children's Audience	Index
Nickelodeon	0.3%	1.8%	577
Nick Jr	0.7%	2.8%	386
RTÉ Two	6.1%	8.7%	143
3e	2.1%	1.5%	73
TV3	10.7%	7.0%	66
BBC1	4.4%	2.4%	55
RTÉ One (inc +1)	20.0%	9.6%	48
TG4	1.7%	0.7%	45
BBC2	1.9%	0.7%	38

Note: Shares are all-day consolidated viewing shares. Index is calculated share of (Children's Viewing / All Individuals Share) x 100

Source: TAM Ireland Ltd / Nielsen TAM, Oliver & Ohlbaum Analysis

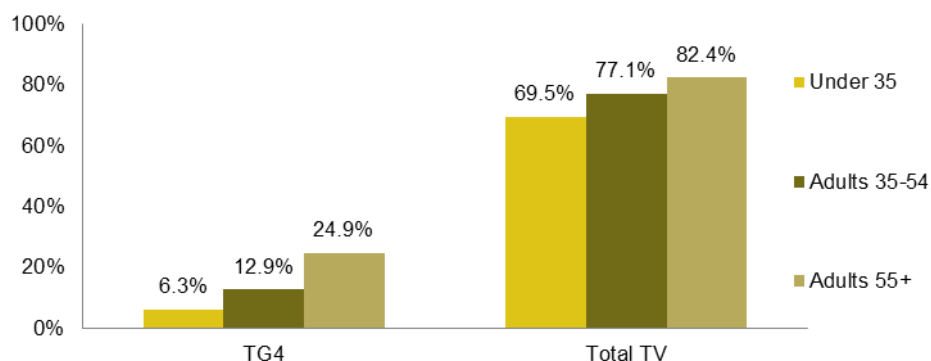
We note that TG4 has missed its 5 Year Strategic objective to establish a second channel online for children, owing to financial constraints. We agree with the spirit of this objective; there is a clear need to increase engagement with children, and other Irish broadcasters (including RTÉ) benefit from a dedicated children's channel, but the costs of the channel infrastructure to launch an additional broadcast channel would likely be prohibitive given the size of the potential audience.

The viewing audience trends are reflected in the channel's consolidated all-day reach. TG4's Under-35s consolidated reach is less than half of the reach among the 35-54 age group, and less than a quarter of the over 55 age group (see Figure 20 below).

The data available in TG4 Player use is less comprehensive, but TG4 do measure Children's player streams, of which there were 42,175 in 2013, only 2.5% of total player streams by all audiences (1,622,133).

These trends are likely to be driven partly by TG4's schedule balance – with the prevalence of American films dating back several decades, and a mix of music that appears to skew towards older tastes. We do, however, recognise that demographic trends in the speaking of Irish in Gaeltacht areas and beyond could have an impact on the make-up of TG4's audiences<sup>11</sup>.

<sup>11</sup> Young people in the Gaeltacht use the language less than their older counterparts, despite positive attitudes towards the language: *Comprehensive Linguistic Study of the Use of Irish in the Gaeltacht* (NUI Galway / NAI Maynooth / National Institute for Regional and Spatial Analysis / DCENR, 2007)

**Figure 20: TG4 average consolidated all-day reach by age group**

Source: TG4, Nielsen / TAM Ireland, Oliver & Ohlbaum analysis

In defence of this issue, TG4 note that Under 35s watch less television overall than other demographic groups (Average daily reach for under-35s of 69.5% compared to 82.4% for adults 55+), and this is also the most competitive market (93% of U35s have cable/satellite in home compared to 84% for adults 55+)<sup>12</sup>.

Nevertheless, this discrepancy in success at reaching younger audiences compared to older ones is a source of some concern, given the TG4's public service obligation to provide a broadcasting services which is of universal appeal to the Irish-speaking population. It rests with TG4 to determine the appropriate steps to address this imbalance, insofar as possible, in years to come. This will be an area to monitor carefully in future reviews.

### 4.3 Output & content commitments and analysis

TG4 delivered a 5.9% increase in the number of new Irish language hours compared to the previous year, running a 32-week core schedule with an average of 5.25 hours of new Irish content a day, and an average of 4.25 hours of new Irish content a day for the remaining 20 weeks. The genre mix was broadly similar to previous years, although there were notable year-on-year increases in new Irish hours of Children's programming (31% increase) and Entertainment (67% increase).

#### 4.3.1 TG4's performance against its overall output & content commitments

**Figure 21: TG4's overall output & content commitments, 2013**

No.	Performance Target	Action Taken / Result – Reported by TG4	Met Target?
1	Deliver a minimum of 1712 hours of new high quality Irish language content across all genres, characterised by TG4's distinctive "súil eile" perspective	<ul style="list-style-type: none"> <li>Target exceeded by 3.2%.</li> <li>1,767 hours of new Irish language content across all genres were delivered in 2013.</li> </ul>	Yes

<sup>12</sup> TG4, TAM Ireland / Nielsen TAM

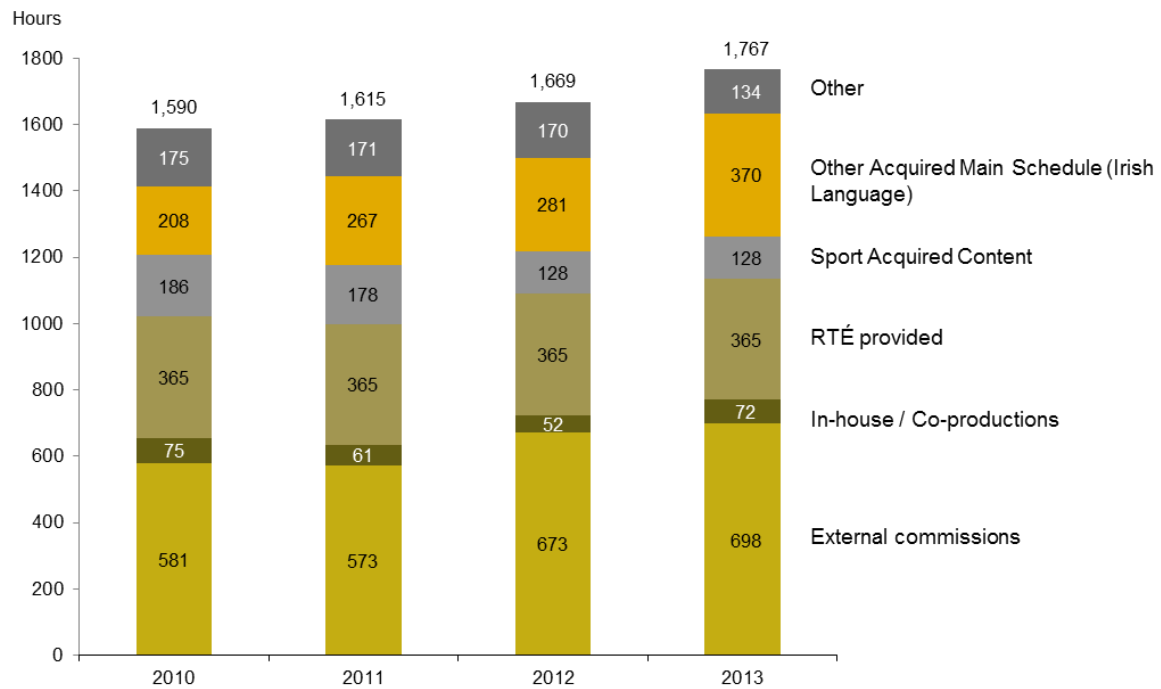
No.	Performance Target	Action Taken / Result – Reported by TG4	Met Target?
10	Increase accessibility of content and services to audiences with physical, sensory or intellectual disability	<ul style="list-style-type: none"> <li>• Meet the requirements of the BAI Codes and guidelines (Access Rules) regarding the accessibility of programming to audiences with physical, sensory or intellectual disabilities.</li> <li>• TG4 delivered 40% subtitling in 2013, fulfilling the BAI targets.</li> </ul>	Yes
11	Continue to move towards a 35 week core television programming schedule	<ul style="list-style-type: none"> <li>• TG4 increased a number of programmes from 26 to 35 weeks.</li> <li>• TG4 also endeavoured to fill a 32-35 week core schedule by broadcasting a number of shorter series sequentially in the same slots.</li> <li>• TG4's average per day of new Irish language programmes output (4.84 hours / day) was delivered as follows over the year: <ul style="list-style-type: none"> <li>• 5.25 hours per day over a 32 week core schedule</li> <li>• 4.25 hours per day over the remaining 20 weeks.</li> </ul> </li> </ul>	Yes
23	Continue the transition to HDTV capability by the end of 2013	<ul style="list-style-type: none"> <li>• During 2013, TG4 completed a significant investment programme to convert to HD transmission.</li> <li>• Expected that TG4 HD will be available to over 70% of the Irish audience before the end of 2014 on the UPC and Sky broadcast platforms – at no additional cost to TG4.</li> </ul>	Yes

Source: TG4

TG4 has performed well in increasing its output of new Irish-language hours (see Figure 22), exceeding its target of new Irish language hours for 2013 (Commitment 1), and delivering a 5.9% increase on 2012 hours. Note that “external commissions” in this figure includes programme commissions which have been wholly or partly funded by the Sound & Vision fund.

TG4 now broadcasts some 11.1% more new Irish language content than 2010 levels, a good achievement in light of broadly flat income. The increased output has mostly come from the Irish independent production sector, and non-sport acquisitions.

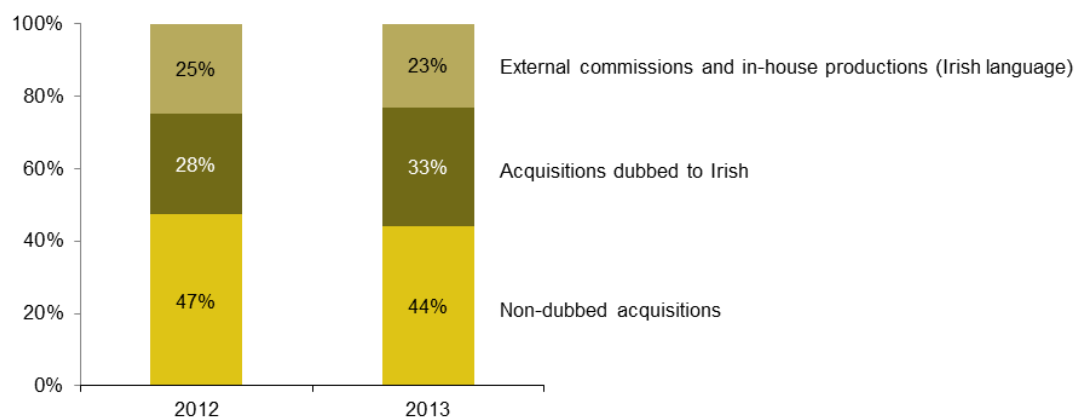
This increased output has supported TG4's push towards its 5-year strategy target of a 40-week core television programming schedule (Commitment 11): TG4 now runs a core schedule for 32 weeks of the year, though currently falling short of the 35-weeks target referenced in Commitment 11.

**Figure 22: TG4 output of new Irish-language hours, 2010-2013**

Source: TG4, Oliver & Ohlbaum analysis

TG4 also fulfilled the BAI's content accessibility targets, delivering 40% subtitling (**Commitment 10**), the minimum considered acceptable from the BAI's 40%-46% range for 2013. TG4 will need to increase its subtitled output over the next three years to keep pace with BAI targets. TG4 also progressed its HD capability project (**Commitment 23**).

Despite the increase in output of new Irish content, TG4's transmission schedule in 2013 was comprised of only 23% external and internal originations, slightly down from 25% in 2012. The proportion of non-Irish broadcast content was also reduced in 2013, with the difference made up by an increase in the proportion of acquisitions dubbed into Irish:

**Figure 23: Split of broadcast schedule by source, 2012-2013**

Source: TG4, Oliver & Ohlbaum analysis

Note: Excludes RTÉ-provided hours

### 4.3.2 TG4's performance against its genre-specific output & content commitments

**Figure 24: TG4's genre-specific output commitments, 2013**

No.	Performance Target	Action Taken / Result – Reported by TG4	Met Target?
2	Deliver a minimum of <b>371</b> hours of new children and young people's Irish language content	<ul style="list-style-type: none"> <li>• <b>371</b> hours of new Irish language children and young people's programming were delivered on the broadcast service.</li> <li>• A significant number of additional hours were also delivered online and on mobile Apps.</li> </ul>	Yes
3	Provide independent and in-depth coverage and analysis of, and an alternative viewpoint on, news and current affairs throughout the island of Ireland and inform audience understanding of the world	<ul style="list-style-type: none"> <li>• Nuacht TG4 remained an important part of the schedule.</li> <li>• TG4 provided a comprehensive Irish language news service with an emphasis on regional and Gaeltacht-based reports in addition to reporting from around the world.</li> <li>• New investigative series <i>Iniúchadh</i> was launched and in addition, 36 episodes of <i>7 Lá</i> and 30 hours of <i>Fíorscéal</i> were broadcast.</li> </ul>	Yes
4	Reflect the important role that sport, particularly Irish sport, holds in Irish life and culture. Broadcast major and live sporting events and overall, ensure Irish language sports coverage is a key part of the 2013 schedule	<ul style="list-style-type: none"> <li>• Sports featured strongly in the TG4 schedule, with live Gaelic games and Rugby being key features.</li> <li>• Also broadcast Ladies Gaelic football, the Tour de France, racing from Listowel and tennis from Wimbledon.</li> <li>• Broadcast <b>528 hours</b> of new Irish language sport in 2013.</li> </ul>	Yes
5	Continue to engage and entertain audiences with strong Irish language drama, documentary and entertainment/lifestyle content	<ul style="list-style-type: none"> <li>• <b>65 hours</b> of new Irish language drama including the Irish language soap <i>Ros na Rún</i>.</li> <li>• <b>155 hours</b> of new Irish language documentaries.</li> <li>• <b>190 hours</b> of new Irish language entertainment / lifestyle programmes.</li> <li>• Programme highlights included <i>Ros na Rún</i>, <i>Rónán ar an Camino</i>, <i>Bliain in Árainn Mhór</i>, <i>Wwoofáil</i>, <i>Draíocht</i> and <i>Róisín</i>.</li> </ul>	Yes
6	Feature content which supports the personal development of audiences, stimulating interest in and knowledge of the arts, music, religion, history, science and technology	<ul style="list-style-type: none"> <li>• <b>28 hours</b> of new Irish language Arts programming.</li> <li>• <b>8 hours</b> of new Irish language Science &amp; Technology programming.</li> <li>• <b>10 hours</b> of new Irish language religious programming.</li> </ul>	Yes

Source: TG4

TG4 met its commitment to provide content for young people (**Commitment 2**). TG4 provided 31% more hours of children's content in 2013 over 2012 (see Figure 25), now providing 371 hours of new Irish language content, and also providing an increased range of content and services via digital platforms. Note that "children's / young people's" content is that predominantly aimed at audiences under age 15.

Entertainment was also a major driver of the increase in total number of new Irish hours, with a 67% year-on-year increase in new hours of Irish-language entertainment to 190 hours.

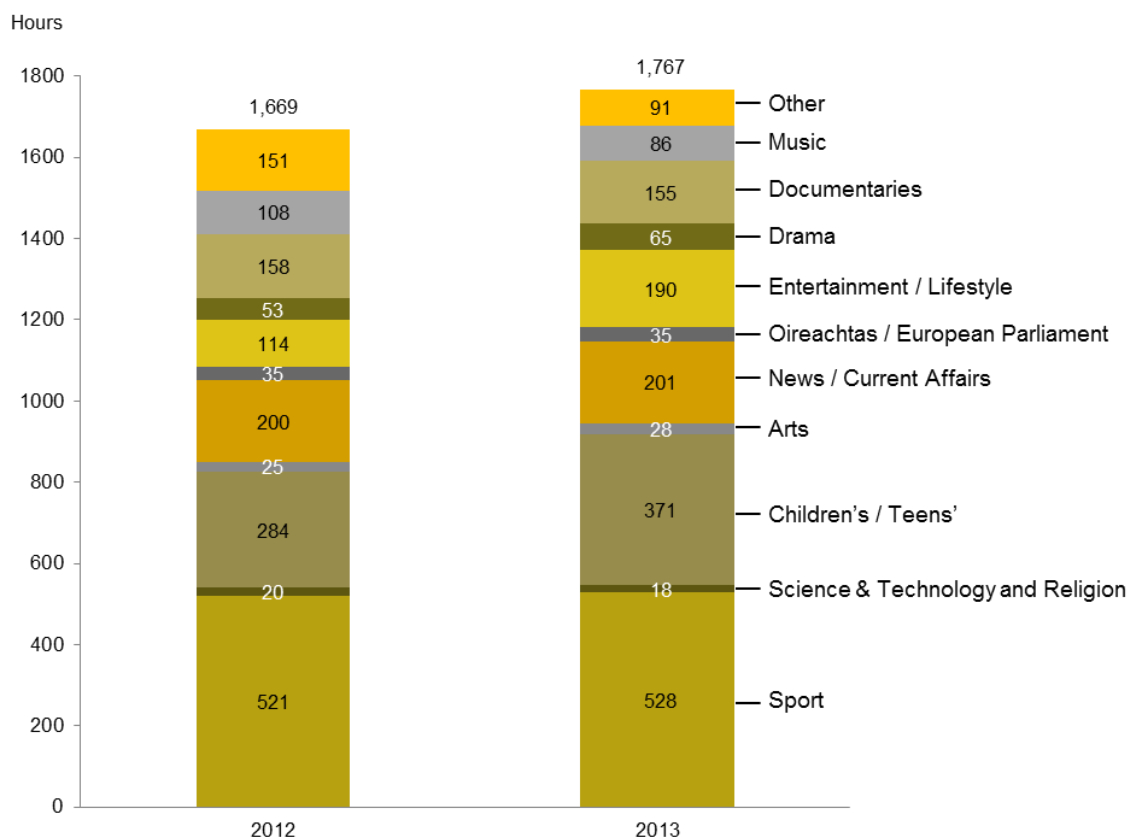
TG4 News and Current affairs output was maintained at 2012 levels, at 201 hours (2012: 200 hours), and meeting the commitment TG4 set (**Commitment 3**).

TG4 continues to rely on sport as a major backbone of the schedule, delivering 528 new hours in 2013 and meeting its sport content targets (**Commitment 4**).

TG4 also met its targets for output of Irish language drama (65 hours), documentaries (155 hours), and entertainment / lifestyle programming (190 hours), meeting the objectives of **Commitment 5**.

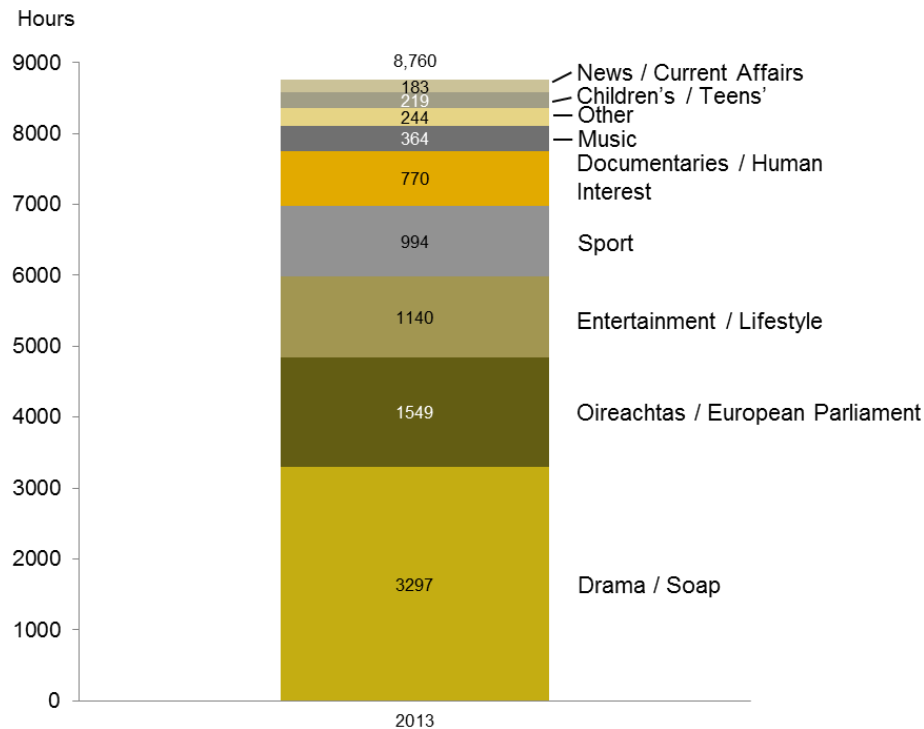
TG4 provided 28 hours of new Irish Arts content, 8 hours of Science and Technology, and 10 hours of Religious programming (**Commitment 6**), all broadly in line with 2012 levels.

**Figure 25: TG4 total new Irish language content by genre, 2012-2013**



Source: TG4, Oliver & Ohlbaum analysis

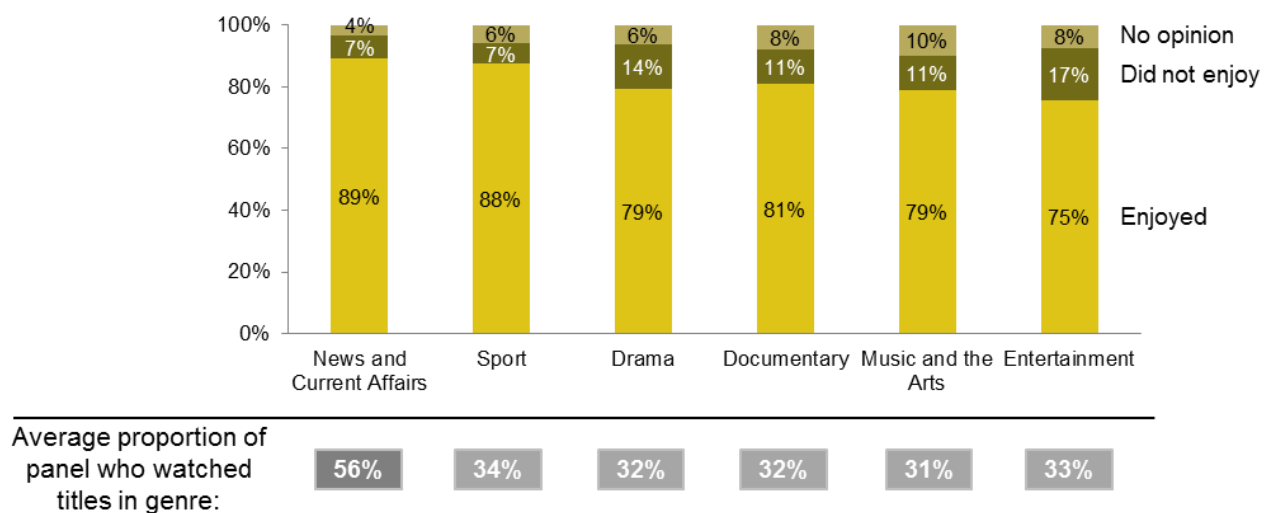
In terms of the broadcast schedule, TG4 relied heavily on Drama (including Irish-language Soap), a genre in which TG4 includes its film showings. Parliamentary coverage, Entertainment & Lifestyle Programmes, Sport and Documentaries together made up the majority of the rest of the broadcast schedule.

**Figure 26: TG4 broadcast schedule by genre, 2013**

Source: TG4, Oliver & Ohlbaum analysis

Figure 27 below summarises the results of TG4's latest Fios Físe Survey, indicating that, from the panel of 224 audience members surveyed, the News and Current Affairs titles comfortably ranked highest as the most widely-watched genre, led by Nuacht TG4, which was watched by some 86% of the panel.

TG4's content appears to be well-enjoyed, with all genres producing an average score of >75% enjoyment rate across key titles within that genre. Again, the News and Current Affairs content led the field, with only 4% of panellists reporting not enjoying these programmes.

**Figure 27: Audience panel viewing habits and enjoyment of TG4 programmes by genre, 2014**

Source: TG4 Fios Físe / NUI Galway, Oliver & Ohlbaum analysis

Notes: Viewers' Diary March 10 - March 16, 2014. Viewers were asked whether they watched the programme and whether they enjoyed it, for a short (<10) list of titles in each genre



## 4.4 Value for money commitments and analysis

TG4 saw a marginal fall in real-terms revenues 2012-2013, from €36.1m to €35.8m, driven by a slight reduction in commercial revenue. TG4's 3% contraction in commercial revenues compares favourably to the state of the Irish television advertising market as a whole, which fell 6% 2012-2013.

Thanks to savings in distribution costs, TG4 increased the proportion of funds spent on Irish language content (up to ~75% of public funding), not only delivering a greater number of new Irish language hours (1767 in 2013 vs. 1669 in 2012), but also investing slightly more per hour of new Irish originations (up 13% to €9,950/hr).

TG4's cost per viewer hour, however, has been rising steadily since 2011, partly due to the increased content cost per hour, and partly due to falling audience figures. This indicates that TG4 is becoming less efficient at reaching its audiences, although this must be seen in the overall context of falling audiences for major broadcasters in Ireland, and in the recognition that increased investment in content – especially Irish language originations – is in line with TG4's public service objectives.

### 4.4.1 TG4's performance against its value for money commitments

**Figure 28: TG4's value for money commitments, 2013**

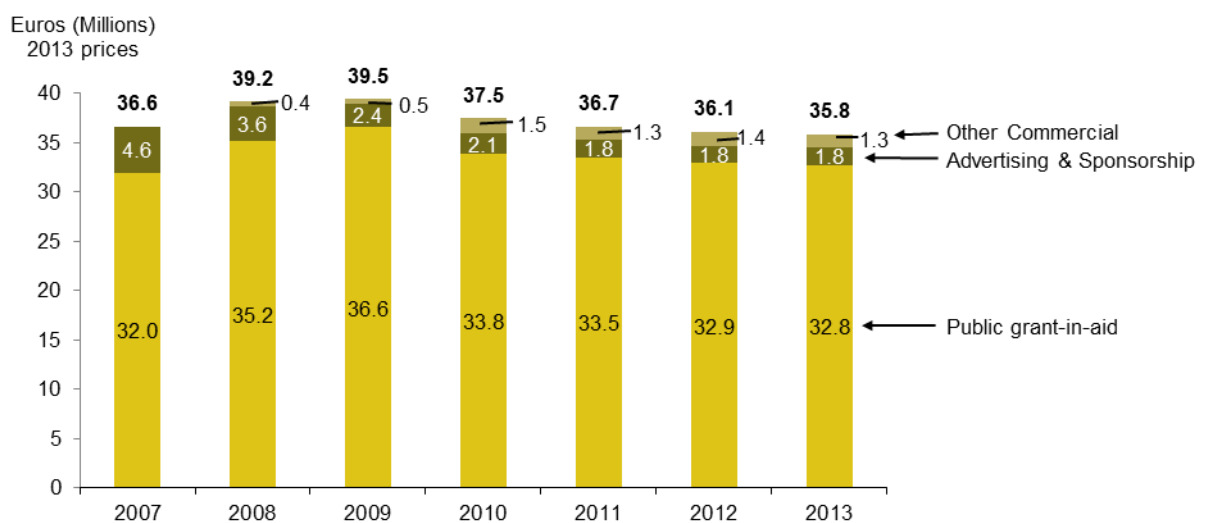
No.	Performance Target	Action Taken / Result – Reported by TG4	Met Target?
22	Secure approximately <b>€3.112m</b> in commercial revenues in 2013	<ul style="list-style-type: none"> <li>Target achieved.</li> </ul>	Yes
24	Continue to invest in broadcasting and administrative systems and to leverage digital technologies to drive efficiencies	<ul style="list-style-type: none"> <li>To drive creativity and innovation in content, in addition to protecting its competitive position, TG4 invested in a range of broadcasting and content technologies and systems in 2013.</li> <li>TG4 needs to maintain a strong position on all delivery platforms and develop its broadcast systems to support this efficiently.</li> </ul>	Yes
27	Spend at least <b>70%</b> of public funding on Irish language content and no more than <b>15%</b> each on its broadcast and on overheads. Limit use of public funding to the achievement of public service objects and duties	<ul style="list-style-type: none"> <li>Exceeded targets:</li> <li><b>75%</b> of TG4's public funding was spent on Irish language content</li> <li>No more than <b>12%</b> each on its broadcast costs and overheads</li> </ul>	Yes
28	Maintain competitive programming per hour costs	<ul style="list-style-type: none"> <li>No TG4 programming genre exceeded the €100k per hour which would be typical of many broadcasters, particularly for higher-cost genre such as drama.</li> <li><b>€7.8k per hour</b> average cost-per-hour for children / teen programmes.</li> <li><b>€6k per hour</b> average cost-per-hour of religious programmes.</li> <li>At <b>€86.4k per hour</b>, drama had the highest average CPH</li> <li>In comparisons of TG4's CPH for commissioned programmes, TG4's costs across key genres come in below those of S4C, BBC &amp; RTÉ, providing evidence of TG4's</li> </ul>	Yes

		focus on cost efficiency and value-for-money.	
<b>29</b>	Continue to operate as cost effectively as possible and to deliver value-for-money	<ul style="list-style-type: none"> <li>• TG4 continued to focus on maximising value-for-money and on securing the best value across all areas of its business.</li> <li>• <b>75% of public funding</b> went directly into the production of Irish language programming and content.</li> <li>• Confined the use of public funding to the achievement of public service objects and duties.</li> <li>• TG4 has continued to operate as cost effectively as possible and to deliver value-for-money in all that it does:</li> <li>• Operating costs remained at <b>2012 levels</b> in 2013.</li> <li>• An increased proportion of public funding was spent on Irish language content - almost <b>75%</b> in 2013 (<b>71.4%</b> in 2012).</li> <li>• Cost-per-hour of new Irish language content decreased, and cost-per-broadcast hour remained at <b>€4.1k per hour</b> (based on all operating costs), and <b>€2.85k per hour</b> (based on programming costs only).</li> </ul>	Yes

Source: TG4

Against a background of falling TV advertising revenues, TG4 succeeded in meeting its 2013 commercial revenue targets (**Commitment 22**), with only a marginal reduction vs. 2012. Nevertheless, TG4 is left with a level of commercial income considerably reduced compared to pre-recession years: 2013 commercial revenues from advertising and sponsorship stood at 40% of 2009 levels (see Figure 29 below). Adjustments to grant aid have helped maintain 2010-2013 revenues at a broadly constant level, in real terms, although total revenue (currently €35.8m) is slightly lower than the pre-recession peak (€38.0m).

TG4's traditional sources of commercial revenue – TV advertising and sponsorship – have declined 61% since 2007, in line with wider trends in the Irish advertising market (see Figure 8). This has been partially off-set by growth in other commercial revenue streams, such as online / digital, which now comprise 42% of total commercial revenues.

**Figure 29: TG4 real income, 2007-2013**

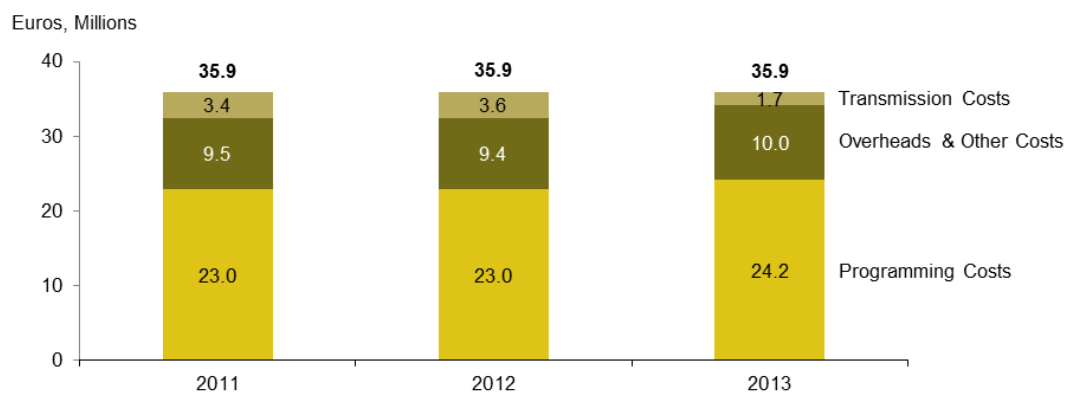
Source: TG4, OECD, Oliver &amp; Ohlbaum analysis

TG4's outturn Cost per Thousand (CPT), the actual cost to advertisers to reach a thousand viewers with an advert, stood at €2.93 in 2013, representing a 58% discount on RTÉ's actual CPT, reflecting the much lower reach of TG4 compared to RTÉ One and Two.

TG4's total operating expenditure has been held steady at around €35.9m for the past four years. A substantial 52% reduction had been made in Transmission Costs since 2012, following the completion of the transition away from analogue broadcasting. This has allowed for increased spending on content. TG4's total programming spend has increased by €1.19m between 2011 and 2013, meaning direct programming costs now comprise 67% of all TG4 operating costs, up from 64% in 2011. However, as outlined in TG4's 5-Year Strategy (Scenario 2), further move toward HD broadcasting could increase transmission costs significantly<sup>13</sup>.

Considering programme spending as a proportion of public funding alone, TG4 reports meeting its targets of >75% spend on Irish language content, and no more than 12% each on broadcast and overheads costs (**Commitment 27**) – exceeding targets by a considerable margin.

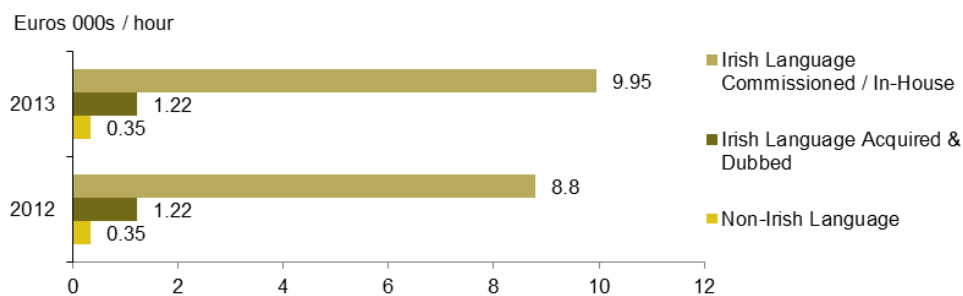
**Figure 30: TG4 operating cost allocations, 2011-2013**



Source: TG4, Oliver & Ohlbaum analysis

TG4 maintains competitive content costs (**Commitment 28 / Commitment 29**), although Cost per Hour (CPH) has increased since 2012 – particularly for first-run Irish language originations (Figure 31). Increased programme spending may be seen as a positive development, indicating higher production values. Unfortunately, we do not have any temporally comparative data on audience perception of quality for TG4, so are unable to test whether increased per-hour spend was reflected in greater perceived quality. See Chapter 7 for further details of our recommendations on this issue.

**Figure 31: TG4 content cost per hour, 2012-2013**



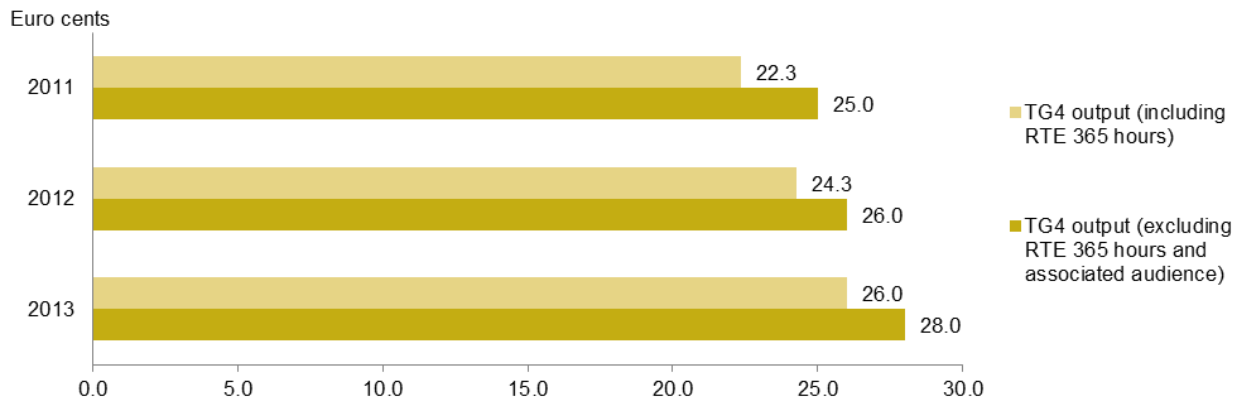
Source: TG4, Oliver & Ohlbaum analysis

<sup>13</sup> DTT distribution costs fall as more services join the platform, so if both Saorview PSB multiplexes were fully utilised, costs would be in the region of €450,000 and €1.0m for SD and HD respectively. Annual satellite transmission costs are in the order of €400,000 for a standard definition channel or €800,000 for a high definition channel. (Oliver and Ohlbaum, in *Prospects for commercial digital terrestrial television in the Republic of Ireland*, 2013).

As shown in Figure 32 below, TG4's cost per viewer hour has been rising – this is due to a combination of falling audiences (see Figure 14) and rising per-hour production costs (see Figure 31). By this measure, TG4 is becoming less efficient at reaching its audiences.

It is worth noting that falling audience figures are a problem shared by many Western PSBs, and also that increased spending on Irish-language originations is a positive development.

**Figure 32: TG4 cost per viewer hour, 2011-2013**



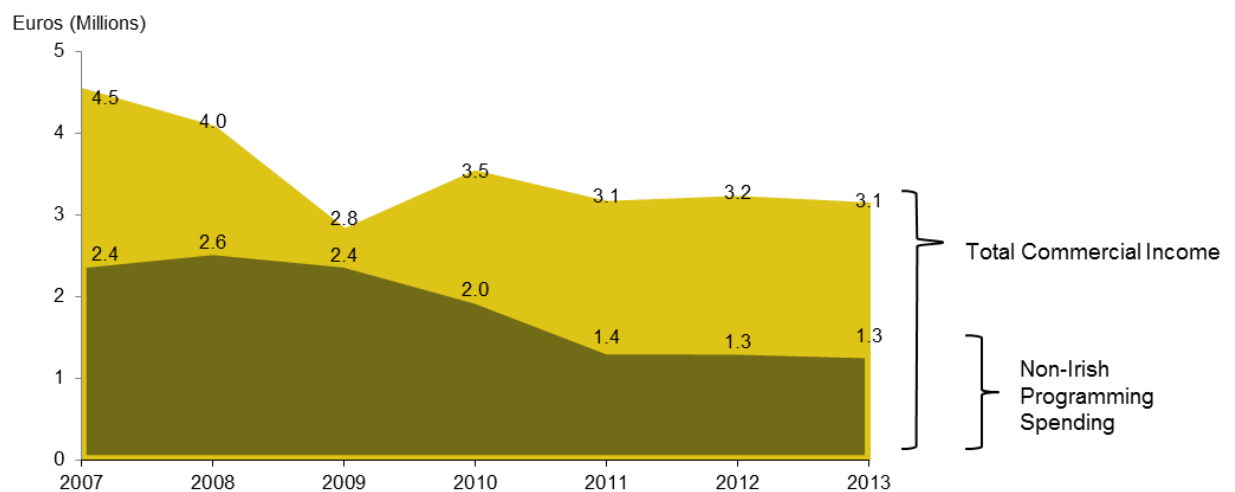
Source: TG4, Oliver & Ohlbaum analysis

Note: TG4 receives 365 new Irish hours a year from RTÉ, at no cost to TG4

In line with TG4's statutory obligations, non-Irish language content spending is fully funded by commercial revenue (**Commitment 29**) – as shown in Figure 33 below – with an excess of €1.8m in 2013. Irish-language output includes all acquired and dubbed content.

However, we question whether TG4's reporting gives full clarity here: the commercial income quoted is from advertising shown against Irish language content as well as the non-Irish content. In order for the non-Irish content to truly “pay for itself”, the commercial revenue earned from the non-Irish content alone should be sufficient to cover the cost of that content. This may well be the case, given the by-genre audience analysis shown earlier (Figure 16 / Figure 17).

**Figure 33: Funding TG4 non-Irish output, 2007-2013**



Source: TG4, Oliver & Ohlbaum analysis

TG4 has continued to invest in broadcasting and administrative systems (**Commitment 24**), such as HD, file delivery, and web player and Smart TV applications.

## 4.5 Creativity commitments and analysis

Of the 1767 new Irish hours TG4 broadcast in 2013, 64% were first-run originations. As in previous years, TG4 provides considerable support to the Irish production sector, spending the majority of its programming costs (€21.5m) on Irish commissions. TG4's programming and content was well-received critically, earning 49 awards and nominations during the year. Creativity is further supported by TG4 through initiatives to nurture new writers and directors, and to support cross-border collaboration.

### 4.5.1 TG4's performance against its creativity commitments

Figure 34: TG4's creativity commitments, 2013

No.	Performance Target	Action Taken / Result – Reported by TG4	Met Target?
7	Inspire and support creativity and innovation in our content and broadcasting services	<ul style="list-style-type: none"> <li>TG4 delivered a range of initiatives in 2013 to support creativity and innovation in content. E.g. Scéal 2 initiative to train 8 new writers in the skill of drama adaptation and 6 new directors.</li> <li><b>60 new programme titles</b> were launched in 2013.</li> <li>New service / programme developments included:</li> <li>Launch of the TG4 Player App for iPad</li> <li>New interactive content for kids</li> <li>New SeanNós website</li> <li><b>442</b> creative resources were supported by TG4.</li> <li><b>49</b> programme / content awards and nominations were received.</li> </ul>	Yes
8	Source a significant share of our content from the Irish language production sector to ensure our schedule is unique and reflects Irish cultural identity	<ul style="list-style-type: none"> <li>In partnership with the sector, TG4 delivered original, strong, attractive and entertaining programming for Irish audiences both at home and abroad, through commissioning:</li> <li>Almost <b>700 hours</b> of new Irish language programming</li> <li>Over <b>250 hours</b> of re-voiced material</li> <li><b>400 hours</b> of new subtitling</li> <li>TG4 spent <b>€21.5m</b> with the sector on Irish language programming and services. (<b>5.2% increase</b> on 2012).</li> </ul>	Yes
9	Maximise value-for-money and innovation in content creation by working in partnership with other organisations	<ul style="list-style-type: none"> <li>TG4 worked closely with other broadcasters, production companies and funding bodies etc. on co-production, programming exchange and other content development initiatives.</li> <li><b>20 hours</b> documentary programming was exchanged in through WITBN.</li> <li><b>8 hours of news</b> were exchanged.</li> <li><b>60 song videos</b> were received in exchange for providing 6 videos (all at no cost to TG4).</li> <li>Participated in a range of other initiatives with other media funding / training / resource sharing bodies.</li> </ul>	Yes
18	Play a pivotal role in strengthening the Irish language independent production sector	<ul style="list-style-type: none"> <li>TG4 spent <b>€21.5m</b> with the sector on Irish language programming and services – a <b>5.2% increase</b> on 2012, demonstrating TG4's commitment to investing in independent production, in jobs and in the local economy.</li> <li>TG4 productions secured <b>€4.7m</b> from Sound &amp; Vision and the ILBF by working in partnership with the production sector (funding received directly by the production sector).</li> <li>TG4 supported over <b>300 jobs</b> in the sector directly.</li> </ul>	Yes

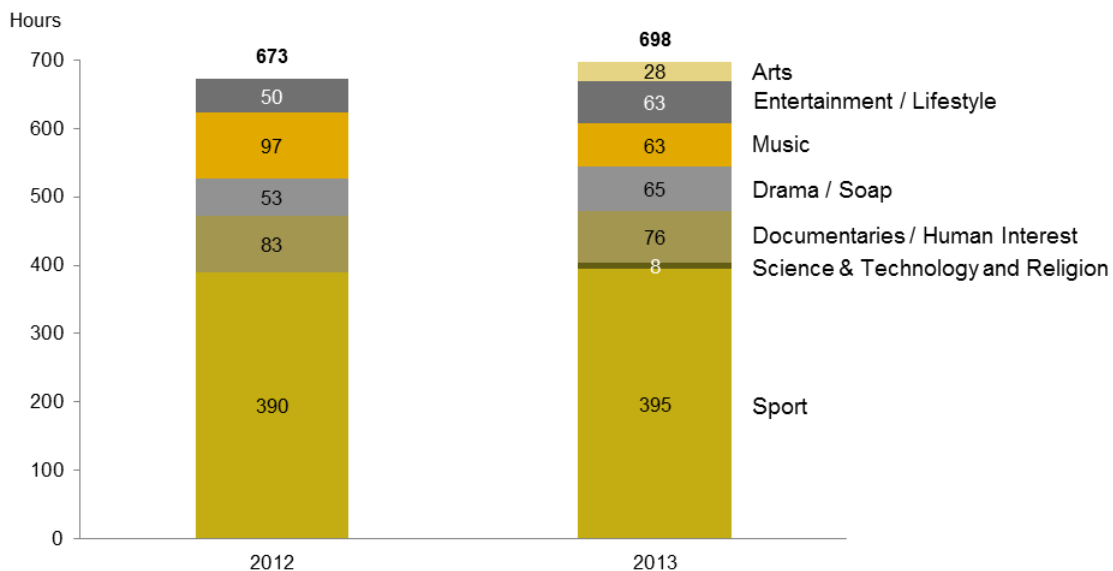
No.	Performance Target	Action Taken / Result – Reported by TG4	Met Target?
30	Provide circa <b>100 jobs</b> and support approximately <b>300</b> full-time jobs in the independent production sector, enhancing Ireland's capability in the knowledge-based creative sectors	<ul style="list-style-type: none"> <li>TG4 provided <b>109 jobs</b> directly and indirectly in 2013 (in TG4 and Nuacht).</li> <li>In addition, its commissions provided over <b>300 jobs</b> in the independent production sector.</li> </ul>	Yes

Source: TG4

TG4 broadcast 1767 hours of new Irish language content in 2013: of this, 1135 hours (64.2%) were first-run originations (external commissions, internal productions and RTÉ-provided content). This included 60 brand new titles. Although TG4 does produce some content in-house, it is predominantly a publisher-broadcaster, sourcing 698 new hours of Irish language programming, along with a further 650 hours of subtitled and re-voiced material through external commissions (**Commitment 8**). Together, this represented 76% of TG4's total output of new Irish hours.

TG4 spent €21.5m with the Irish independent production sector on Irish language programming and services (including dubbing and subtitling): this represented 88.9% of TG4's total programming spend, providing a valuable source of investment into the Irish independent production sector (**Commitment 18**) and generating a number of jobs (**Commitment 30**). TG4's spend on Irish independent content rose by 5.2% from last year, with increased Arts, Entertainment / Lifestyle, Drama and Science and Religion commissions driving much of the change:

**Figure 35: TG4 external commissions by genre, 2012-2013**



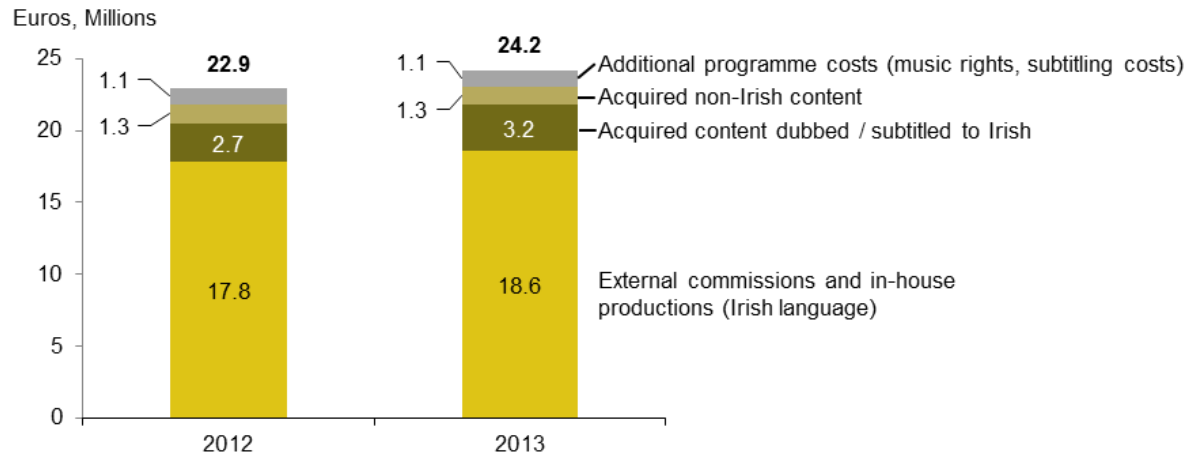
Source: TG4, Oliver & Ohlbaum analysis

TG4 also reported on its activities to support creativity through the Scéal 2 initiative to train new writers and directors (**Commitment 7**), and by partnering with other organisations (**Commitment 9**).

The majority of TG4's schedule by broadcast hours is made up of acquired content (see Figure 39). Nevertheless, content spending is heavily skewed towards indigenous originations, with 77% of programming spending going on external commissions or in-house productions (see Figure 36 below). TG4 increased spending on such Irish originations from 2012, following an overall increase in

programming budget enabled by cuts to transmission costs in particular (as discussed in the Value for Money analysis below).

**Figure 36: TG4 programme spending, 2012-2013**



Source: TG4, Oliver & Ohlbaum analysis

Note: Excludes RTÉ-provided hours

## 4.6 Irish language & culture commitments and analysis

In 2013, nearly 60% of TG4's broadcast schedule was in Irish, continuing a number of years of steady increase (under 50% of the schedule was in Irish in 2010). TG4 allocated the vast majority of its programme spending to Irish language content (94%), in line with its PSB objects.

TG4's online services continue to be valued internationally, with 44% of the TG4 website's page views and 41% of player streams coming from outside Ireland. TG4 has also launched new services to better engage children and young people with the Irish language, although, as noted earlier, its reach among younger audiences (under 35) still compares poorly to older adults – a reflection of the demographics of the Irish-speaking population, perhaps, but still a concern against TG4's objective to provide a universal service.

### 4.6.1 TG4's performance against its Irish language and culture commitments

**Figure 37: TG4's Irish language and culture commitments, 2013**

No.	Performance Target	Action Taken / Result – Reported by TG4	Met Target?
12	Deliver a high quality service, primarily in the Irish language that promotes and celebrates the Irish language and identity and provides an attractive daily link to the Irish language	<ul style="list-style-type: none"> <li>• Provided programming and content which reflects the lives and culture of the people of the island of Ireland, the Gaeltachtaí, households whose daily language is Irish.</li> <li>• Provided a service on a worldwide basis which celebrates the Irish language and identity.</li> <li>• <b>1,768 hours</b> new Irish language content.</li> <li>• Almost <b>60%</b> of TG4's broadcasting was in the Irish language.</li> </ul>	Yes

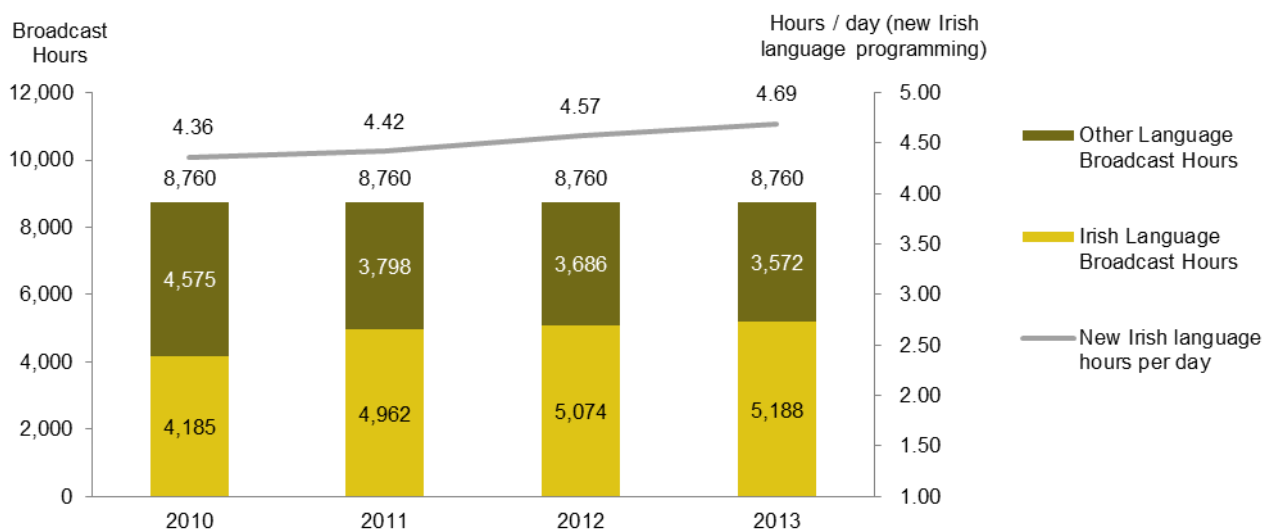


No.	Performance Target	Action Taken / Result – Reported by TG4	Met Target?
13	Engage younger audiences with the Irish language and with TG4 by delivering a range of new interactive and entertaining services and content which can be used as an Irish educational resource	<ul style="list-style-type: none"> <li>Continued to engage younger audiences with the Irish language and TG4 through the development of new or enhanced services.</li> <li>In addition to a strong children and young people's broadcast schedule, delivered a range of online and mobile content and services for younger audiences.</li> <li>Extended range of kids programming content available online on the Cúla4 player and additional interactive games for preschool audiences were developed.</li> <li>Launched 3 new DVDs with Irish language options and 4 new Irish language Apps for children.</li> </ul>	Yes
14	Ensure programming reflects the culture of the people of the island of Ireland and in particular, those of the Gaeltachtaí and households whose daily language is Irish	<ul style="list-style-type: none"> <li>Continued to provide programming and content which reflects the lives and culture of the people of the island of Ireland, of the Gaeltachtaí and of households whose daily language is Irish.</li> </ul>	Yes
16	Provide a worldwide Irish language service and continue to move towards establishing TG4 as a global hub for all Irish language and Irish-related audiovisual content	<ul style="list-style-type: none"> <li>International use of the website is <b>44%</b> of total usage.</li> <li>International use of the TG4 Player service is <b>41%</b>.</li> <li>A portal was developed to connect the TG4 online service with the CúlaTV children's Player service.</li> <li>Launched the TG4 Player App for iOS which provides access for audiences on mobile devices.</li> <li>Launched 4 new Irish language Apps for children.</li> </ul>	Yes

Source: TG4

TG4 has been successful in steadily increasing the proportion of the schedule which is broadcast in Irish (**Commitment 12**), from 48% in 2010 to 59% in 2013. The additional 1,003 hours of Irish language programming included in the schedule in 2013 (compared to 2010) was made up partly of repeated content from 2013 or previous years, but also of an incremental 175 hours of original Irish language content produced in 2013 vs. 2010, equating to an average of 20 additional minutes of new Irish programming each day.

Figure 38: TG4 broadcast hours by language, 2010-2013

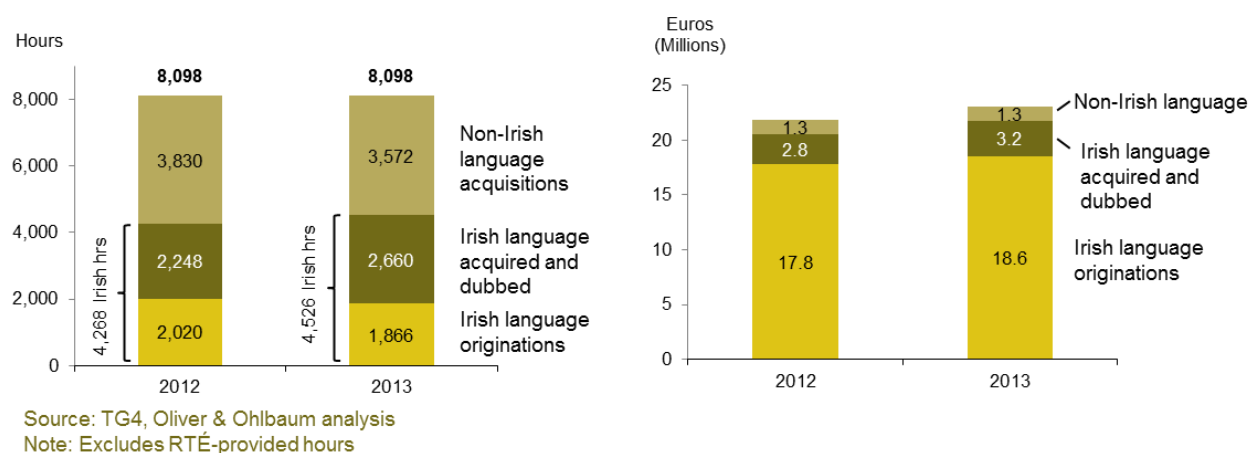


Source: TG4, Oliver &amp; Ohlbaum analysis

TG4 takes the view that a portion of non-Irish content in the schedule is an important hook for audiences, helping to maintain the overall reach of the channel, ultimately drawing viewers to the Irish language content which TG4 exists to produce and thus serving to assist TG4 in fulfilling its public service objectives. Without seeing data on TG4 audiences for programmes in English vs Irish, it is hard to confirm or deny this viewpoint, but from our earlier analysis of programming genres (see Figure 17), we would tend to agree that TG4's Irish-language originations (Documentaries, Soaps etc.) are less successful than Sport or Film (of any language) in drawing audiences. TG4 needs to balance its differing PSB objectives to provide an Irish-language television broadcast service and to work towards universality in reach. Further data on share of audience by programming language would support tracking of these aims (see Figure 89).

Despite the balance of languages in the schedule, TG4's per-hour content spending is heavily skewed towards Irish language in-house and external commissions (see Figure 39), a clear demonstration of TG4's commitment to the Irish-language content. TG4 actually increased the spending on Irish-language content 2012 to 2013, reducing the spend on non-Irish content, which resulted in a greater number of Irish language hours being produced, and also allowed for a higher cost-per-hour on Irish content (see Figure 31). The proportion of TG4's spending on Irish language content now stands at 94.5%, up from 93.9% in 2012.

**Figure 39: Left: TG4 broadcast hours, 2012-2013 / Right: TG4 total content spending, 2012-2013**



TG4 reports meeting its commitment to reflect the culture of the Irish people, particularly the Gaeltachtaí and first-language Irish speakers (**Commitment 14**). Nearly half of all usage of the website and TG4 Player came from outside the Republic of Ireland, indicating that TG4 is delivering a valuable worldwide Irish language service (**Commitment 16**).

Finally, TG4 is committed to engaging younger audiences with Irish language content (**Commitment 13**), launching a range of new online and mobile content and services in addition to providing 371 hours of new Irish language Children's television. In 2013, TG4's website saw 304,793 page views from children and young people.

However, TG4 is less successful in reaching younger audiences than older ones: in 2013, just 3% of total Player streams came from children and young people, while consolidated all-day reach among Under-35s was less than half of the reach among the 35-54 age group and a quarter of the Over 55 reach, as discussed previously (Figure 20). This discrepancy is likely to be due to a combination of genre mix on TG4, and partly due to demographic trends in the Irish language speakers.

## 4.7 Fulfilment of the Broadcasting Act 2009

### 4.7.1 Performance against PSB Objects

Chapter 2 of the Broadcasting Act 2009 lays out the provisions specific to TG4. TG4 has generally performed well against the objects therein:

**Figure 40: TG4's performance against Broadcasting Act 2009 objects**

No.	Broadcasting Act 2009 TG4 Objects and Related Aims	TG4 Performance	Object achieved?
<i>The objects of TG4 are:</i>			
<b>a</b>	To establish, maintain and operate a national television broadcasting service, which shall have the character of a public service, be a free-to-air service and be made available, in so far as it is reasonably practicable, to the whole community on the island of Ireland	TG4 TV channels available on free-to-air platforms, including Saorview and Saorsat which together provide near-universal reception	✓
<b>b</b>	To establish and maintain a website and teletext services in connection with the services of TG4	TG4 does maintain a website, but the Téacs TG4 teletext service has ceased to operate as TG4 believe there is no public demand	✓
<b>c</b>	To establish and maintain choirs and other cultural performing groups in connection with the services of TG4	TG4 does not maintain choirs and cultural performing groups	✗
<b>d</b>	To assist and co-operate with the relevant public bodies in preparation for, and execution of, the dissemination of relevant information to the public in the event of a major emergency	Requirements met for 2013	✓
<b>e</b>	To establish and maintain archives and libraries containing materials relevant to the objects of TG4 under this subsection	Archive project delayed due to inadequate funding	✗
<b>f</b>	To establish, maintain and operate, in so far as it is reasonably practicable, a television broadcasting service, which shall have the character of a public service, to be made available to Irish communities outside of the island of Ireland	Requirements met for 2013	✓
<b>g</b>	Subject to the consent of the Minister, the Minister having consulted with the Authority, to establish, maintain and operate in so far as it is reasonably practicable, community, local, or regional broadcasting services, which shall have the character of a public service, and be available free-to-air	TG4 cites a number of titles with a strong local / regional theme: <i>Scór Encore</i> , based on GAA Parish Clubs; <i>Ros na Rún</i> , based in rural West of Ireland; <i>Na Bunions</i> , a new comedy series based in the North West Donegal Gaeltacht; <i>Spillane</i> , a musical series travelling through regional towns in Ireland; the <i>GAA Club Championship</i> , live coverage of the Club competitions in every county in Ireland.	✓

No.	Broadcasting Act 2009 TG4 Objects and Related Aims	TG4 Performance	Object achieved?
<b>h</b>	Subject to the consent of the Minister, the Minister having consulted with the Authority, to establish and maintain non-broadcast non-linear audio-visual media services, in so far as it is reasonably practicable, which shall have the character of a public broadcasting service	TG4 Player service available on a range of platforms	✓
<b>i</b>	So far as it is reasonably practicable, to exploit such commercial opportunities as may arise in pursuit of the objects	€3.1m in commercial revenue earned in 2013	✓
<i>In pursuing these objects, TG4 shall:</i>			
<b>a</b>	Be responsive to the interests and concerns of the whole community, be mindful of the need for understanding and peace within the whole island of Ireland, ensure that the programmes reflect the varied elements which make up the culture of the people of the whole island of Ireland, and have special regard for the elements which distinguish that culture and in particular for the Gaeltachtaí	Requirements met for 2013	✓
<b>b</b>	Uphold the democratic values enshrined in the Constitution, especially those relating to rightful liberty of expression	Requirements met for 2013	✓
<b>c</b>	Have regard to the need for the formation of public awareness and understanding of the values and traditions of countries other than the State, including in particular those of other Member States	Requirements met for 2013	✓
<i>TG4 shall ensure that the programme schedules of the broadcasting services:</i>			
<b>a</b>	Provide a comprehensive range of programmes, primarily in the Irish language, that reflect the cultural diversity of the whole island of Ireland and include programmes that entertain, inform and educate, provide coverage of sporting, religious and cultural activities and cater for the expectations of those of all age groups in the community whose preferred spoken language is Irish or who otherwise have an interest in Irish	Requirements met for 2013	✓
<b>b</b>	Provide programmes, primarily in the Irish language, of news and current affairs	Requirements met for 2013	✓
<b>c</b>	Provide coverage of proceedings in the Houses of the Oireachtas and the European Parliament	Requirements met for 2013	✓
<b>d</b>	Facilitate or assist contemporary cultural expression and encourage or promote innovation and experimentation in broadcasting	Requirements met for 2013	✓

Source: Broadcasting Act 2009, TG4, Oliver &amp; Ohlbaum analysis

## 4.7.2 TG4's Five Year Strategy

As required under Section 99 of the Broadcasting Act 2009, TG4 produced a statement of its 5-Year strategy for the 2013-2017 period.




Many of the commitment statements made in TG4's Five-Year Strategy have been translated into the 2013 Performance Commitments, and have already been reported on earlier in this Chapter, or in Appendix 1. For the sake of brevity, these are not duplicated below.

Some Five-Year Strategy commitment statements, however, have undergone considerable modification, or have been omitted entirely from the 2013 Commitments Performance Report. These statements are detailed in Figure 41 below, together with a brief analysis of progress to date against those commitments.

We do not find any deviations from TG4's Five Year Strategy that are of concern.

**Figure 41: TG4's progress against its remaining Five Year commitments**

5Y No.	Five Year Strategy Commitment Statement	Comparison to the 2013 Commitments	TG4 Performance against Five Year Strategy	Progress is in line with 5Y Strategy?
<b>NB: This table summarises only those Five Year commitments which have been significantly modified in, or omitted from, the TG4 2013 Commitments Performance Report. All other Five Year Commitments are discussed earlier in this Chapter, or in Appendix 1 (Additional Commitments)</b>				
1	Invest in new, high quality, innovative Irish language programme development across all genres ensuring a distinctive "súil eile" perspective	Overall output hours of new Irish content is unchanged (1712 hours), but target genre mix has been adjusted slightly (never by more than 10%)	Over-delivered vs. 5Y target hours of all genres except Sport (7% less) and Children's (4% less).	✓
2	Deliver a 40 week core schedule and an average of 6 hours per day of first-run Irish language content (by the end of the five year period)	For 2013, 5Y strategy targeted 32 weeks at 5 hours / day, and 20 weeks at 4.1 hours / day.	Although TG4 have made progress towards 5Y target (exceeding the 2013 target), we are sceptical about how much further progress can be made on current funding levels.	✓
7	Continue to focus on developing strong Irish language content in TG4's priority genres of: sport; music; children & young people; drama; and documentaries, underpinned by high quality news and current affairs	Target programme spending by genre has been slightly changed in 2013 Targets vs. 5Y Strategy (slightly less on Documentaries and Sport, marginally more on Children's)	Actual 2013 figures exceeded 5Y Strategy targets in all but Documentaries, which, at €1.53m, was 21% under 5Y target	✓
9	Invest in the development of a successful entertaining and educational multi-platform "Learning Irish" resource	Considered financially un-achievable under funding Scenario 1	TG4 have launched a range of Irish language learning resources, including apps for children and an Irish-content-only portal	✓

5Y No.	Five Year Strategy Commitment Statement	Comparison to the 2013 Commitments	TG4 Performance against Five Year Strategy	Progress is in line with 5Y Strategy?
18	Establish a second channel online to enhance TG4's Irish language children and young people's service and support the Irish language learning resource	5Y goal for 2013 was to begin sourcing finance for this project	Due to financial and budgetary constraints TG4 has not established a second channel for Children. It remains an objective.	
20	Promotion and development of the Irish language worldwide through providing a universal free-to-air Irish language content service	Some 5Y goals for 201 are not discussed in the 2014 Commitments Report, including the aim to provide Irish content through worldwide platforms	TG4 content now available through US Channel MHz Networks, as per 5Y strategy <sup>14</sup> . TG4 content is available online, where all commissioned material (rights permitting) is available worldwide.	
39	Secure an increase in public funding and a multi-annual funding approach over the five-year period of the plan	2013 Commitment 40: "Draft and publish an updated Statement of Strategy and continue to position the case with the Government for an increase in funding and a multi-annual funding approach as reflected in the Broadcasting Act 2009."	The commitment laid out in the Five Year Strategy was not achieved, although we question the rationale for making this commitment in the first place, given the public funding decision lies outside of TG4's control.	 <i>We believe this 5Y Strategy target to have been unrealistic.</i>

Source: TG4 Five-Year Strategy, TG4 2013 Performance Commitments Report, Oliver & Ohlbaum analysis








<sup>14</sup> <http://www.mhznetworks.org/program/todays-ireland-tv>. Accessed 10/06/14

### 4.7.3 Fulfilment of Public Service Statement

As required under Section 101 of the Broadcasting Act 2009, TG4 produced a Public Service Statement in 2011 outlining TG4's interpretation of its remit as a national public service broadcaster. Following review of the TG4 Public Service Statement against the 2014 Commitments, we find few major deviations from the principles laid out in the Public Service Statement.

The changes we have identified are summarised in the table below:

**Figure 42: TG4's 2013 / 2014 Commitments which deviate notably from the 2011 Public Service Statement**

Public Service Statement Target (2011)	2013 / 2014 Commitments & Change vs. 2011 Public Service Statement	
	 No significant change  Less arduous than 2013  More arduous than 2013	
Deliver content mainly in the Irish language and strive to broadcast at least <b>six hours per day</b> of original / new Irish language content.	2013 Actual: <b>5.25 hours / day</b> over a 32 week core schedule / season. <b>4.25 hours / day</b> over remaining 20 weeks. 2014 Target: <b>5 hours / day</b> for 34 weeks, <b>4 hours / day</b> for remaining 18 weeks.	
Feature Irish and international programmes that provide for the informational, entertainment and educational needs of children and young people including broadcasting an average of <b>200</b> original hours of children's television programmes per year which feature drama, entertainment and studio-based programming and interactivity.	2013 Target: <b>371 hours</b> of new children and young people's Irish language content. (Actual: <b>371 hours</b> ). 2014 Target: <b>388 hours</b> children's and young people's content.	
Commission from the Irish independent production sector, a minimum of <b>500 hours</b> of new / original Irish language content every year, subject to appropriate funding being available.	2013: <b>650 hours</b> of content sourced from the Irish language independent production sector (Actual: <b>698 hours</b> ). 2014 Target: <b>648 hours</b> of content sourced from the Irish language independent production sector.	
Maintain an archive to best-in-class industry standards to support Irish culture and heritage.	2013 Actual: Archive project not delivered due to inadequate funding. 2014: TG4 Archive Project will commence in 2014, subject to funding	




TG4 has made achieving 6-hours per day of new Irish language content part of its 5-year strategy, and is making progressive steps towards that goal. TG4 has become more ambitious than was original laid out in the Public Service Statement in terms of both hours of children's television, and also hours of new content commissioned from the Irish independent production sector. The project to deliver the TG4 Archive has been delayed due to financial constraints.





## 4.8 O&O's view on the overall performance of TG4 in 2014



To conclude the assessment of TG4's 2014 performance, we have summarised our view on how well TG4 delivered in each of the five areas, based not only on TG4's own Commitments and KPIs, but also on our own analysis of TG4's 2014 performance based on data returned as part of this annual review process.

**Figure 43: Overall assessment of TG4's performance for 2013**

Performance	Comment	Assessment of Performance Weak  Strong 
<b>Audience</b>		
<b>Overall reach fell</b> (13% consolidated daily reach in 2013 vs. 14% in 2012)	Reach is arguably the best measure of universality – a crucial element in any PSB's objectives. This decrease is notable, though by no means unique among PSBs in the Western world, particularly following a recent digital switchover and increased channel choice.	 <p>Overall reach fell slightly, but remains high among Irish language users, and share performance is good relative to other terrestrial channels.</p> <p>TG4's heavily older-skewing audience profile and its reliance on sport and film to draw audiences is of concern.</p>
TG4 had <b>less success</b> reaching <b>younger audiences</b> (6% reach for Under 35s vs. 25% reach for Over 55s)	All age groups except 55+ are under-represented vs the overall Irish TV audience viewing profile, especially under 15s (5% of TG4 audience vs 12% of all-channel audience) and 15-34s (13% of TG4 audience vs 23% all-channel average). While demographic trends in the speaking of Irish may explain some of this difference, this is nevertheless a concerning discrepancy.	
<b>Reach</b> among <b>Irish language user audiences</b> is reported at <b>90%</b>	By its own metrics, TG4's reach is strong among "Irish language user audiences". The 13% overall all-individuals reach also compares well to the 14% of the Irish population speaking Irish daily <sup>15</sup> , indicating satisfactory delivery of TG4's core objective of providing a broadcast service to the Irish-speaking population.	
<b>Average all-day share</b> increased slightly (1.94% to 1.97%)	Although all-day share was broadly flat between 2012 and 2013, TG4 performed better than other terrestrial broadcasters, all but one of which lost share. TG4 remained the 8 <sup>th</sup> most-watched channel in Ireland.	
In <b>digital</b> , TG4 increased <b>monthly player streams</b> slightly (by nearly 5%), and delivered good growth in <b>website page impressions</b> (up 66%) and <b>unique visitors</b> (up 32%)	TG4's website use increased markedly, but growth in the Player service was slight, and it remains far less-used than RTÉ Player (1.6m streams for the TG4 player for the year vs. an annualised 86.4m for RTÉ Player). This reflects the differences in scale and scope between RTÉ and TG4, and may also be reflecting the older-skewing audience of TG4.	

<sup>15</sup> Irish Census 2011 respondents reporting speaking Irish daily either within, within and outside, or outside of an education system.

<p><b>By genre</b>, TG4's top audience-drawing content, by some margin, is <b>Sport</b> and <b>Film</b> (predominantly International film)</p>	<p>Over half (53%) of the programmes drawing an audience of &gt;100k were Sport and International Film. Moreover, these two genres achieved a much higher average reach (199k and 206k respectively) than Irish originations such as Music (157k), Documentaries (138k) and Entertainment (131k).</p> <p>Despite increasing investment in Irish-made original content, the new Irish originations are significantly less-watched than sport and film, which casts some doubt on the validity of TG4's overall reach and share figures as measures of its success at reaching Irish audiences with Irish content.</p>	
Output & Content		
<p>TG4 delivered a <b>1767 hours of new Irish language hours</b> (a 5.9% increase on 2012, and 11.1% more than 2010)</p>	<p>TG4 has succeeded in steadily increasing its output of new Irish-language hours over the past four years, largely driven by growth in non-sport Irish-language acquisitions and external Irish-language commissions – evidence of active steps to address the audience imbalance discussed above, but with more work to do.</p>	<div></div> <p>TG4 has performed well in increasing output of new Irish hours without requiring additional funding.</p> <p>The genre mix appears to be reasonable, although the specific nature of the programming is clearly more successful in attracting older audiences.</p> <p>Programmes are well enjoyed, based on the best data available.</p>
<p>The broadcast schedule is comprised of <b>23% Irish originations</b> (<i>Excluding RTE-provided content</i>)</p>	<p>Given the constraints on TG4's budget compared to other terrestrial channels, we are unsurprised to see a relatively low proportion of Irish originations in the broadcast schedule, and the remainder of the remaining schedule filled with acquisitions, both dubbed (33%) and non-dubbed (44%).</p> <p>Given the competitive cost-per-hour figures TG4 reports, we feel TG4 performs as well as could be expected on this metric, given the current budget levels.</p>	
<p>TG4's <b>new Irish output</b> is dominated by Sport (528hrs) and Children's / Teens (371 hours). News, Entertainment, and Documentaries comprised a further 546 hours</p>	<p>TG4 produces a good range of genres of new Irish content, including appropriate levels of output in key public service genres like News (201 hours) and Children's (371 hours).</p>	
<p>TG4's content is typically <b>enjoyed</b> by between 89% (News) and 75% (Entertainment) of panellists</p>	<p>TG4's content – particularly News and Sport – is well-appreciated by panellists who watched these programmes. All other genres achieved an average of 75% or more when panellists were asked whether they enjoyed key programmes in these genres.</p> <p>We feel there are limitations to this data – the enjoyment ratios are based on a self-selecting group of audience members who chose to watch those programmes, in the face of considerable (and growing) channel choice.</p>	
Value for money		
<p>TG4 spent <b>75% of public funding</b> on Irish language content, and no more than 12% each on broadcast costs and overheads</p>	<p>We agree with the Crowe Horwath assessment that there is no further meaningful scope to find further efficiencies in the TG4 operating model: public money is being allocated well.</p>	<div></div> <p>We believe TG4 delivers good value for money relative to its funding levels.</p>
<p><b>Cost per viewer hour</b> has risen slightly (at 28c / hour for TG4 output)</p>	<p>28c per hour is expensive as compared to International benchmarks, but this is more a reflection of TG4's small audiences than an indication of over-spending on content.</p>	

Creativity		
Spent <b>€21.5m</b> on programming and services from the <b>Irish independent production sector</b>	TG4 has adopted a predominantly “publisher broadcaster” model, and therefore provides excellent support to the Irish independent production sector, investing 89% of its total content spend with the sector.	 <p>TG4 makes a valuable contribution to the independent production sector in Ireland.</p> <p>We believe there may be scope for further development in new strands, but advocate incremental change.</p>
TG4's <b>expenditure on indigenous Irish content</b> makes up the bulk of its programming spending	Although the schedule is skewed in favour of acquisitions, Irish originations account for by far the majority of TG4's programme spending (77%).  There may be room for marginal improvement here, but we are cautious in making recommendations for significant change from the status quo, given the relatively poor contribution Irish originated content on TG4 makes to its reach.	
TG4 launched <b>60 brand new programme titles</b> in 2013 and won <b>49 programme / content awards and nominations</b>	There may be scope for further risk-taking and a more innovative schedule, although again, we would advocate careful steps towards this goal given the relatively small margins of error in the TG4 budget.  TG4's content is well-recognised by industry awards.	
Irish language and culture		
TG4 allocated <b>95%</b> of programme <b>spending</b> on Irish language content	TG4 has increased the proportion of programme spending on Irish language content from 94% 2012 to 95% in 2013. We believe future reviews would benefit from evidence that the full cost of TG4's non-Irish content is covered by the commercial revenue earned against that content alone, not the total commercial revenue earned by TG4 on all content.	 <p>Providing Irish-language services is TG4's core aim, and it succeeds in focusing spending here.</p> <p>We believe there may be room for small further improvement in the proportion of the schedule broadcast in Irish.</p>
The broadcast schedule was <b>59% Irish-language content</b>	TG4 has successfully delivered an increase in the proportion of the schedule in Irish, from 48% in 2010 to 60% in 2013. There may be room for further improvement, but given the disparity in the per-hour content costs of Irish vs. non-Irish content at TG4, it is possible the TG4 is approaching the limits of what is deliverable.	
TG4's online services are valuable to the Irish diaspora: <b>44% of website page views</b> and <b>41% of player streams</b> are from outside Ireland	TG4's online services are nearly as popular internationally as they are in the Republic of Ireland, demonstrating TG4's performance against its objective of providing a worldwide service.	

## 5 REVIEW OF THE PERFORMANCE OF RTÉ

Chapter 5 assesses the performance of RTÉ in 2013 in relation to the commitments set out in its Annual Statement of Performance Commitments 2013, in particular, those which relate to the core areas of:

- Audience
- Output & Content
- Value for Money
- Creativity
- Irish Language & Culture

This chapter first provides an overview of RTÉ's overall 2013 performance, and then examines performance in each of these five areas in turn. The assessment of performance in each area is based not only on the relevant commitments RTÉ has made, but also on analysis of the data that RTÉ supplied as part of this review process. Performance against the remaining commitments – those which do not closely relate to any of the five focus areas – will be summarised in Appendix 2.

To support a forward-looking view on future annual reviews, we have included comparisons between the commitments in RTÉ's 2013 Annual Statement of Performance Commitments and their 2014 equivalents.

Based on the evidence presented in this Chapter, an opinion is expressed in Chapter 8 on whether a licence fee modification is desirable or necessary, and the nature of the modification, in accordance with the adjustment formula provided in Section 124 of the Broadcasting Act 2009.

### 5.1 Overview of performance against commitments

RTÉ listed 219 performance targets for 2013, although 6 of these were duplicates, making 213 unique targets, grouped under 27 headings. We have focused our analysis on the set of 213 unique targets.

**Figure 44: RTÉ performance commitments by type and number met, 2013**

Assessment Area	Total No. Targets	No. Targets Met	No. Targets Largely Met	No. Targets Not Met
<b>Audience</b>	40	31	7	2
<b>Output &amp; content</b>	18	16	0	2
<b>Value for money</b>	16	10	1	5
<b>Creativity</b>	16	15	0	1
<b>Irish Language &amp; Culture</b>	6	5	0	1
<b>Additional Commitments</b>	117	98	6	14
<b>TOTAL</b>	<b>213</b>	<b>175</b>	<b>14</b>	<b>24</b>

Source: RTÉ, Oliver & Ohlbaum analysis

As with TG4, we have included our own analysis of performance to supplement RTÉ's own commitments performance in each area, summarising our overall view on performance in each of the five areas in the

final section of the Chapter. RTÉ fully met 175 (82%) of its 213 unique Commitments, failing to meet 38 (18%). Of the failed commitments, RTÉ reports 14 as being “largely” achieved, where targets were missed by only a narrow margin.

The reasons behind the 38 wholly or partially failed targets have been summarised below:

**Figure 45: Breakdown of reasons for not fully meeting targets**

Reason for Failing to Meet Target	Number of Targets Failed as a Result (Includes “largely met” targets)
Financial constraints	14
Implementation delay	8
Missed audience reach / share target	7
Missed commercial revenues targets	4
Falling audience appreciation / quality perception	2
Missed threshold range of Public Funding Utilisation	1
Supplier delay (for Aertel Digital)	1
Upheld complaints to BAI	1
<b>TOTAL</b>	<b>38</b>

Source: RTÉ, Oliver & Ohlbaum analysis

Financial constraint was the most common reason for failing to meet a commitment (14 missed targets). RTÉ suffered a contraction in commercial revenues, from €156.3m in 2012 to €145.2m in 2013, while public funding remained broadly flat in real terms. To compensate for the lower revenue numbers, RTÉ has delayed or abandoned some lower-priority technology and content projects. We find no cause for major concern on reviewing the list of deprioritised projects.

Delay in implementing projects – without reference to financial constraint – is the second-most commonly-stated cause for a missed target (8 missed targets). As above, these all related to non-essential projects. RTÉ generally had success in delivering against its audience reach and share targets, but did miss a number of audience-related commitments, including Radio 1 and 2fm reach, RTÉ.ie unique international browsers, RTÉ Player weekly reach and monthly streams, and Six One and Nine o’clock news reach (7 missed targets in total). These audience targets were missed by narrow margins – less than 15% in all cases, often much less – so none of these failures would be considered serious.

Of some concern, however, is the continued downward pressure on commercial revenues, which led to all commercial revenue commitments being missed (4 missed targets). We expect that this trend will reverse as the Irish economy emerges from a period of highly challenging economic conditions (see Chapter 2), but this issue should be monitored carefully in future Funding Reviews.

The remaining reasons underlying failed commitments included: two below-target audience perception measures at RTÉ 2fm; a number of missed Public Funding Utilisation budget targets (though by no more than 1% of total public funding for any given line item); and a [Redacted: data is commercially sensitive]

Finally, RTÉ failed in its commitment to comply fully with the BAI editorial codes. In 2013, three complaints were fully upheld against an episode of RTÉ Radio 1's *Liveline* for unfair treatment of an interviewee in an episode of a call-in discussion show, and one complaint partially upheld against RTÉ One's *Morning Edition* for a lack of balance. The BAI's 2014 Complaints Decisions publications include a further upheld complaint against a separate incident on the *Liveline*, which also took place in 2013. While the BAI ruled that RTÉ was in breach of the Broadcasting Act on each of these occasions, we feel that these are more likely to be isolated incidents than evidence for systemic problems with journalistic standards at RTÉ, although this point will need to be monitored in future PSB reviews.

## 5.2 Audience commitments and analysis

RTÉ's weekly reach across all services was level with 2012 figures at 96% across 15+ adults: a slight fall in reach among older viewers (35+) was balanced by increased reach among younger adults (15-34s).

In television, RTÉ One and Two both lost weekly reach and all-day share, largely due to the increased availability of wider channel choice through Digital (see Figure 3), and together, the two channels appeared to achieve a good degree of universality when considering the demographic profiles of the audiences. Radio services mainly met their audience targets, with notable exceptions for RTÉ 2fm, which had a difficult year, missing a number of share and reach targets. All other radio stations increased share slightly. We are concerned by the JNLR data on reach for RTÉ radio stations, particularly for younger audiences (15-44 years), where RTÉ radio as a whole considerably underperforms compared to the overall demographic profile of radio listeners in Ireland.

Audience perception of quality scores were up slightly on 2012 scores for all RTÉ services except Radio 2fm, though it is normal for quality scores to increase as audiences are faced with the wider choice of multichannel (viewers are less likely to watch programmes they think are of lower quality, switching instead to a different channel).

### 5.2.1 RTÉ's performance against its overall audience commitments

Overall weekly reach for the Irish adults as a whole was flat, with an increase in weekly reach for young adults (15-34s) compensating for slight reductions in weekly reach among 35+ citizens. Taken together, we see these changes as demonstrating increased universality, minimising the disparity in reach between older and younger audiences and indicating a broader appeal for RTÉ's services.

**Figure 46: RTÉ's overall audience commitments, 2013**

No.	Performance Target		RTÉ Reported Result (comparison vs. 2012 in parentheses)	Met Target?
<b>1pp</b>	Maintain average weekly reach for all RTÉ Services among adults 15+	>95%	<b>96%</b> (level with 96%)	Yes
<b>1qq</b>	Maintain average weekly reach for all RTÉ Services among 15-34s	>92%	<b>96%</b> (increase vs. 93%)	Yes
<b>1rr</b>	Maintain average weekly reach for all RTÉ Services among 35-54s	>95%	<b>95%</b> (decrease vs. 97%)	Yes
<b>1ss</b>	Maintain average weekly reach for all RTÉ Services among 35+	>95%	<b>96%</b> (decrease vs. 97%)	Yes

Source: RTÉ Brand Tracker (Amárach Research)



RTÉ met all four targets, but weekly reach was markedly higher in the 15-34s age group (**Target 1qq**) compared to 2012, but slightly reduced for the 35-54s (**Target 1rr**) and 35+ (**Target 1ss**) age categories. This resulted in no net change to RTÉ's weekly reach, which was maintained at 96% of the Irish population (**Target 1pp**). According to these figures, RTÉ has eliminated the discrepancy in reach between young adults (15-34s) compared to older adults (35-54s / 35+). This is a positive step in fulfilling PSB objectives of serving the population as a whole, although must be taken in the context of declining audience share for some of RTÉ's services (see following sections).

## 5.2.2 RTÉ's performance against its television audience commitments

As TV viewing becomes more fragmented, with more consumers having a larger choice of channels than ever before, RTÉ's once-dominant traditional terrestrial channels – RTÉ One and Two – are seeing reduced reach and share, though they still capture a very high proportion of the viewing audience compared to the nearest commercial rival (TV3). RTÉ is also capitalising on trends towards multichannel; the two new digital channels News Now and Junior both grew viewership in 2013, following their launch in 2012.

RTÉ One and Two both met their quality perception targets, delivering a marginal increase on 2012 scores.

**Figure 47: RTÉ's television audience commitments, 2013**

No.	Performance Target		RTÉ Reported Result (comparison vs. 2012 in parentheses)	Met Target?
<b>1a</b>	Stabilise RTÉ One peak TVRs among 35-54s	>8	<b>8.3</b> , 8.6 with RTÉ One +1: (decrease vs. 8.9)	Yes
<b>1b</b>	Stabilise RTÉ One weekly reach among all individuals	>67%	<b>68.1%</b> , 68.8% with RTÉ One +1 (decrease vs. 71%)	Yes
<b>1c</b>	Maintain RTÉ One adult 15+ peak share	>28%	<b>28.7%</b> with RTÉ One +1 (increase vs. 28%)	Yes
<b>1d</b>	Maintain RTÉ One target score for audience perception of Quality	>80	<b>80.9</b> (slight increase vs. 80.5)	Yes
<b>1f</b>	Stabilise RTÉ Two peak TVRs among 15-34s	>2.3	<b>2.3</b> (decrease vs. 3.1)	Yes
<b>1g</b>	Stabilise RTÉ Two weekly reach among all Individuals	>53%	<b>54.1%</b> (decrease vs. 59.5%)	Yes
<b>1h</b>	Stabilise RTÉ Two adult 15+ peak share	>7.5%	<b>7.8%</b> (decrease vs. 9.9%)	Yes
<b>1i</b>	Maintain RTÉ Two target score for audience perception of Quality	>80	<b>81.1</b> (increase vs. 80.9)	Yes
<b>1aa</b>	Grow RTÉ News Now weekly reach among Adults 15+	>15%	<i>[Redacted: data is commercially sensitive]</i>	Yes
<b>1jj</b>	Grow RTÉ Junior weekly reach among 4-14s	>10%	<i>[Redacted: data is commercially sensitive]</i>	Yes
<b>6c</b>	Maintain RTÉ News: Six One and Nine o'clock cumulative reach	33%	<b>31.7%</b> (decrease vs. 33%) News consumption behaviour is	No



		changing and this is reflected in the growth of the multi-media RTÉ News Now service.	
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Source: RTÉ, TAM Ireland Ltd / Nielsen TAM, RTÉ Audience Opinion (GfK NOP Media)

Despite meeting the targets set for 2013, both RTÉ One and RTÉ Two have seen erosion in peak TVRs (**Target 1a / Target 1f**) and weekly reach (**Target 1f / Target 1g**) since 2012, giving a combined share of 35.5%. Nevertheless, this still represents a continuation of historical trends that have seen the two channels lose 15% and 27% of their all-day shares, respectively, over the 2009-2013 period (see Figure 48). RTÉ notes that this must be seen in the context of lower overall levels of television viewing in Ireland, and increasing channel choice: 750+ channels are now available to viewers in Ireland.

Even with the lower TVRs and weekly reach, RTÉ One showed a marginal increase on 2013 in 15+ peak-time share (**Target 1c**). RTÉ Two did not fare so well, shedding 2.1 percentage points from its adult 15+ peak-time share, from 9.9% to 7.8% (**Target 1h**). Both channels did, however, manage to increase their scores for audience perception of Quality slightly (**Target 1d / Target 1i**), although our previous experience tells us that such changes can sometimes be driven by viewers selecting other channels to watch<sup>16</sup>.

In contrast to the terrestrial channels, the relatively new RTÉ Junior channel succeeded in growing its weekly reach almost threefold (**Target 1jj**). In terms of all-day share, *[Redacted: data is commercially sensitive]*

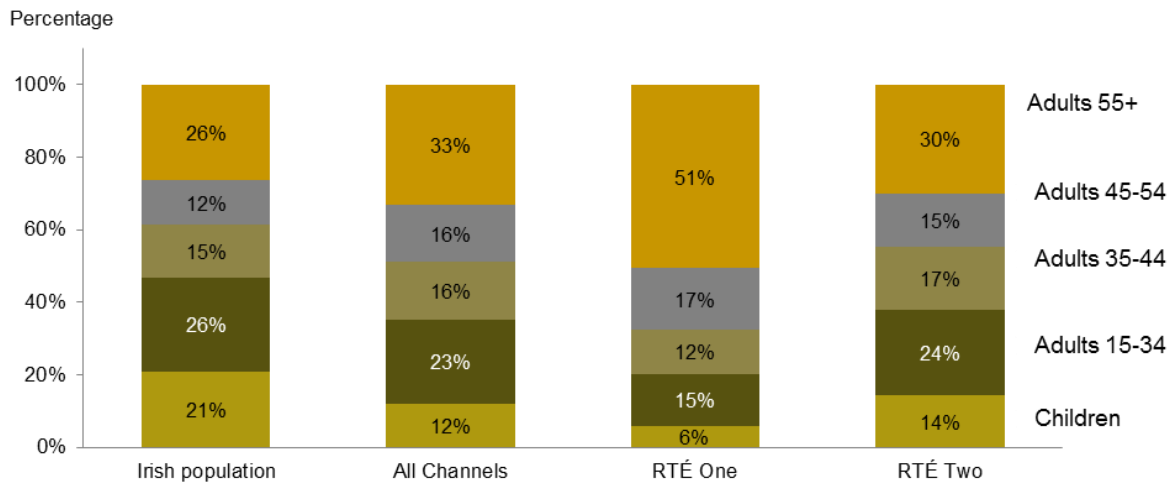
RTÉ's two evening news programmes achieved a cumulative weekly reach 31.7%, failing to meet the 33% target (**Target 6c**). News remains a very important part of the schedule, however, with both news bulletins featuring in the Top 10 most watched programmes of 2013 (of all programmes broadcast on any TV channel available in Ireland). RTÉ points to changing news consumption habits as the key driver for the falling reach, noting that its own multi-media News Now service is seeing growth, the TV channel increasing all-day share *[Redacted: data is commercially sensitive]* (see Figure 48). The channel achieved a weekly reach of *[Redacted: data is commercially sensitive]* (**Target 1aa**), making it the second most widely viewed TV news channel after Sky News (which reached 19.5% of adults each week in 2013).

**Figure 48: RTÉ's Television services all-day share, 2009-2013**

*[Redacted: data is commercially sensitive]*

Although RTÉ One skews heavily towards older audiences, younger audiences are marginally over-represented in the RTÉ Two audience compared to total television audiences as a whole. Taking the two channels together, we see RTÉ as providing an acceptably universal TV service in terms of age spread:

<sup>16</sup> Quality scores are determined by passively asking viewers what they thought of programmes they watched on the previous night. With the wider choice presented by multichannel digital services, viewers are less likely to watch a programme they are not interested in, switching channel away from programmes that they are likely to give lower quality scores to.

**Figure 49: RTÉ's television audience demographic profile vs demographic profile of Irish population, 2013**

Notes: All Day, Monday-Sunday, Consolidated Viewing

Source: Nielsen / TAM Ireland, Eurostat, Oliver & Ohlbaum analysis

### 5.2.3 RTÉ's performance against its radio audience commitments

RTÉ's radio audience figures have showed better stability than its TV audience figures over the past 5 years, some slight decreases in RTÉ Radio 1 and 2fm reach causing missed targets in 2013, but a much less marked of declining all-day share than is seen in RTÉ One and RTÉ Two over the time period. Radio 2fm saw some degree of audience churn in 2013 following a revised music policy and updated "station sound"; RTÉ is confident that this will ultimately lead to a bigger audience from its target 20-44 age group.

All stations met their quality targets and delivered increases in quality perception scores, except Radio 2fm, again, apparently due to temporary fluctuations caused by the new music policy.

**Figure 50: RTÉ's radio audience commitments, 2013**

No.	Performance Target		RTÉ Reported Result (comparison vs. 2012 in parentheses)	Met Target?
1k	Maintain RTÉ Radio 1 listened yesterday % reach among 35-54s	>24%	<b>23%</b> (decrease vs. 24%)	Largely
1l	Maintain RTÉ Radio 1 24hr weekly reach among all Adults 15+	>36%	<b>37%</b> (increase vs. 36%)	Yes
1m	Maintain RTÉ Radio 1 adult 15+ peak 7-7 share	23%	<b>23.5%</b> (increase vs. 22.8%)	Yes
1n	Stabilise RTÉ Radio 1 score for audience perception of Quality	80	<b>82.6</b> (increase vs. 81.3)	Yes
1o	Maintain RTÉ 2fm listened yesterday % reach among 20-44s	>14%	<b>15%</b> (increase vs. 14%)	Yes
1p	Maintain RTÉ 2fm 24hr weekly reach among all Adults 15+	>23%	<b>22%</b> (decrease vs. 23%) Churn is potentially due to re-focusing the station to attract its target 20-44 adults	Largely
1q	Grow RTÉ 2fm adult 15+ peak 7-7 share	8%	<b>7.6%</b> (slight decrease vs. 8%)	Largely

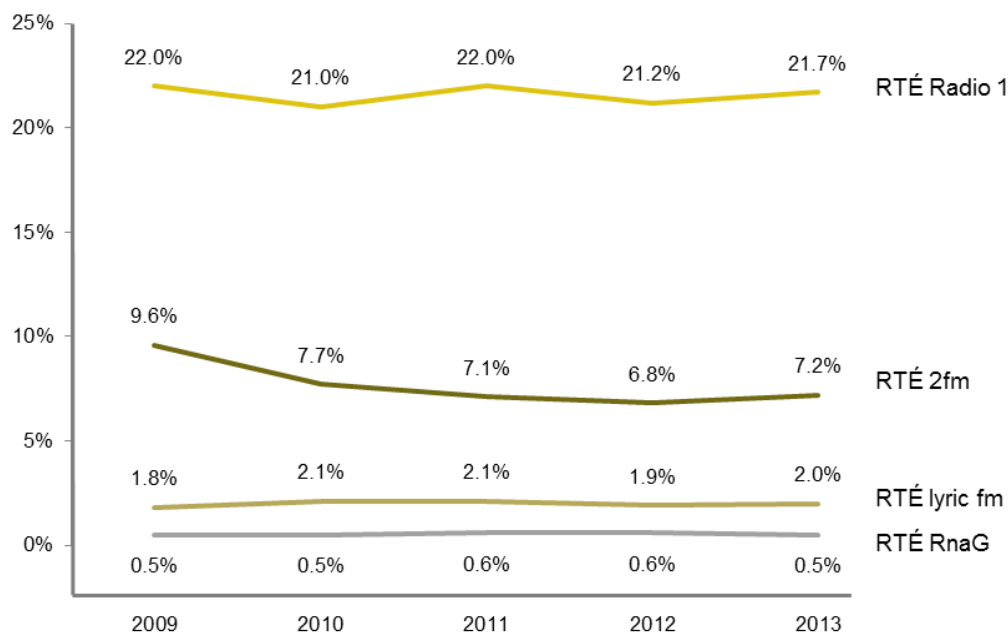
No.	Performance Target		RTÉ Reported Result (comparison vs. 2012 in parentheses)	Met Target?
1r	Grow RTÉ 2fm score for audience perception of Quality	80	<b>77.1</b> (decrease vs. 77.9)  Music policy changed mid-way through 2013, to attract its target demographic: transition causing fluctuations in audience perception scores.	Largely
1s	Increase RTÉ 2fm score for audience perception of "Affinity – in tune with younger people"	42%	<b>42%</b> (increase vs. 40%)	Yes
1cc	Maintain RTÉ lyric fm listened yesterday % reach among 35-54s	>3%	<b>4%</b> (increase vs. 3%)	Yes
1dd	Maintain RTÉ lyric fm weekly reach among Adults 15+	>7%	<b>8%</b> (increase vs. 7%)	Yes
1ee	Maintain RTÉ lyric fm adult 15+ peak 7-7 share	>1.6%	<b>1.8%</b> (increase vs. 1.6%)	Yes
1ff	Grow RTÉ lyric fm score for audience perception of Quality	>80	<b>79.5</b> (increase vs. 78.9%)	Yes
1gg	Maintain Raidió na Gaeltachta listened yesterday % reach among 35-54s	>1%	<b>1%</b> (level with 1%)	Yes
1hh	Maintain Raidió na Gaeltachta weekly reach among Adults 15+ from 1% in 2012 to >1% in 2013	>1%	<b>2%</b> (increase vs. 1%)	Yes
1ii	Stabilise Raidió na Gaeltachta score for audience perception of Quality	>80	<b>83.7</b> (increase vs. 82.2)	Yes
3i	Maintain RTÉ 2fm Audience Appreciation Index for Music	>82	<b>81.1</b> (decrease vs. 82)  New station imaging introduced to modernise station sound.	Largely

Source: JNLR Ipsos MRBI, RTÉ Audience Opinion (GfK NOP Media)

RTÉ Radio 1, which targets the 35-54s demographic, continues to perform strongly in terms of weekly reach (**Target 1l**), share (**Target 1m**) and audience perception of quality (**Target 1n**), but did show a slight decrease in listened-yesterday reach among its target 35-54 demographic (**Target 1k**). Since 2009, RTÉ Radio 1 has shown much greater resilience in terms of all-day share than RTÉ's two major television channels: the radio station has only lost 0.3 percentage points in share over the five years (see Figure 51), in part because radio has not seen the same dramatic increase in station choice as TV has seen in channel choice.

RTÉ 2fm, aimed at 20-44s, has had a more challenging year. Although it has stabilised a pattern of declining all-day share, the station lost overall 15+ weekly reach (**Target 1p**) and peak 15+ share (**Target 1q**). Audience perception of quality also dropped slightly (**Target 1r**). RTÉ attributes this churn to a change in the station's focus to better attract its target demographic (20-44s), with an updated music policy halfway through 2013. The policy seems to be working: RTÉ 2fm increased its score for audience perception of "affinity" with young people by 2 percentage points, and grew its listened-yesterday reach among the 20-44 demographic (**Target 1o**), and we see much to admire in a move which sacrifices overall audience figures in favour of better-serving the often-underserved young adult demographic.

**Figure 51: RTÉ's radio services all-day share, 2009-2013**



Source: RTÉ, Nielsen / TAM Ireland, Oliver & Ohlbaum analysis

Note: Includes all Adults 15+

Although starting from a low base, RTÉ lyric fm delivered slight increases in its listened yesterday reach among target 35-54s demographic (**Target 1cc**), as well as growing its weekly 15+ adult reach (**Target 1dd**), its peak 15+ adult share (**Target 1ee**) and its perception of audience quality (**Target 1ff**), strictly falling just short of target on the latter, but close enough that RTÉ considered the target to have been met. RTÉ lyric fm missed its target on Audience Appreciation Index for Music, which RTÉ attributes to new station imaging and a modernised station sound (**Target 3i**).

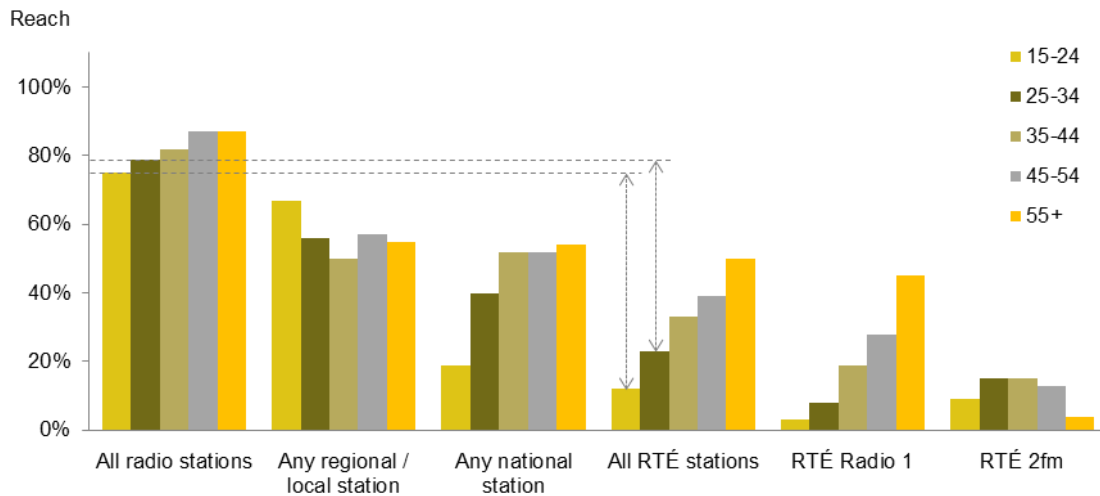
RTÉ Raidió na Gaeltachta continued to perform well in 2013, maintaining listened-yesterday reach among 35-54s (**Target 1gg**), and increasing both weekly reach among 15+ adults (**Target 1hh**) and audience perception for Quality (**Target 1ii**). At 83.7, Raidió na Gaeltachta has the highest audience perception of quality of all the radio services, which we attribute to the station's small, but loyal, listenership.

Examining the reach by demographic of RTÉ's radio listenership (see

Figure 49), RTÉ underperforms most notably in the younger demographics (15-24s, 25-34s, 35-44s). By listened-yesterday reach, RTÉ stations as a whole achieved just 12% reach in the 15-24 age group, compared to 75% for any radio station. This seems to be a common problem among national stations, with all national stations (including commercial) reaching 19% of this age group compared to 67% reach for regional / local stations, suggesting Irish youth audiences are listening to their local station(s) and showing little interest in national stations.

RTÉ's performance is also poor in the 25-34 age group (23% reach compared to 79% nationally); national commercial stations do better here, reaching 40% of this category. A similar pattern is seen in the 34-35s, where RTÉ only manages to reach 33%, compared to 52% for commercial stations and 82% for all radio.

Overall, RTÉ's underperformance in reaching younger audiences is a source of concern, and suggests that RTÉ's radio services are failing to achieve an acceptable level of universality.

**Figure 52: Average listened-yesterday reach in radio listening by demographic, April 2013-March 2014**

Note: chart shows average weekday listened yesterday reach for each age group, April 2013-March 2014

Source: JNLR/Ipsos MRBI 2014/1, Eurostat, Oliver & Ohlbaum analysis

RTÉ targets RTÉ One at older audiences and RTÉ Two at younger audiences; in a similar way, RTÉ Radio 1 is aimed at listeners aged 35-54 in particular, while RTÉ's stated target audience for RTÉ 2fm is the 20-44 age group. In light of the above data, RTÉ 2fm appears to be failing against this aim of drawing younger listeners, leading us to raise the question of whether this audience would be better served by the commercial sector. Further examination of this issue would be needed to reach any conclusions on the future of RTÉ 2fm.

#### 5.2.4 RTÉ's performance against its digital services and performing groups audience commitments

RTÉ continues to see growing popularity for most of its digital services, although growth appears to have slowed compared to the 2009-2011 period. Reach for RTÉ Player has decreased slightly compared to 2012, partly because the Olympics were being shown in 2012, although the users that left are using the service more intensively than ever.

RTÉ Aertel has seen major erosion in its reach over the past year, its weekly reach halving from 34% to 16%: we have seen similar patterns in other markets, so do not see this as a failure on RTÉ's part, but rather, as an indication that Irish consumers are turning to more convenient information services, particularly the Internet.

Excluding exceptional events, RTÉ has seen slight growth in underlying audiences for its live music output.

**Figure 53: RTÉ's digital services and performing groups audience commitments, 2013**

No.	Performance Target		RTÉ Reported Result (comparison vs. 2012 in parentheses)	Met Target?
1t	Maintain RTÉ.ie average weekly reach	>20%	<b>22%</b> (increase vs. 20%)	Yes
1u	Stabilise score for audience perception of Satisfaction with RTÉ.ie	>80%	<b>84%</b> (increase vs. 82%)	Yes

<b>1v</b>	Grow RTÉ.ie average monthly Unique International Browsers	>2m	<b>1.9m</b> (level with 1.9m)	Largely
<b>1w</b>	Grow RTÉ Player average weekly reach	>20%	<b>17%</b> (decrease vs. 19%) 2013 figures reflect updated range of access mechanisms	No
<b>1y</b>	Grow RTÉ Digital Services (excluding mobile) average weekly reach	>32%	<b>32%</b> (increase vs. 30%) Including all online and mobile services takes total to 35% for 2013	Yes
<b>1z</b>	Grow RTÉ Digital Services average monthly streams	7.5m	<b>7.2m streams</b> (slight increase vs. 7.1m streams)	Largely
<b>1kk</b>	Stabilise RTÉ Orchestras & Choirs audience at in 2013	>190k	<b>197k</b> (large decrease vs. 262.7k)	Yes
<b>1mm</b>	Stabilise weekly RTÉ Aertel weekly reach	>15%	<b>16%</b> (large decrease vs. 34%)	Yes

Source: RTÉ Brand Tracker, urchin analytic, TAM Ireland Ltd / Nielsen TAM, RTÉ Brand Tracker (Amáarach Research)

RTÉ Orchestras & Choirs' audiences met target metrics (**Target 1kk**), but were at first glance much lower than 2012. RTÉ notes that 2012 had been an unusually high-audience year, due to a one-off audience of 70,000 at the Eucharistic Congress. Excluding this value from 2012 audience figures indicates an underlying increase of 2.2% in performance attendance.

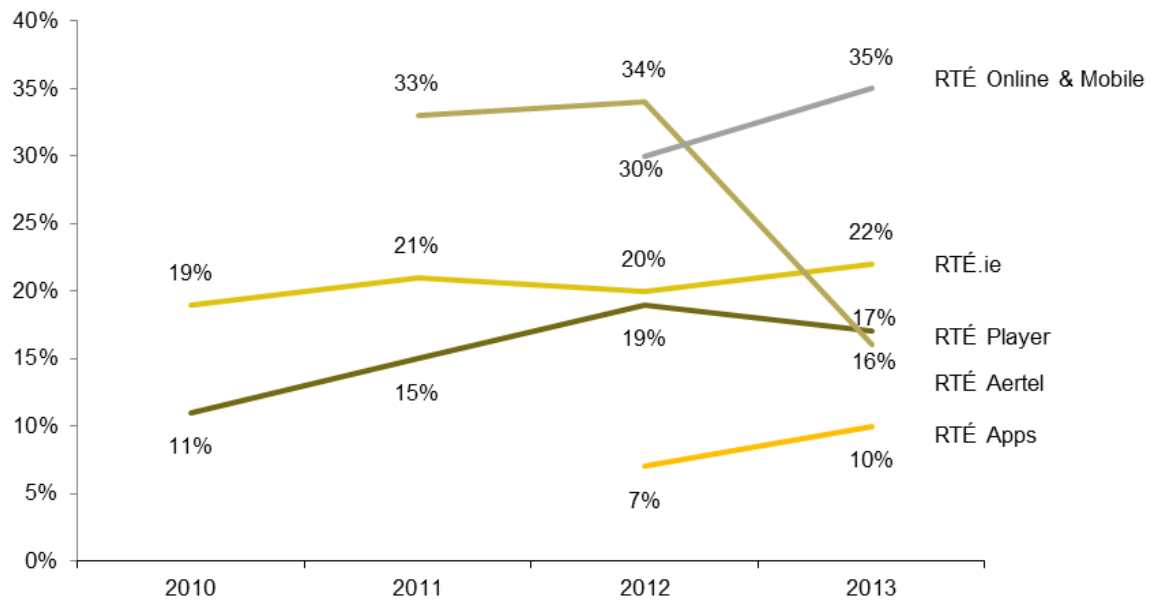
RTÉ's portfolio of Digital Services increased reach to 32%, or 35% once mobile devices are taken into account, up from 30% in the previous year (**Target 1y**). RTÉ.ie increased its reach in 2012 (**Target 1t**), although the wider pattern has been for broadly flat RTÉ.ie reach for the past four years (see Figure 54). Following three years of strong growth, weekly reach for RTÉ Player has fallen slightly (**Target 1w**), missing target. RTÉ's Brand Tracker, from which the data for RTÉ Player reach is derived, was updated in late 2013 to better reflect the multiple platforms and devices RTÉ Player is now available on. RTÉ believes that underlying overall viewing is on a par with 2012. RTÉ.ie succeeded in increasing Satisfaction ratings for RTÉ.ie, up to 84% from 82% in 2012 (**Target 1u**).

The biggest change in digital services performance came from RTÉ Aertel. The combined reach of Aertel and Aertel Digital (available on Saorview) was half that of the reach in 2012 (**Target 1mm**), due to changes in availability following the digital switchover and changing audience habits. We do not see this as being a major cause for concern – although the service has provided a good range of valuable public information in the past, including News, Weather, Airport and Travel Listings, this information is now widely accessible via the Internet services.

For consumers that cannot readily access information online – including elderly viewers – RTÉ's own Aertel Digital is available through the Irish Digital Terrestrial Television (DTT) platform, Saorview. Looking to other markets, the UK television market underwent a similar reduction in teletext service use: Ofcom, UK regulator, concluded that the advantages of a public teletext service were "limited and diminishing"<sup>17</sup>.

<sup>17</sup> Report to the Secretary of State on the public teletext service (Ofcom, 2010)

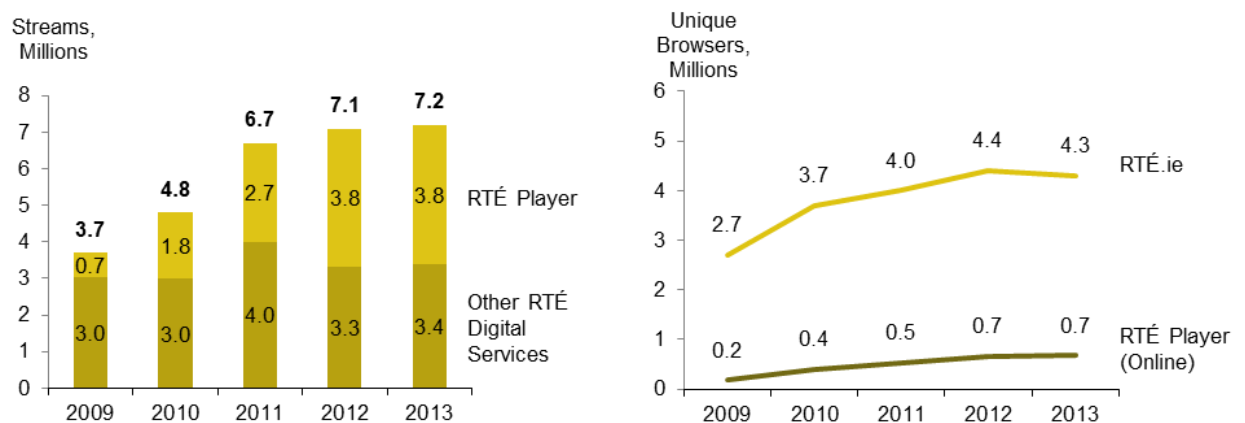


**Figure 54: Weekly reach for RTÉ digital services, 2010-2013**

Source: RTÉ data from Urchin Analytics, Oliver & Ohlbaum analysis

Note: Includes all Adults 15+

The total number of online RTÉ streams each month, including RTÉ Player, increased slightly (from 7.1m in 2012 to 7.2m in 2013), though not by enough to meet target (**Target 1z**). The rate of increase in monthly streams for RTÉ Player has slowed following rapid growth 2009-2011 (Figure 55). Similarly, unique browsers (national and international) shrank very slightly 2012-2013 following strong growth 2009-2011. The number of average monthly Unique International Browsers was stable 2012-2013 (**Target 1v**), comprising just under half of RTÉ.ie's total visitors.

**Figure 55: Left: RTÉ streams, monthly average (2009-2013) / Right: RTÉ unique browsers, monthly average (2009-2013)**

Note: In the right-hand chart, RTÉ Player browsers are a subset of RTÉ.ie browsers

Source: RTÉ, Oliver & Ohlbaum analysis

## 5.3 Output & content commitments and analysis

RTÉ has met most of its commitments which relate to output and content, including new additions to the provision of children's services (enhanced RTÉ Junior and TRTÉ radio services) and news and current affairs (a new Investigative unit and launch of *Morning Edition*).

RTÉ increased new television hours by 9% in 2013 compared to 2012, driven by a large increase in News & Current Affairs output, with reductions in output in nearly every other genre. In radio, overall output and genre mix was broadly in line with 2012, with a 1% decrease in total output hours, following 3 years of small rises in output. In both TV and radio, we see a contraction in content spending in 2013. Added to the previous three years of smaller declines in content spending, in 2013 RTÉ was spending 22% less on RTÉ One and Two content, and 14% less content for its main radio stations, compared to 2010.

This pattern of maintaining overall output in the face of falling spending levels does not seem to have adversely affected quality scores: as discussed in the section on Audience commitments above, only 2fm was a decrease in audience perception of quality, with all of RTÉ's other major radio stations and TV channels seeing modest rises in score. Further decreases in content spending in future may, however, start to adversely affect quality perception, and in turn, audience figures; this remains a concern should Irish economic problems persist and commercial revenues continue to falter.

### 5.3.1 RTÉ's performance against cross-platform output & content commitments

RTÉ's cross-platform output and content initiatives – relating to children's services, science and technology reporting and investigative journalism – were all delivered successfully.

**Figure 56: RTÉ's overall output & content commitments, 2013**

No.	Performance Target	RTÉ Reported Result (comparison vs. 2012 in parentheses)	Met Target?
<b>4g</b>	Launch enhanced RTÉ Junior and TRTÉ radio services in Q2	Enhanced RTÉ Junior and TRTÉ radio services officially launched 15 April	Yes
<b>5b</b>	New Investigative unit will deliver a number of full programme documentaries and short reports into <i>Prime Time</i> by Q3	The Unit completed two major investigations, broadcast as two stand-alone programmes, and a number of other 15-32 minute reports	Yes
<b>7a</b>	Appointment of new Science & Technology Correspondent in Q1 2013	Will Goodbody appointed as RTÉ's Science and Technology Correspondent in April 2013	Yes

Source: RTÉ

RTÉ's cross-platform output and content commitments were all met. Enhanced RTÉ Junior and TRTÉ radio services were launched (**Target 4g**): RTÉ Junior Radio now offers a 7am – 7pm schedule for 0-7 year olds. RTÉ also appointed a new Science and Technology Correspondent (**Target 7a**) to improve Science and Technology reporting across all platforms. Finally, RTÉ's new Investigative Unit was launched successfully (**Target 5b**), completing major investigations *Riches from Rags* and *Breach of Trust – Crèche Investigation*, as well as a number of shorter reports.

### 5.3.2 RTÉ's performance against television output & content commitments

RTÉ met nearly all of its 2013 performance targets, failing only the commitment to deliver three new live RTÉ New Now bulletins. Overall number of home-produced hours on RTÉ One and Two were up slightly on 2012 levels, with News & Current Affairs on RTÉ One driving much of this increase, at the expense of RTÉ Sport and Young People's programming.

Spending on television content was notably lower in 2013 than 2012 – continuing a pattern of cuts in recent years – with Sport and Factual suffering the heaviest cuts in absolute terms.

**Figure 57: RTÉ's television output commitments, 2013**

No.	Performance Target		RTÉ Reported Result (comparison vs. 2012 in parentheses)	Met Target?
<b>1e</b>	RTÉ One target number of home produced hours (first-run)	3,216 hours	<b>3,317 hours</b> (large increase vs. 2,878 hours)	Yes
<b>1j</b>	RTÉ Two target number of home produced hours (first-run)	1,396 hours	<b>1,515 hours</b> (large decrease vs. 1,864, reflecting reduced Sport and Young People's)	Yes
<b>1bb</b>	RTÉ News Now to increase % of live content	35-47%	<b>45%</b> of total output (large increase on 20-25%)  Achieved by showing <i>Morning Edition</i> , <i>Leaders Questions</i> , restructured afternoon bulletins, and a new <i>Nuacht</i> bulletin	Yes
<b>2d</b>	RTÉ Two to deliver target hours of factual documentaries for young Irish adults	10-12 hours	<b>16 hours</b>	Yes
<b>4d</b>	Three new live RTÉ News Now evening bulletins in 2013		Due to increased pressure on financial resources, and the priority of ensuring <i>Six One</i> and <i>Nine O'clock News</i> are sufficiently resourced, plans were deferred until 2014	No
<b>4f</b>	Launch RTÉ Junior as a standalone channel with 12 hour schedule, including launch on Sky April 2013		Launched on 15 April 2013	Yes
<b>6a</b>	Target Hours of News & Current Affairs on RTÉ Television	1,549 hours	<b>1,694 hours</b> (large increase vs. 1,237)	Yes
<b>6h</b>	Increase News & Current Affairs in the RTÉ One schedule, with inclusion of <i>Morning Edition</i> in the schedule	300+ hours	<i>Morning Edition</i> , a new live RTÉ news and magazine programme, launched in January 2013	Yes
<b>15a</b>	Subtitling on RTÉ Television	>8,500 hours	<b>9,272 hours</b> on RTÉ One and RTÉ Two	Yes
<b>22e</b>	Maintain HD transmission hours	~600 hours	<b>946 hours</b> broadcast	Yes

Source: RTÉ

RTÉ One and Two together showed 6542 hours of new content in 2013 (Figure 58), of which 4832 was produced in Ireland (**Target 1e / Target 1j**).

In News, RTÉ met its output hours target, delivering 1694 new hours in 2013, a large increase on 1237 hours in 2012 (**Target 6a**). The increase was largely due to the inclusion of *Morning Edition*, a live news and magazine programme, in the RTÉ morning schedule (**Target 6h**).

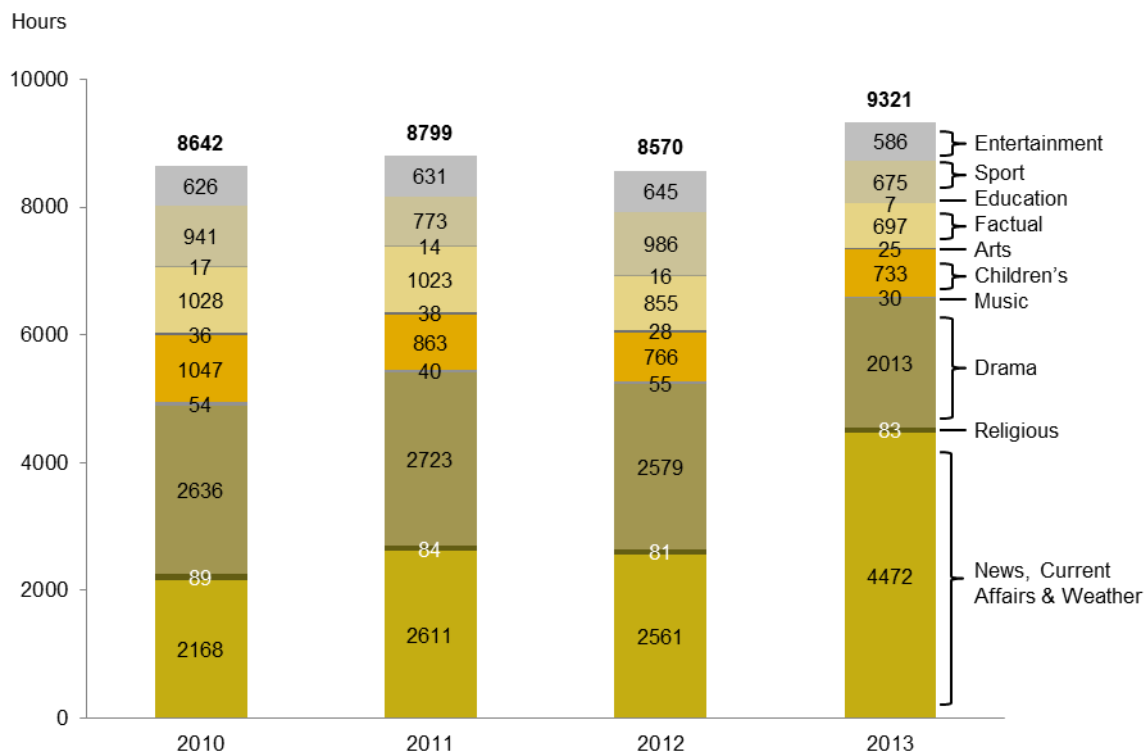
RTÉ also succeeded in increasing the proportion of live content on News Now (**Target 1bb**), but failed to deliver the three new live RTÉ News Now bulletins as planned (**Target 4d**), citing financial constraints.

In Factual, RTÉ Two delivered in excess of its target hours of documentaries for young Irish adults (**Target 2d**), primarily under the *Reality Bites* strand. RTÉ delivered 697 hours of factual output as a whole in 2013 (Figure 58), 18% lower than in 2012.

RTÉ Junior successfully launched as a standalone channel (**Target 4f**), providing a new children's channel to the Irish market alongside the existing commercial offerings from international broadcasters such as Disney and Nickelodeon. Children's TV output was similar to 2012 levels, although reduced by 30% since 2010 (Figure 58).

RTÉ broadcast 9% more new TV hours overall in 2013 than 2012 (Figure 58), although the increase was driven almost entirely by News & Current Affairs output: 75% more hours than 2012, largely due to the introduction of *Morning Edition*, with nearly every other genre seeing a reduction in output hours, with some of the biggest falls being in Drama (-22%), Factual (-18%) and Sport (-32%), including several displacements from the morning schedule by *Morning Edition*.

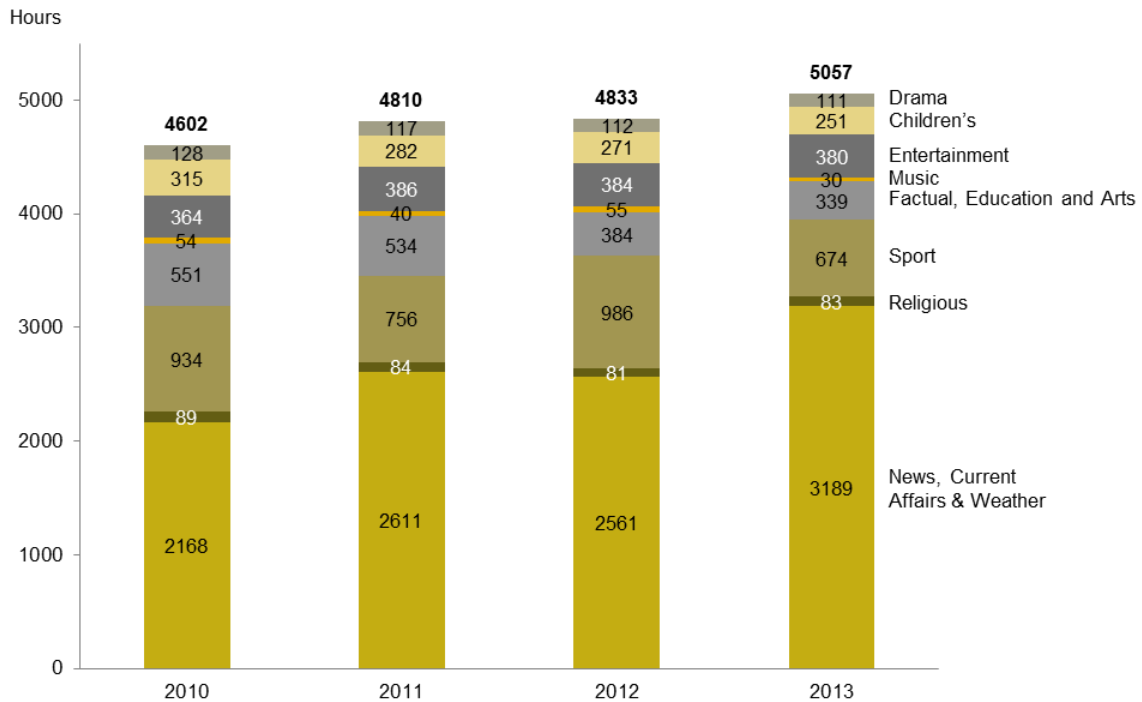
**Figure 58: RTÉ Total first run TV output hours by genre, 2010-2013**



Source: RTÉ, Oliver & Ohlbaum analysis

Notes: RTÉ One and RTÉ Two new hours programming

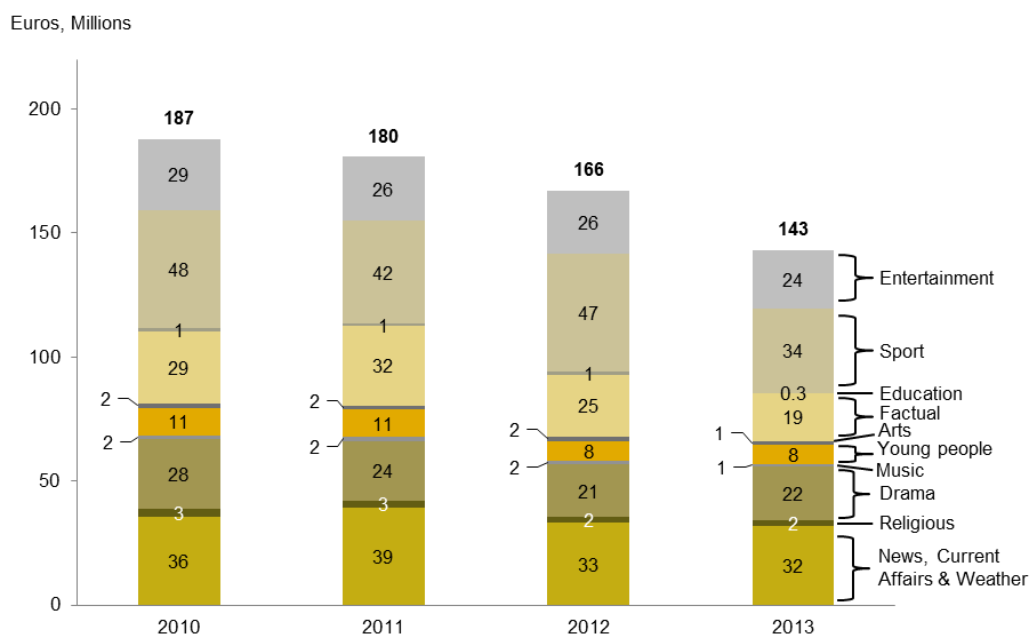
Excluding acquisitions, RTÉ's total indigenous first run output was 4946 hours for 2013 (see Figure 59 below). Comparing RTÉ's indigenous new output to total new output it shows that 95% of RTÉ's drama output is acquired, with a relatively modest 111 hours produced in-house or commissioned. Other genres relying heavily on acquisitions include Children's content (66% acquired), Factual (56% acquired) and Entertainment (35% acquired). Approximately 96% of RTÉ's acquisitions (by value) are from outside Ireland (see Figure 75). See Section 5.5.2 for further comment on the implications of RTÉ's use of international acquisitions.

**Figure 59: RTÉ Total TV first run indigenous hours by genre, 2010-2013**

Source: RTÉ, Oliver & Ohlbaum analysis

Notes: Includes RTÉ One and RTÉ Two new hours in-house and commissioned content, the outstanding majority of which is produced indigenously.

As shown in Figure 60 below, RTÉ's overall content spending for RTÉ One and Two has been cut, in order to achieve a break-even position in light of falling revenues. Much of the cost savings between 2012 and 2013 have come from Sport (€13.4m spending reduction) and Factual (€6.0m reduction), with Entertainment, News / Current Affairs / Weather, and Education all seeing reductions in the region of €1m-€2m.

**Figure 60: RTÉ Total first run indigenous TV content spending by genre, 2010-2013**

Source: RTÉ, Oliver & Ohlbaum analysis

Notes: RTÉ One and RTÉ Two content spending

In addition to the programme spending outlined above for RTÉ One and RTÉ Two, a further €300,000 was allocated to RTÉ Junior for new Children's originations in 2012. Other than this, the remaining content costs for RTÉ Junior and RTÉ News Now were allocated to RTÉ One and Two.

There is little evidence to suggest that the reduced content spending has adversely affected audience perception of quality to date, with both RTÉ One and RTÉ Two seeing a minor increase on 2012 quality scores, although share has decreased.

RTÉ continued to advance its provision of HD hours, broadcasting 946 hours in 2013 (**Target 22e**). It will be important for RTÉ to continue development in this area in order to keep pace with well-resourced international broadcasters. RTÉ's commissioning policy has required from 2011 that the majority of commissions would be originated and supplied to RTÉ in High Definition and Standard Definition formats, and completion of HD infrastructure work in 2013 has positioned RTÉ well for HD delivery in years to come. RTÉ delivered subtitling hours well ahead of the BAI target (**Target 15a**), providing a good level of accessible content for hard of hearing viewers.

### 5.3.3 RTÉ's performance against radio and performance output & content commitments

RTÉ's performed reasonably well against its radio and performance output and content commitments. The number of live music performances rose slightly, and the radio programme genre mix and total radio production output was very similar to the previous two years. As in television, however, spending on radio content has been reduced as part of RTÉ's overall objective to achieve a break-even position in the face of reduced income.

**Figure 61: RTÉ's radio and performance output commitments, 2013**

No.	Performance Target		RTÉ Reported Result (comparison vs. 2012 in parentheses)	Met Target?
<b>1ll</b>	RTÉ Orchestras & Choirs to stabilise target number of performances	>180	<b>209</b> (increase vs. 202)	Yes
<b>3l</b>	RTÉ 2fm to increase Comedy output at peak time		Commitment not achieved in 2013: the new 2fm schedule, with a greater amount of comedy, launched in 2014	No
<b>5c</b>	Develop Investigative Journalism on RTÉ Radio 1: develop new investigative programme segments for current strands		Produced <i>The Echo Chamber: The Story of Jihad Jane</i> , and delivered a series of investigative inserts for Today with Sean O'Rourke	Yes
<b>6b</b>	Target Hours of News on RTÉ Radio	1,676 hours	<b>1,664 hours</b> (slight decrease vs. 1,677)  This reflects 99.3% of commitment: RTÉ has therefore classified this as achieved.	Yes
<b>9e</b>	RTÉ lyric fm to deliver a new series of Irish-themed features in Qs1-2 and Spoken Word Concert features in Q4		<b>16 hours</b> of Irish-themed features were broadcast in Q1 and Q2.  <b>7 hours</b> of a series of spoken word features broadcast in Q4	Yes

Source: RTÉ

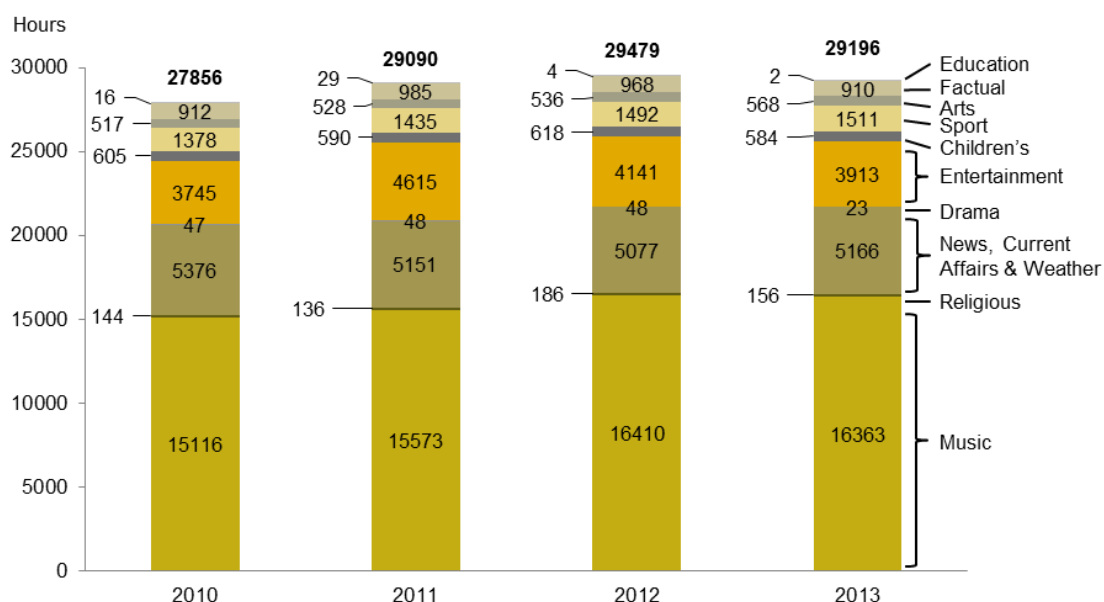
RTÉ's performing groups gave 209 performances in 2013 (**Target 1II**), with largely unchanged levels of operating cost (€13.6 in 2013, €13.7m in 2012) and a small increase in revenues (€2.9m in 2013, €2.6m in 2012)<sup>18</sup>. The service is costly to run – it was effectively subject to an €11.7m public funding subsidy in 2013 – but it provides an important contribution to Ireland's cultural life, and delivers numerous outreach and educational events and initiatives (83 separate activities for 2013).

RTÉ did not meet the commitment to increase peak-time 2fm Comedy output in 2013 (**Target 3I**), although noting that this commitment has since been implemented. RTÉ lyric fm delivered Irish-themed features and spoken word features as per **Target 9e**.

News output on RTÉ radio was extremely close to target, at 1664 hours (**Target 6b**). This included the launch of new Investigative Journalism inserts and stand-alone programmes (**Target 5c**).

All other genres of radio output were at very similar levels to previous years, with only a 1% decrease in overall output hours from 2012, leaving 2013 radio output hours still 5% above 2010 levels:

**Figure 62: RTÉ radio output hours by genre, 2010-2013**



Source: RTÉ, Oliver & Ohlbaum analysis

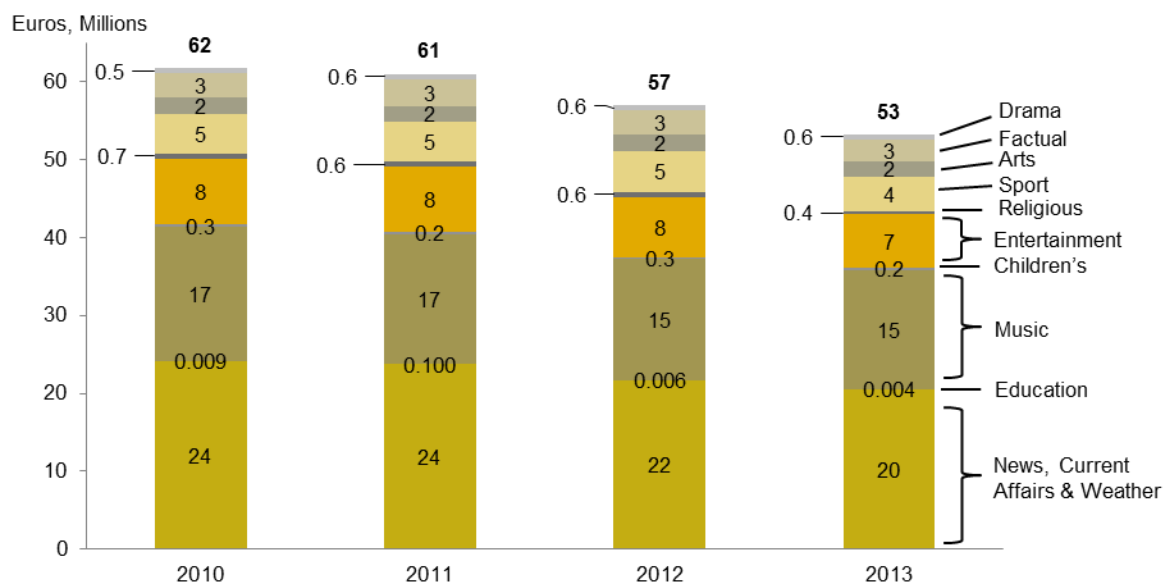
Notes: Radio 1, 2fm, lyric and RnaG new content output

As with television content, RTÉ delivered this level of output while reducing content spending: radio content expenditure has fallen by 14% since 2010, and by 7% since 2012 alone (see Figure 63).

The biggest cuts since 2010, in absolute terms, have come from News & Current Affairs (€3.6m spending reduction), Music (€1.8m) and Entertainment (€1.5m). The costs of material originated for and costed to the digital radio channels were €278,000 for Music programmes and €137,000 for Children's and Young People's content (proportioned costs, not direct costs).

<sup>18</sup> RTÉ Management Accounts



**Figure 63: RTÉ radio content spending by genre, 2010-2013**

Source: RTÉ, Oliver & Ohlbaum analysis

Notes: Radio 1, 2fm, lyric and RnaG content spending

Again following the pattern seen in RTÉ's television services, there is little evidence to suggest that the reduced content spending has adversely affected audience perception of quality, with all stations except RTÉ 2fm seeing a rise in their quality scores.

## 5.4 Value for money commitments and analysis

RTÉ succeeded in balancing revenues and costs in 2013, after years of running a deficit. As incomes continued to fall – especially commercial revenue – the surplus had to be achieved by cutting operating costs. Unfortunately, this included some cuts to programming spending as well as larger cuts to overheads.

Nevertheless, quality perception for programming did not decrease, and although some services lost some share, RTÉ succeeded in reducing its cost per viewer / listener hour from 2012 to 2013 for all services except Raidió na Gaeltachta. We therefore feel that the level of programming spending reached in 2013 is likely to be sustainable in coming years.

Note that in some instances, the figures quoted in RTÉ's Annual Report differ (slightly) from the figures quoted in the Performance Commitments Report. We have stated the Performance Review figures in preference to the Annual Report figures through this section, to maintain consistency between data points quoted in RTÉ's 2013 Performance Review, often given at a greater granularity than in the Annual Report, and to ensure RTÉ's own commentary is seen in the context it was intended.

### 5.4.1 RTÉ's performance against overall value for money commitments

RTÉ made a small net surplus in 2013 through cuts to operating costs, although audience perception that RTÉ is good value for money also fell. Public funding for each service was close to agreed thresholds, differing by no more than 1% of total public funding in the few instances where there was a discrepancy.

**Figure 64: RTÉ's overall value for money commitments, 2013**

No.	Performance Target		RTÉ Reported Result (comparison vs. 2012 in parentheses)	Met Target?
<b>11a</b>	Achieve agreed budget out-turn for the year		Break-even result: unaudited 2013 accounts indicate EBITDA of €20.6m and an overall Net Surplus of €0.6m (2012: €65m Net Deficit)	Yes
<b>12a</b>	Meet Operating Costs budget	€314m	<b>€307m</b> (decrease vs. €335m) Unaudited operating costs for the year were down 8% on 2012 and down 30% on 2008	Yes
<b>13c</b>	Ensure the public funding for each service is within the agreed thresholds		Commitment was achieved in almost all cases, and in no case did the amount of public funding that was either in excess of or below a threshold account for more than 1% of total public funding	Largely
<b>13d</b>	Stabilise audience perception score that RTÉ is good value for money	>58%	<b>59%</b> (decrease vs. 60%)	Yes

Source: RTÉ

RTÉ's demonstrated sound financial management in 2013, reporting a small net surplus for the first time since 2008 (**Target 11a**). RTÉ achieved public funding for each service within agreed thresholds in many cases (**Target 13c**), albeit with some notable deviations from budget:

**Figure 65: Analysis of revenues, costs and surplus/(deficit) by channel, service and broadcasting genre and between public service and non public service activities, 2013**

	Budget (€M)	Actual (€M)	Variance
<b>Indigenous programme costs</b>	*	<b>(206.8)</b>	*
Factual	*	(28.3)	*
Drama	*	(23.0)	*
Entertainment	*	(32.2)	*
Music	*	(16.3)	*
News, Current Affairs & Weather	*	(58.0)	*
Sport	*	(39.2)	*
Young Peoples	*	(9.7)	*
<b>Indigenous non-broadcast output costs (Orchestras &amp; Choirs)</b>	*	<b>(21.4)</b>	*
<b>Acquired programmes</b>	*	<b>(23.1)</b>	*
Broadcast and distribution	*	(36.9)	*
Corporate HQ	*	(5.1)	*
Net interest receivable / payable	*	(0.48)	*

Net defined benefit pension-related finance income	*	(1.55)	*
<b>Gross Public Service Cost</b>	*	<b>(295.4)</b>	*
<b>Surplus on commercial activities</b>	*	<b>(113.7)</b>	*
<b>NET COST OF PUBLIC SERVICE ACTIVITIES</b>	*	<b>(181.7)</b>	*
<b>Public funding: Licence fee revenue attribution</b>	*	182.4	*
Restructuring charge	*	0.4	*
(Deficit) / Surplus before income tax	*	1.1	*
Income tax	-	(0.41)	*
<b>NET DEFICIT / SURPLUS</b>	*	0.65	*

Source: RTÉ

\* [Redacted: data is commercially sensitive]

Overall, although RTÉ made a surplus in 2013, it was lower than expected. The main reason for this was the reduction in revenue from commercial activities, though RTÉ did also overspend slightly on Corporate HQ costs vs. budget. Small savings were found in broadcast and distribution costs, and the remaining cuts had to be made in programming costs. Relative to budget, Factual and Entertainment saw the largest reductions in spending.

To compensate for declining commercial revenue during 2013, RTÉ reports significant reductions in Operating Costs, reducing expenditure by €28m in 2013 compared to 2012, on top of considerable cost reductions already made in previous years (**Target 12a**).

Public perception that RTÉ is good value for money has fallen slightly since 2012: only 59% of audiences agreed that RTÉ was good value for money in 2013 (**Target 13d**). Although RTÉ ultimately exists to serve licence fee payers, we acknowledge that public perception of value for money is affected by public and political mood, and media coverage of RTÉ, and cannot be taken in isolation as a metric to measure RTÉ's value for money.

## 5.4.2 RTÉ's performance against revenue commitments

RTÉ's commercial revenue continued to fall in 2013, despite some encouraging performance in Digital Commercial Revenue.

**Figure 66: RTÉ's revenue commitments, 2013**

No.	Performance Target		RTÉ Reported Result (comparison vs. 2012 in parentheses)	Met Target?
<b>14a</b>	TV Commercial Revenue earned	*	<b>€87.0m</b> (decrease vs. €97m)	No
<b>14b</b>	Radio Commercial Revenue earned	*	<b>€22.0m</b> (decrease vs. €25.3m)	No

<b>14c</b>	RTÉ NL Commercial Revenue earned	*	<b>€26.3m</b> (decrease vs. €29.4m)	No
<b>14d</b>	RTÉ Digital Commercial Revenue earned	*	<b>€15.6m</b> (increase vs. €13.6m)	No

Source: RTÉ

\* *[Redacted: data is commercially sensitive]*

RTÉ reports a *[Redacted: data is commercially sensitive]*

We note that in the BAI's Five Year Review of Funding of Public Service Broadcasting, Crowe Horwath did point to some specific concerns over the RTÉ Digital Strategy – not least a lack of detail – but we believe the key driver behind these figures remains the economic conditions in Ireland, and hence the overall level of TV advertising spending. This is clearly reflected in RTÉ's Cost per Thousand (CPT), which has fallen over the period, in spite of a rebound in 2012.

Figure 67 below illustrates this *[Redacted: data is commercially sensitive]*

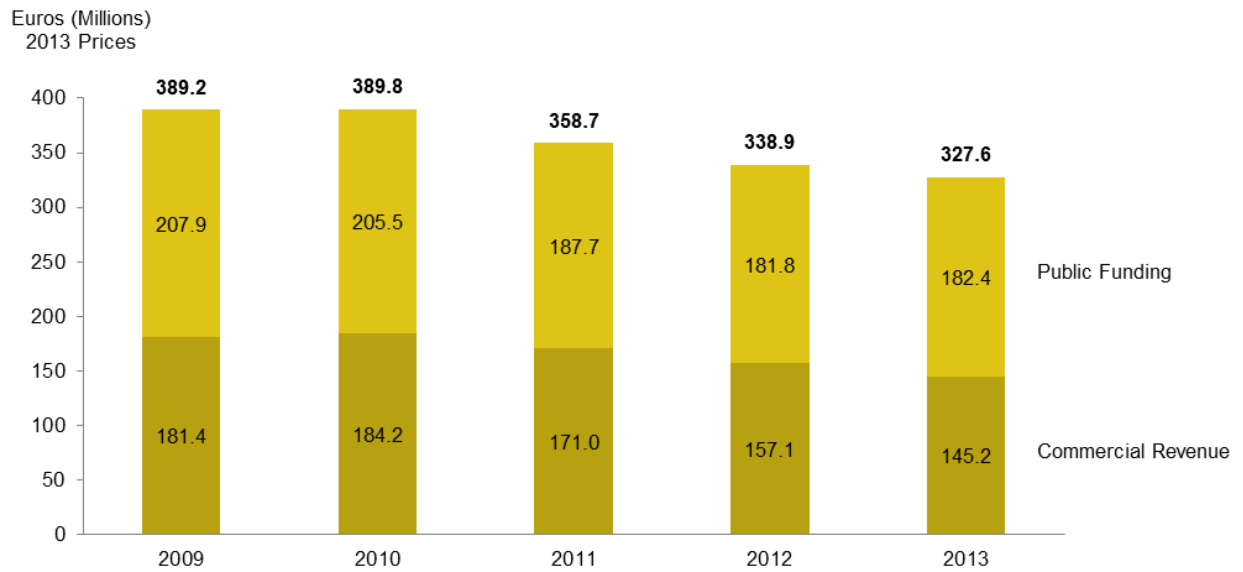
The total decline in commercial revenues has been 17% since 2009. The fall in television revenue is in line with wider market trends, but we note that RTÉ's radio commercial revenues fell even though Irish radio advertising spending as a whole stayed at 2013 levels, which, given that audience share for many of RTÉ's radio services has been increasing, suggests that commercial rivals are becoming more effective at capturing share of radio advertising spending.

Over the past five years, RTÉ has had some success in growing its "Other Revenues" segment, derived from RTÉ NL and RTÉ Digital, with a healthy CAGR of 10%:

#### Figure 67: RTÉ's commercial revenues, 2009-2013

*[Redacted: data is commercially sensitive]*

The impact of falling commercial revenues is partly softened by RTÉ's public funding, but even this source of income fell, by 12% in real terms since 2009:

**Figure 68: RTÉ's real-terms income, 2009-2013**

Source: RTÉ, OECD, Oliver & Ohlbaum analysis

RTÉ's has seen a total contraction in real-terms income of 16% since 2009.

### 5.4.3 RTÉ's performance against spending commitments

Despite success in implementing cost-reduction efficiency measures and cutting overheads aggressively, RTÉ has still had to cut content expenditure to achieve a break-even position in the face of the reduced income.

**Figure 69: RTÉ's spending commitments, 2013**

No.	Performance Target		RTÉ Reported Result (comparison vs. 2012 in parentheses)	Met Target?
<b>12b</b>	Achieve PROC target for 2013 Budget - % of Total Operating Costs (before depreciation & amortisation)	52.7%	<b>53.1%</b> , before depreciation and amortisation  Unaudited PROC costs of €163m were, however, <i>[Redacted: data is commercially sensitive]</i> as targeted savings were initiated during the year to compensate for declining commercial revenue, hence the target has been judged to have been met	Yes
<b>12d</b>	Reduce the overall cost of sports rights	*	Cost efficiency reduction target was achieved	Yes
<b>12e</b>	Reduce the cost of acquired programmes, through reduced spend, whilst retaining key properties within the schedule	*	Cost efficiency reduction target was achieved	Yes
<b>12f</b>	Reduce the level of fee payments made to the Top Ten Talent	*	Cost efficiency reduction target was achieved	Yes

<b>13g</b>	Stabilise TV studio utilisation	>65%	<b>68%</b> (decrease vs. 71%) Lower than 2012 due to expected reductions in TV output, driven primarily due to less sport	Yes
<b>13h</b>	Grow radio studio utilisation	80%	<b>80%</b> (increase vs. 76%)	Yes
<b>26d</b>	Agree and implement new work practice agreement 2013-2017: deliver * improvement in productivity		RTÉ and the Trade Union Group reached agreement on necessary changes to the way we work and some terms and conditions of employment, changes being implemented  RTÉ has achieved * improvement in productivity to date	Yes

Source: RTÉ

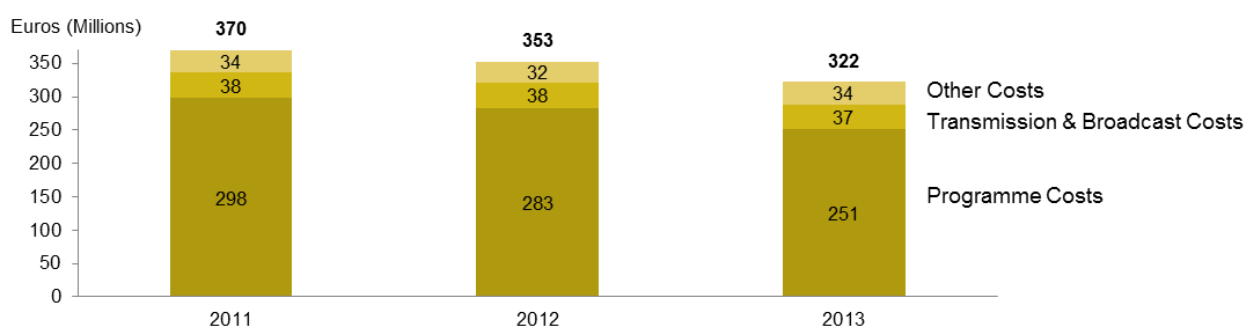
\* [Redacted: data is commercially sensitive]

As a proportion of Total Operating Costs, the targeted Personnel Related Operating Costs (PROC)s may have been missed (**Target 12b**), but this was largely due to Total Operating Costs being reduced faster than PROCs. Total Operating Costs for the year were €7m below target, while PROCs were €2m lower than budgeted. RTÉ have therefore considered this Commitment to have been met.

RTÉ has been successful in a number of efficiency initiatives, including reducing the overall cost of sports rights (**Target 12d**), reducing the cost of acquired programmes (**Target 12e**), reducing the fee payments made to top talent (**Target 12f**), and re-negotiating work practice arrangements (**Target 26d**).

Radio studio utilisation has increased from 2012 levels (**Target 13h**), but TV studio utilisation has fallen (**Target 13g**), according to RTÉ, due to a lack of major sporting events such as the Olympics or major international football tournament. We also note that digital production methods typically require less studio space, so the falling TV studio utilisation is perhaps unsurprising. Unless utilisation shows signs of significant improvement in the next review period, and if there is no credible plan in place to increase studio rental to external parties, RTÉ should assess the case for consolidating its studio footprint.

Overall, RTÉ has cut costs aggressively in the past three years, reducing its total cost base by 14%, in nominal terms (see Figure 70). RTÉ has found transmission and broadcast costs relatively difficult to reduce, finding only 2% savings here compared to 2011 levels, but programming costs were cut by 16% between 2011 and 2013.

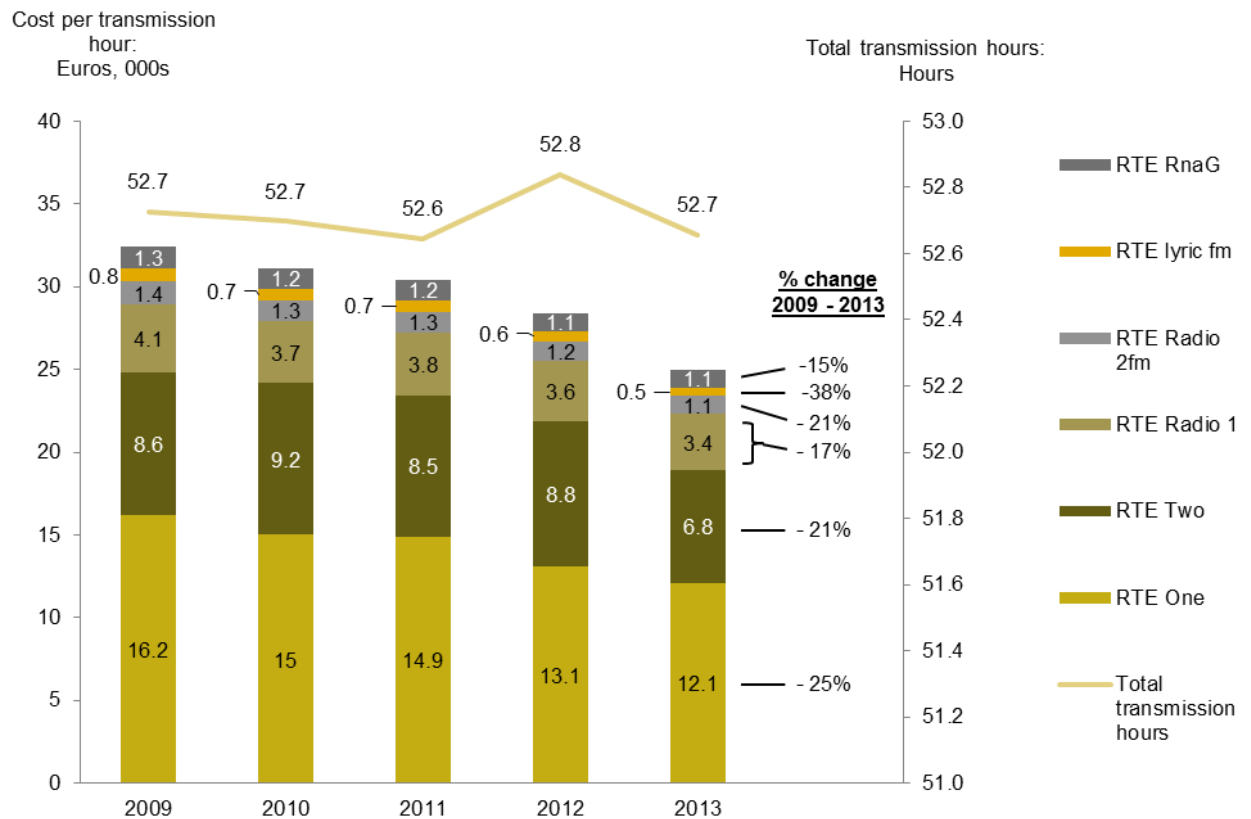
**Figure 70: RTÉ operating costs, 2011-2013**

Note: Total operating cost includes depreciation and amortisation

Source: RTÉ, Oliver &amp; Ohlbaum analysis

Between 2009 and 2013, RTÉ One, RTÉ Two, Radio One and Radio 2fm have all trimmed their per-transmission-hour costs by 17-25% (Figure 71). In line with its public service objective to deliver an Irish-language radio service, RTÉ has largely preserved Irish language service Raidió na Gaeltachta, making cuts to its programming budget by the least amount, both proportionally and in absolute terms. Historically the least expensive of RTÉ's major services, lyric fm absorbed the largest cuts relative to its 2009 content spending levels, reducing its per-transmission-hour costs by over a third.



**Figure 71: RTÉ cost per transmission hour and total transmission hours, 2009-2013**

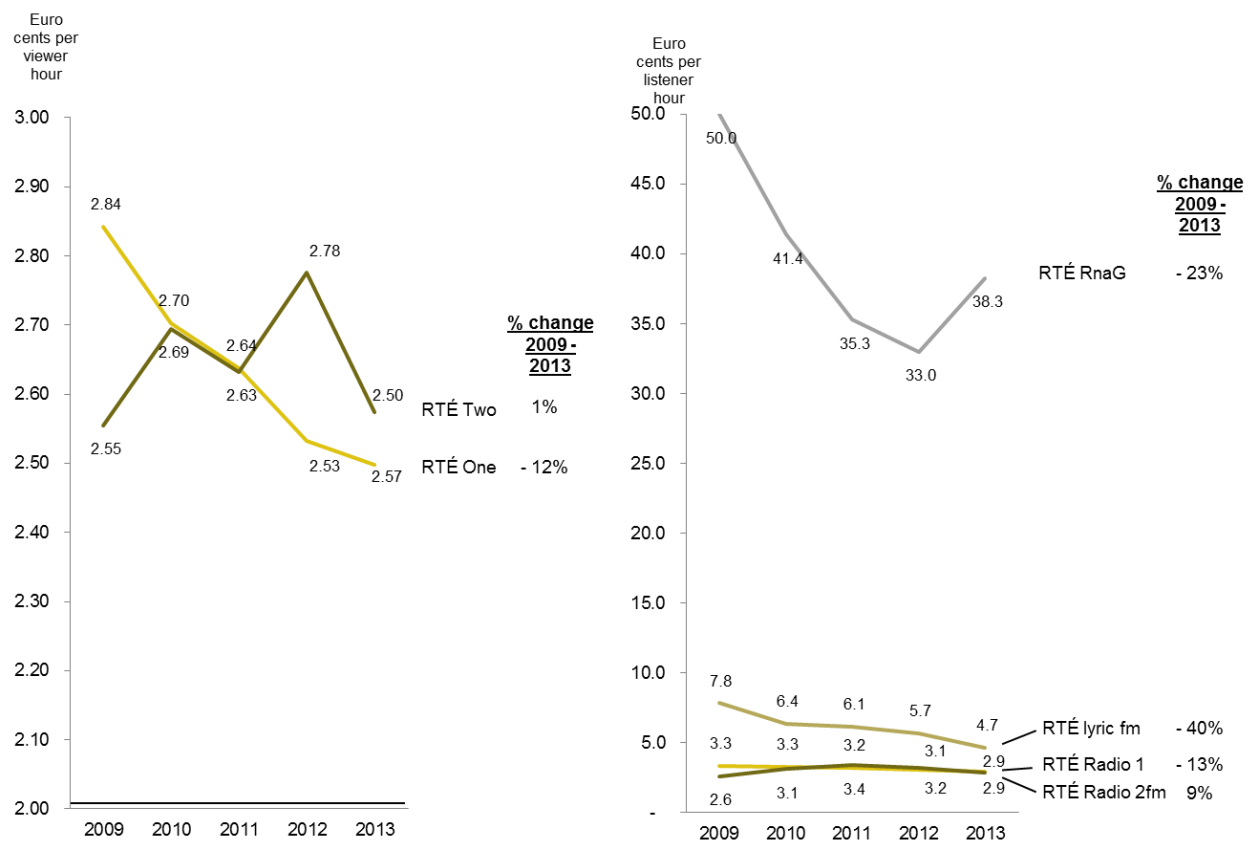
Source: RTÉ, Oliver & Ohlbaum analysis

Note: Excluding transmission charges

We note that perception of quality scores have been stable for all of these services except RTÉ 2fm. Nevertheless, the risk remains that, in the long run, continued downward pressure on RTÉ's revenues may lead to further erosion of RTÉ's reach through lower programme spending.

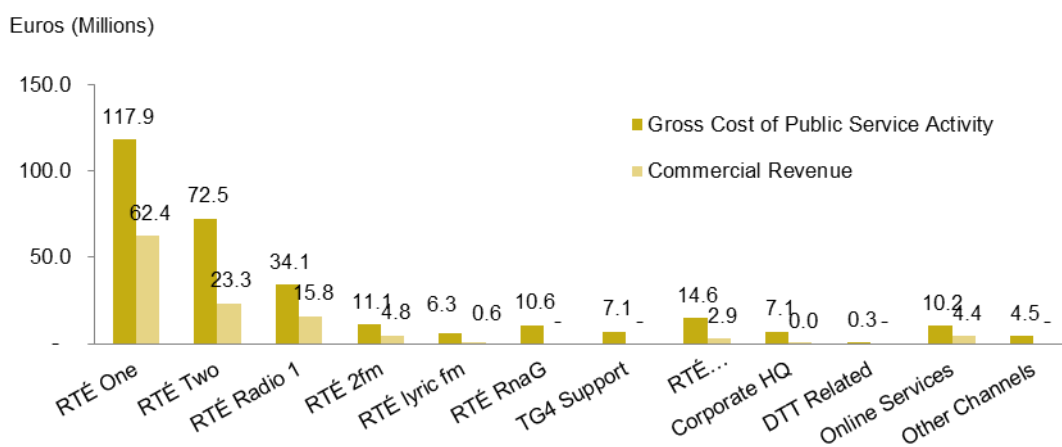
As measured by Cost per Viewer / Listener Hour (CPVH / CPLH), RTÉ's efficiency in reaching its audiences has improved steadily over the past five years for many services (Figure 72). Compared to 2009 levels, RTÉ One has reduced its CPVH by 12%, despite a fall in audience share. RTÉ Two CPVH had been rising in 2010-2012, but was brought back to 2009 levels in 2013. Most of RTÉ's radio stations have also seen reductions in CPVH since 2009, most notably lyric fm.

In 2013, all of the major TV channels and radio stations lowered their CPVH / CPLH compared to 2012, except RTÉ Raidió na Gaeltachta, which has historically had much higher CPLH than other services due to its small listener base.

**Figure 72: RTÉ television and radio content cost per viewer / listener hour, 2009-2013**

Source: RTÉ, Oliver &amp; Ohlbaum analysis

The bulk of RTÉ spending is allocated to RTÉ One, Two, Radio 1 and 2fm (see Figure 73 below), each of which makes back between 30% and 53% of the service costs in commercial revenue. Other services require a higher proportion of public funding: lyric fm recoups 10% of costs in commercial revenue; Orchestras, 20%; and Raidió na Gaeltachta, 0%.

**Figure 73: RTÉ costs and revenues by service, 2013**

Source: RTÉ Annual Report, Oliver &amp; Ohlbaum analysis

## 5.5 Creativity commitments and analysis

RTÉ continues to invest heavily in indigenous programming, spending €207.3m (91%) of all programming expenditure in Ireland, either on in-house productions or on independent sector commissions. RTÉ's indigenous programming spend was some 19.8% lower than in 2009, however, this was partially due to overall programming budget cuts but also due to a decreasing proportion of the remaining budget being spent externally. RTÉ now spends 21.1% of its RTÉ One and Two content expenditure commissioning content from the independent production sectors, a somewhat reduced proportion compared to the 25.8% seen in 2010. External commissioning in radio is far lower, at only 2.2% of total radio content spending.

RTÉ continues to deliver a broad range of well-regarded creative output across television, radio and live music performance, meeting the vast majority of specific commitments set with regards to creative activities.

### 5.5.1 RTÉ's performance against overall creativity commitments

RTÉ spent 82.3% of its content budget on internal production and statutory independent commissions. Despite meeting its statutory independent commissioning obligations, the proportion of RTÉ's TV content budget being spent externally has been in decline

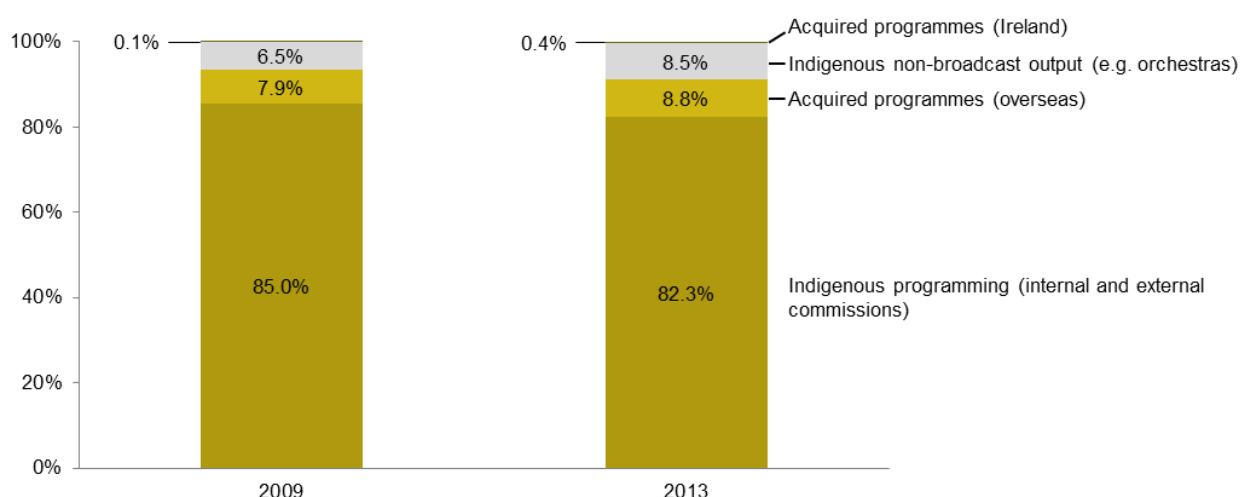
**Figure 74: RTÉ's overall creativity commitments, 2013**

No.	Performance Target	RTÉ Reported Result (comparison vs. 2012 in parentheses)	Met Target?
<b>13e</b>	Ensure independent commissioning meets statutory spending requirements	Obligation was met in 2013	Yes

Source: RTÉ

Overall, RTÉ spent €206.3m on Irish originations, including in-house productions and statutory commissions, a further €21.5m on non-broadcast output costs (such as the Orchestras), and €1.0m acquiring Irish-made programmes. The proportion of the programming budget spent on Irish-made programmes has reduced since 2009, with a greater proportion of the content budget is being spent on International acquisitions and non-broadcast content:

**Figure 75: RTÉ content spending by source, 2009 vs. 2013**



Source: RTÉ, Oliver & Ohlbaum analysis

RTÉ spent a total of €230m on broadcast and online content in 2013, spending 16.2% of this on statutory commissions from the independent production sector. RTÉ's met its statutory obligations for independent commissions, €39.3m across television and radio, of which >95% was on television content and >3% is on radio content (**Target 13e**).

In the BAI's Review of Funding for Public Service Broadcasters<sup>19</sup>, it is noted that RTÉ plans to increase use of external producers only if funding is increased. If funding were to remain constant, RTÉ argued that outsourcing a greater proportion of programme-making would not be cost-effective. Crowe Horwath neither accepted nor rejected RTÉ's assessment, recommending an independent review into the value for money delivered by in-house vs. external commissioning.

We would agree with the need for independent assessment on this issue. Regardless of the results of such assessment, mandating increased use of external commissions at RTÉ could also be justified on the basis of providing a boost to the Irish production sector, helping the Irish TV industry as a whole to grow.

## 5.5.2 RTÉ's performance against television production creativity commitments

Although RTÉ's television production spending has been falling, RTÉ continues to produce a good range of new content, returning key series and developing new strands in all major genres.

**Figure 76: RTÉ's television production creativity commitments, 2013**

No.	Performance Target	RTÉ Reported Result (comparison vs. 2012 in parentheses)	Met Target?
<b>2a</b>	RTÉ One to reformat key returning and deliver new Lifestyle / Entertainment series	<i>The Consumer Show</i> completely re-developed, <i>Operation Transformation</i> reformatted and returned. Delivered series <i>Design Doctors</i> , <i>Doctors on Call</i> , <i>Aine Lawlor</i> , <i>Facing Cancer</i> and new travel programme <i>Getaways</i> .	Yes

<sup>19</sup> Crowe Horwath, 2013

<b>2e</b>	RTÉ Two to develop full series from 2012 Format Farm and deliver other new programme formats	Three of the formats first piloted under the Format Farm initiative launched in 2012 have been commissioned as series on RTÉ One and RTÉ Two in 2013.	Yes
<b>2f</b>	RTÉ Two to deliver a Two Tube pilot compilation for RTÉ Player	Commitment not achieved due to financial constraints. A quality compilation was produced as a trial edit for the RTÉ Player, however on-going resources were not available to sustain this initiative.	No
<b>4h</b>	RTÉ Junior to deliver new television series in Q2-4	14 newly commissioned programme strands for the new phase of RTÉ Junior.	Yes
<b>9d</b>	RTÉ Radio 1 / RTÉ One to deliver new series of <i>Raw</i> and <i>Fair City</i> on RTÉ One	Broadcast the fifth series of <i>Raw</i> , and the soap <i>Fair City</i> . Other RTÉ drama included returning series <i>The Fall</i> , a psychological thriller drama, and gangland drama <i>Love/Hate</i> .	Yes
<b>9i</b>	RTÉ One to deliver new Factual doc and return key Irish Language series	Factual brought twenty five documentaries to the schedule, including <i>The Disappeared</i> , <i>Inside Irish Nationwide</i> , <i>Room Wanted</i> , <i>Crowded House</i> , <i>Life on the Inside</i> , <i>No Time to Die</i> and <i>Ireland and the Iron Lady</i> . RTÉ Cláracha Gaeilge broadcast a wide range of Irish language programming including <i>Abhainn</i> ; six contemporary documentaries under the Scannal strand; <i>Aniar Aduagh</i> , a six-part series centred on Ulster's thriving music scene and <i>Dúshlán 1881</i> a primetime living history Irish language series.	Yes

Source: RTÉ

In Lifestyle & Entertainment (**Target 2a**), RTÉ reformatted the consumer rights show *The Consumer Show*, and healthy lifestyle programme *Operation Transformation*. RTÉ also launched home makeover show *Design Doctors*, aired the hard-hitting documentary *Aine Lawlor: Facing Cancer* and premiered the first series of 6-part travel show *Getaways*, in a co-production partnership with BBC NI.

Following its 2012 launch, RTÉ's Format Farm initiative has produced three formats which were commissioned as RTÉ television series (**Target 2e**). These have produced International sales in *[Redacted: data is commercially sensitive]*

Despite producing a trial edit compilation, RTÉ did not meet its commitment to deliver a pilot compilation for RTÉ Player of youth-focused strand *Two Tube*, due to financial resources (**Target 2f**). Younger children were well catered for on RTÉ Junior with 14 newly-commissioned strands (**Target 4h**), including a bilingual approach to some parts of the schedule, supporting Irish language learning and development.

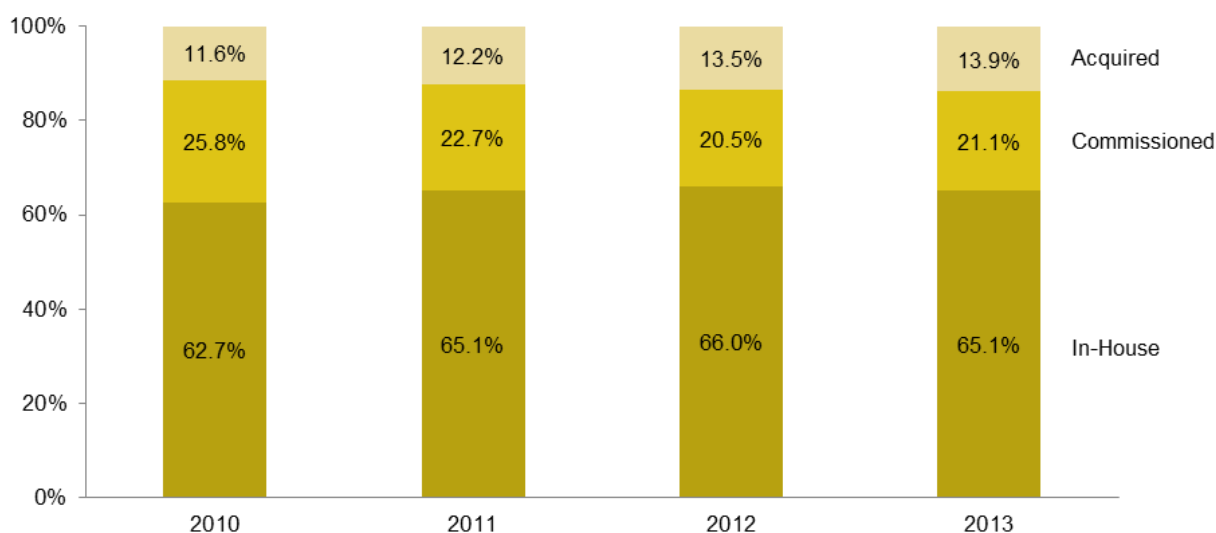
RTÉ maintained its commitment to drama in 2013 (**Target 9d**), delivering 2013 hours of new content on RTÉ One and Two. Schedule highlights included: the fifth and final series of *Raw*, with an average viewership of 641,000; *Fair City*, with a peak viewership of 700,000; *The Fall*, in co-production with BBC NI; and *Love/Hate*, which averaged over 1m viewers. RTÉ's drama productions featured heavily in the Top 20 most-watched programmes of the year, with *Love/Hate*, *Raw* and *Fair City* achieving rankings of 2<sup>nd</sup>, 12<sup>th</sup> and 14<sup>th</sup> respectively.

RTÉ delivered 697 hours of new Factual programming in 2013, including 25 documentaries (**Target 9i**). The output featured: BBC NI co-production *The Disappeared*, exploring the fate of those "disappeared" by the IRA; *Life on the Inside*, telling the story of Shetlon Abbey and Weatfield prisons and their inmates over the course of a year; observational children's hospice-based documentary *No Time to Die*; and *Ireland and the Iron Lady*.

Arts programming (83 hours) included the commissions *See You at the Pictures*, *From Hell's Kitchen to Hollywood*, and *John Sheahan – A Dubliner*.

As can be seen in Figure 77 below, RTÉ's independent commissioning spend has been cut by the biggest proportion (36% since 2010). In-house productions have seen smaller cuts (19%). RTÉ's acquisitions (the vast majority of which are international) have been largely shielded from spending cuts, with acquisition expenditure being trimmed by only 6% since 2010. As we have noted previously, international acquisitions are a valid way for a PSB to spend money if they attract audiences to a channel, and by improving reach, help the PSB to fulfil its public service objectives. The balance of funding allocated to international acquisitions rather than indigenous programming remains relatively modest, but should be monitored in future years.

**Figure 77: RTÉ TV content spending by source, 2010-2013**



Source: RTÉ, Oliver & Ohlbaum analysis

Notes: RTÉ One and RTÉ Two content spending

### 5.5.3 RTÉ's performance against radio, performance and cross-platform production creativity commitments

RTÉ continues to innovate in multi-platform content, delivering initiatives such as *RTÉ Goes Wild* and *Tots, Tweens and Teens week*. Creativity was evident in Radio, with the RTÉ Comedy Writing Room providing opportunities for new writers, and also in the Orchestras & Choirs, with six new commissions awarded in 2013.

**Figure 78: RTÉ's radio, performance and cross-platform production creativity commitments, 2013**

No.	Performance Target	RTÉ Reported Result (comparison vs. 2012 in parentheses)	Met Target?
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No.	Performance Target	RTÉ Reported Result (comparison vs. 2012 in parentheses)	Met Target?
3e	RTÉ Radio 1 to develop new Comedy and Factual content	The RTÉ Radio Comedy Writing Room provided on-air opportunities for 10 comedy writers, 4 of whom were completely new to radio. Also broadcast two pilot comedy panel shows and the weekly satirical show <i>Callan's Kicks</i> .	Yes
3f	RTÉ Radio 1 to work with the independent sector to develop new Factual series	Titles included: <i>Mary Robinson, talking to John Bowman</i> featuring the UN High Commissioner for Human Rights; <i>The Media Show</i> , following key decision-makers in media; and <i>Nature on One</i> .	Yes
3k	RTÉ 2fm to deliver the new Sport series <i>Game On</i> in Q1	<i>Game On</i> began broadcasting in February on RTÉ 2fm	Yes
4i	Deliver a new digital radio series of programmes, including new dance shows, science, educational, outdoors, adventure, animation and art series and the RTÉ Junior Radio service (RTÉ Junior and TRTÉ) will be enhanced to complement the TV offer	Four new series are broadcast on TRTÉ Radio and seven on RTÉ Junior Radio as part of the re-launch of the channels and of RTÉ Junior.	Yes
4k	Deliver RTÉ Tots, Tweens and Teens week in Q2	From 15-22 April, RTÉ services across all platforms collaborated to provide a range of opportunities for young people (under 18s) to contribute to and engage with RTÉ services, including as contributors, as part of workshops, and through competitions and set tours.	Yes
7b	Commission new Science and / or Technology based formats on RTÉ One	RTÉ transmitted a range of science, technology and natural history programming in 2013, returning existing series as well as launching new strands.	Yes
7c	In Q2, deliver new cross-platform event - <i>RTÉ Goes Wild</i> , RTÉ's series of TV, Digital and Radio programmes that bring you closer to nature, in addition to coverage on the RTÉ Player, RTÉ You Tube, TRTÉ and RTÉ Junior	<i>RTÉ Goes Wild</i> was a one-month long, cross-platform initiative across Television, Radio and online, that profiled Ireland's natural landscape.	Yes
9c	Deliver new drama series on RTÉ Radio 1 in 2013	Radio 1 delivered 27 new drama series during 2013.	Yes
9j	RTÉ Orchestras & Choirs to commission new music & premier new works	Two Irish premieres and three world premieres of non-RTÉ commissioned works of non-RTÉ commissioned works. Two world premieres delivered of RTÉ-commissioned works, and RTÉ gave further commissions to six composers.	Yes

Source: RTÉ

RTÉ met its obligation to new Comedy and Factual content on Radio 1 (**Target 3e**) by providing opportunities to 10 comedy writers – 4 of whom were completely new to radio – in the Radio Comedy Writing Room, and subsequently showcasing their work on *Callan's Kicks* and *The John Murray Show*. RTÉ Radio 1 also broadcast two comedy pilot shows as part of the Christmas 2013 schedule, one of which will be commissioned as a full series in the 2014 schedule.

RTÉ Radio 1's commitment to new Factual series (**Target 3f**) was met through titles such as *Mary Robinson talking to John Bowman* – an in-depth exploration of the UN High Commissioner for Human



Rights' life and work – and *The Media Show*, an 8-part Athena Media production following key media decision makers within Ireland and abroad.

RTÉ 2fm successfully launched new weeknight sports strand *Game On* in February (**Target 3k**), an interactive, agenda-setting daily sports show presented by Damien O'Meara.

In Children's content, as part of the re-launch of RTÉ Junior TV and Radio service (**Target 4i**), RTÉ Radio broadcast four new series, including book review and writing show *The Word*, and *Time Travellers Survival Guide*. RTÉ Junior Radio broadcast seven new series, including wildlife programme *Don's Wildwatch* and pre-school "learning by stealth" show *Happy Days*.

Radio 1 upheld its commitment to deliver new drama series (**Target 9c**), although the number of broadcast series was reduced from the planned 30 series to 27. The remaining three series featured highlights from 2013, and repeats of earlier dramas.

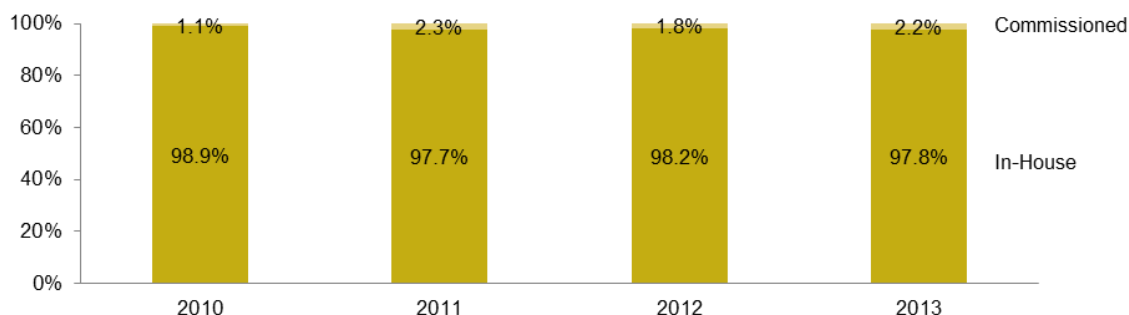
Tots, Tweens and Teens week was successfully delivered in April (**Target 4k**). Opportunities for children and young people to contribute and engage with RTÉ services included: as contributors on RTÉ Radio 1; as youth presenters on RTÉ 2fm and *News Today*; younger-listener-friendly content on Raidió na Gaeltachta; playing with the RTÉ Concert Orchestra.

New science and technology commissions (**Target 7b**) included the return of popular series *Living The Wildlife* and *The Science Squad*, and new series *The Secret Life of the Shannon* (natural history, wildlife, geography) and *Secrets of the Island Landscape* (natural and environmental history). RTÉ fulfilled its commitment to deliver *RTÉ Goes Wild* (**Target 7c**); commissioning television content and a Radio 1 series, publishing a book, and developing online material.

RTÉ Orchestras & Choirs continued to showcase new music (**Target 9j**), delivering five premieres of non-RTÉ commissioned works (two Irish premieres and three world premieres), and two world premieres of RTÉ commissioned works following the 2012 Commissioning Round. The 2013 Round of Commissions resulted in a new commissions being awarded to a further six composers.

As can be seen below, the proportion of radio content spending allocated to external commissions is much lower than in television (2.2% vs. 32%), although expenditure on external radio commissions has seen a slight increase on 2010 levels.

**Figure 79: RTÉ radio content spending by source, 2010-2013**



Source: RTÉ, Oliver & Ohlbaum analysis

Notes: Radio 1, 2fm, lyric and RnaG content spending

## **5.6 Irish language & culture commitments and analysis**

Although a less critical part of RTÉ's performance than TG4's, RTÉ nevertheless continues to provide a good range of services to promote Irish language and culture, including supplying content to TG4 as required in RTÉ's statutes. Spending on Irish-language content for broadcast on RTÉ, however, has fallen in line with overall cuts in content spending at RTÉ.

## 5.6.1 RTÉ's performance against Irish language & culture commitments

**Figure 80: RTÉ's Irish language and culture commitments, 2013**

No.	Performance Target	RTÉ Reported Result (comparison vs. 2012 in parentheses)	Met Target?
<b>10a</b>	RTÉ Raidió na Gaeltachta to launch a new series aimed at Irish speakers outside the Gaeltacht and abroad – <i>Cruinneog</i> in Q1	<i>Cruinneog</i> was broadcast at 11am on Saturdays.	Yes
<b>10c</b>	RTÉ Raidió na Gaeltachta to provide an Irish language online news service in Q3	Commitment not achieved. This has been delayed due to financial constraints and restructuring.	No
<b>10d</b>	RTÉ Raidió na Gaeltachta to deliver Irish Exam related programming	Broadcast <i>Scrúdú Béil na hArdteiste</i> , a four-part series for Leaving Cert students preparing for their Oral Irish Leaving Cert.	Yes
<b>10e</b>	RTÉ Raidió na Gaeltachta to deliver a series to mark RTÉ Tots, Tweens and Teens week	During the week, <i>Iris Anair</i> , <i>An Saol ó Dheas</i> , <i>Rónán Beo @ 3</i> , <i>Thall's Abhus</i> and <i>Béal Maidine</i> all included items specifically for younger listeners.	Yes
<b>10f</b>	RTÉ Raidió na Gaeltachta to deliver content for third level institutions during Seachtain the Gaeilge	<i>An Saol ó Dheas</i> was broadcast from UCC for Seachtain na Gaeilge which included discussions with students and staff at the university about their academic activities, an interview with the Auditor of the <i>Cumann Gaelach</i> (the Irish-Language society) and live music from the university's traditional music group.	Yes
<b>24f</b>	Coverage of national events provided on RTÉ.ie, ensuring that the Irish abroad can stay connected to Irish news and events	Delivered live streaming of New Year's Eve and St Patrick's Day Events.  For Rose of Tralee RTÉ Digital produced an exclusive behind the scenes programme available internationally on RTÉ Player.	Yes

Source: RTÉ

RTÉ Raidió na Gaeltachta content included programming for young people (**Target 10e**), for third level institutions (**Target 10f**), for Irish exam students (**Target 10d**) and for Irish speakers outside the Gaeltacht and abroad (**Target 10a**). RTÉ failed to provide an Irish language online news service in 2013 due to financial constraints (**Target 10c**).

Fulfilling its commitment to serve the international Irish community by covering national events on RTÉ.ie (**Target 24f**), RTÉ provided live streaming of key Irish events including New Year's Eve and St Patrick's Day, as well as the Rose of Tralee festival.

In common with English-language programme spending, RTÉ's Irish-language television and radio content spending has been reduced markedly since 2010: TV by 42%, and radio by 16% (see Figure 81). Irish language television output is largely News and Current Affairs.

Irish-language radio output, predominantly for Raidió na Gaeltachta, is comprised of a significant portion of Music and News & Current Affairs, with some Children's, Entertainment, Factual and Sport.

**Figure 81: RTÉ's Irish language new content spending, 2010-2013**

*[Redacted: data is commercially sensitive]*

Note that these figures do not include the provision of the equivalent of one free hour per day to TG4, half of which is News. RTÉ spent €7.1m providing this content for TG4 in 2013, which was less than in 2012 (€7.7m) and 2011 (€8.8m), representing an overall reduction in TG4 content spending of 19% since 2011.


## 5.7 Fulfilment of the Broadcasting Act 2009

### 5.7.1 Performance against PSB Objects

Chapter 2 of the Broadcasting Act 2009 lays out the provisions specific to RTÉ. RTÉ has generally performed well against the objects therein:

**Figure 82: RTÉ's performance against Broadcasting Act 2009 objects**

No.	Broadcasting Act 2009 TG4 Objects and Related Aims	RTÉ Performance	Object achieved?
<i>The objects of RTÉ are:</i>			
<b>a</b>	To establish, maintain and operate a national television and sound broadcasting service which shall have the character of a public service, be a free-to-air service and be made available, in so far as it is reasonably practicable, to the whole community on the island of Ireland	RTÉ TV channels available on free-to-air platforms, including Saorview and Saorsat which together provide near-universal reception  RTÉ Radio stations also available free-to-air on a near-universal basis	✓
<b>b</b>	To establish and maintain a website and teletext services	Requirements met through RTÉ.ie service and RTÉ Aertel Digital	✓
<b>c</b>	To establish and maintain orchestras, choirs and other cultural performing groups in connection with the services of RTÉ	RTÉ maintains cultural performing groups: RTÉ National Symphony Orchestra, RTÉ Concert Orchestra, RTÉ Vanbrugh Quartet, RTÉ Philharmonic Choir, RTÉ Cór na nÓg	✓
<b>d</b>	To assist and co-operate with the relevant public bodies in preparation for, and execution of, the dissemination of relevant information to the public in the event of a major emergency	Obligation met for 2013	✓
<b>e</b>	To establish and maintain archives and libraries containing materials relevant to the objects of RTÉ	6,617 accession/catalogued hours for the year 2013	✓
<b>f</b>	To establish, maintain and operate a television broadcasting service and a sound broadcasting service which shall have the character of a public service, which services shall be made available, in so far as RTÉ considers reasonably practicable, to Irish communities outside the island of Ireland	Requirements met for 2013  RTÉ.ie and RTÉ Player accessible internationally on a range of platforms, with some restrictions for copyright reasons.	✓

No.	Broadcasting Act 2009 TG4 Objects and Related Aims	RTÉ Performance	Object achieved?
<b>g</b>	Subject to the consent of the Minister, the Minister having consulted with the Authority, to establish, maintain and operate, in so far as it is reasonably practicable, community, local, or regional broadcasting services, which shall have the character of a public service, and be available free-to-air	All of RTÉ's services are national and RTÉ fulfils its regional remit, and responsibilities to all communities of Ireland through its national offerings. RTÉ's public service schedules contain a range of programmes and items produced in the various regions of Ireland and about all areas and communities of Ireland, including <i>Nationwide</i> .	
<b>h</b>	Subject to the consent of the Minister, the Minister having consulted with the Authority, to establish and maintain non-broadcast non-linear audio-visual media services, in so far as it is reasonably practicable, which shall have the character of a public broadcasting service	RTÉ Player service available on a range of platforms	✓
<b>i</b>	To establish, maintain, and operate one or more national multiplexes	TV: RTÉ operates a national multiples in accordance with the RTÉ (National Television Multiplex) Order 2010 Radio: RTÉ operates a national DAB Multiplex service covering major urban areas	✓
<b>j</b>	So far as it is reasonably practicable, to exploit such commercial opportunities as may arise in pursuit of the objects	€145.2m commercial revenue earned in 2013	✓
<i>In pursuing these objects, RTÉ shall:</i>			
<b>a</b>	Be responsive to the interests and concerns of the whole community, be mindful of the need for understanding and peace within the whole island of Ireland, ensure that the programmes reflect the varied elements which make up the culture of the people of the whole island of Ireland, and have special regard for the elements which distinguish that culture and in particular for the Irish language	Requirements met for 2013	✓
<b>b</b>	Uphold the democratic values enshrined in the Constitution, especially those relating to rightful liberty of expression	Requirements met for 2013	✓
<b>c</b>	Have regard to the need for the formation of public awareness and understanding of the values and traditions of countries other than the State, including in particular those of other Member States	Requirements met for 2013	✓
<i>RTÉ shall ensure that the programme schedules of the broadcasting services:</i>			

No.	Broadcasting Act 2009 TG4 Objects and Related Aims	RTÉ Performance	Object achieved?
<b>a</b>	Provide a comprehensive range of programmes in the Irish and English languages that reflect the cultural diversity of the whole island of Ireland and include programmes that entertain, inform and educate, provide coverage of sporting, religious and cultural activities and cater for the expectations of the community generally as well as members of the community with special or minority interests and which, in every case, respect human dignity	Requirements met for 2013	✓
<b>b</b>	Provide programmes of news and current affairs in the Irish and English languages, including programmes that provide coverage of proceedings in the Houses of the Oireachtas and the European Parliament	Requirements met for 2013	✓
<b>c</b>	Facilitate or assist contemporary cultural expression and encourage or promote innovation and experimentation in broadcasting	Requirements met for 2013	✓
<i>In addition, RTÉ shall:</i>			
<b>a</b>	Provide to TG4 programme material in the Irish language of such amounts and at such times as may be agreed between them, being of such amounts and at such times as, in their opinion, will result in the equivalent of one hour of such programme material being provided daily by RTÉ to TG4	Requirements met for 2013	✓

Source: Broadcasting Act 2009, RTÉ, Oliver & Ohlbaum analysis







### 5.7.2 RTÉ's Five Year Strategy

As required under Section 99 of the Broadcasting Act 2009, RTÉ produced a statement of its 5-Year strategy for the 2013-2017 period.

Many of the commitment statements made in RTÉ's Five-Year Strategy have been translated into the 2013 Performance Commitments, and have already been reported on earlier in this Chapter, or in Appendix 2. For the sake of brevity, these are not duplicated below. Some Five-Year Strategy commitment statements, however, have undergone considerable modification, or have been omitted entirely from the 2013 Commitments Performance Report. These statements are detailed in Figure 83 below, together with a brief analysis of progress to date against those commitments.

We do not find any deviations from RTÉ's Five Year Strategy that are of concern. Nevertheless, we feel that some commitments made in the Five Year Strategy are worthy of discussion in future performance reports, including the Five Year guaranteed percentage of Irish music in the 2fm schedule, and a commitment to a contributor base that is representative of the population of Ireland.

**Figure 83: RTÉ's progress against its remaining Five Year commitments**



Section	Five Year Strategy Commitment Statement	Comparison to the 2013 Commitments	RTÉ Performance against Five Year Strategy	Progress is in line with 5Y Strategy?
<b>NB: This table summarises only those Five Year commitments which have been significantly modified in, or omitted from, the RTÉ 2013 Commitments Performance Report. All other Five Year Commitments are discussed earlier in this Chapter, or in Appendix 2 (Additional Commitments).</b>				
Open RTÉ	Embed new systems and procedures for addressing complaints and criticism regarding RTÉ programming and content	2013 Commitments reference the Content Standards Guidelines (which include complaints procedures)	No indications that the current system and processes are inadequate	
A fit for purpose organisation	Increase the allocation of resources to training and development	2013 Performance Commitments do not discuss training resource allocation	RTÉ reports a good range of training and development activities for 2013, with additional funding and human resource in place for 2014	
RTÉ Two	Exploration of the use of new production models and user-generated content (UGC) on RTÉ Two.	2013 Performance Commitments do not discuss UGC	RTÉ experimented with UGC in <i>How to be Irish</i> (2012) <sup>20</sup>	
RTÉ Two	Harness social media and deliver second screen experiences to increase audience engagement with and give linear content new expression online	2013 Performance Commitments do not discuss second screen	TV3 launched Ireland's first second screen app in 2013 <sup>21</sup> : RTÉ's second screen work has been limited to date	
RTÉ Radio 1	Showcase live performance of Irish music in the schedule and use music entertainment programmes to attract 35-54s.	2013 Performance Commitments do not discuss Irish music specifically	Out of 225 live music acts performed on RTÉ Radio 1 in 2013 165 performances were Irish, and many of the Albums of the Week were by Irish artists	
RTÉ 2fm	Feature more music from Irish artists and commit to a guaranteed level of Irish music on peak-time playlist. Increase percentage of Irish music on peak time.	2013 Performance Commitments do not specify level of peak time Irish music	Specific percentage not specified, but Irish music is a feature of 2fm's daytime playlist (two plays per day minimum), scheduled programme features such as <i>The Alternative</i> and live festival coverage	

<sup>20</sup>. [http://www.rte.ie/tv/programmes/how\\_to\\_be\\_irish.html](http://www.rte.ie/tv/programmes/how_to_be_irish.html)<sup>21</sup>. <http://www.businessandleadership.com/marketing/item/43121-tv3-launches-irelands-firs>



Section	Five Year Strategy Commitment Statement	Comparison to the 2013 Commitments	RTÉ Performance against Five Year Strategy	Progress is in line with 5Y Strategy?
RTÉ 2fm	Increase sports coverage by moving resources from Radio 1, leverage existing RTÉ Sports rights to provide appropriate content.	2013 Performance Commitments do not discuss this policy	Sports spend for 2fm has increased (€0.369m 2013 vs. €0.341 2012), following years of steady increase (€0.108m in 2009). Radio 1 sports spend fell (€3.8m in 2012, €2.9m in 2013)	✓
RTÉ.ie	New Hub for Arts and Culture: Aggregate arts and culture content on new online platform and evolve production models to allow greater access to RTÉ's cultural content.	Not referred to explicitly in 2013 Performance Commitments	A new Cross Divisional Coordinator for Arts and Culture is being recruited, who will be responsible for managing RTÉ's Arts & Culture output	✓
RTÉ Player	Grow revenue: Grow video-on-demand advertising revenue; launch premium content offering	Not specified in 2013 Performance Commitments	Income from Digital is increasing (€15.6m in 2013 vs. €13.8m in 2012)	✓
RTÉ Raidió na Gaeltachta	Strengthen online offering to engage diaspora – create a mobile application.	Not specified in 2013 Performance Commitments	RTÉ Radio services available through RTÉ Radio Player app available on iOS and Android <sup>22</sup>	✓
RTÉ Digital Radio	(RTÉ Choice) will be merged with RTÉ Radio 1 Extra	Not reported in 2013 Commitments	Merge has now been completed	✓
RTÉ Digital Radio	Further evaluation of RTÉ Gold and RTÉ Pulse will be carried out in 2013	Not discussed in 2013 Commitments	RTÉ Gold and RTÉ Pulse still broadcasting separately	✓
Arts and Culture	RTÉ will maintain and develop core arts output at current levels, and augment with a short-run arts series	Short-run arts series not discussed in 2013 Commitments	From 2012 to 2013, new hours Arts content has increased from 536 hours to 568 hours on Radio, and but decreased from 28 to 25 hours in Television	✓
Innovation (inc. science and technology)	Explore the potential to produce a regular technology show for RTÉ News Now	New technology show not discussed in 2013 Commitments	New technology show remains subject to funding and the acquisition of staffing resources, thus it is unlikely to proceed prior to 2015 at the earliest	✗
RTÉ News Now	The channel has approximately 20-30% live content with 70-80% looped content. RTÉ plans to grow the channel rapidly over the course of the next 3 years to reverse these percentages, and ultimately to have a fully functioning 18/24-hour news cycle from the RTÉ newsroom.	Increase % of live content from 20-25% in 2012 to 35-47% by year-end	Achieved 45% live output in 2013, in line with gradual increase laid out in the Five Year Strategy	✓

<sup>22</sup>++ <http://www.rte.ie/extra/apps.html>

Section	Five Year Strategy Commitment Statement	Comparison to the 2013 Commitments	RTÉ Performance against Five Year Strategy	Progress is in line with 5Y Strategy?
*	*	*	*	*
*	*	*	*	*
On-air diversity: Contributor Tracking	RTÉ programmes should reflect the makeup of the country and broaden the range of contributors. Contributor Tracking System to be developed	Contributor Tracking not discussed in 2013 Performance Commitments	RTÉ conducted a Contributor Tracking pilot during October-December 2013.	
Funding: commercial revenue	*	*	Actual performance: €145.2m (Recognising dependency on the Irish economy)	

Source: RTÉ Five-Year Strategy, RTÉ 2013 Performance Commitments Report, Oliver & Ohlbaum analysis

*[Redacted: data is commercially sensitive]*




### 5.7.3 Fulfilment of Public Service Statement




As required under Section 101 of the Broadcasting Act 2009, RTÉ produced a Public Service Statement in 2010 outlining RTÉ's interpretation of its remit as a national public service broadcaster. Following review of the RTÉ Public Service Statement against RTÉ's 2014 Commitments, we find no major deviations from the principles laid out in the Public Service Statement.


## 5.8 O&O's view on the overall performance of RTÉ in 2014

To conclude the assessment of RTÉ's 2014 performance, we have summarised our view on how well RTÉ delivered in each of the five areas, based not only on RTÉ's own Commitments and Targets, but also on our own analysis of RTÉ's 2014 performance based on data returned as part of this annual review process.

**Figure 84: Overall assessment of RTÉ's performance for 2013**

Performance	Comment	Assessment of Performance Weak  →  Strong
<b>Audience</b>		
<b>Overall reach</b> at 95% or 96% for all demographics	Overall reach for 15+ adults remains constant, with a slight reduction in reach for over 35 audiences compensated for by an increase in reach for under 35 audiences: a good achievement in balancing RTÉ's reach among different demographics and achieving greater universality.	 <p>In line with other Western PSBs, RTÉ has lost reach and share, especially in TV, as digital TV services have become more prevalent.</p> <p>Nevertheless, RTÉ continues to dominate TV viewing, and provides evidence of universality, in reaching audiences of all ages. Despite achieving good audience shares, universality in radio is more of a concern, with younger demographics (under 55s) being under-represented.</p>
<b>TV reach and share</b> for RTÉ One and Two continued to decline (RTÉ One: 68% weekly reach, 28.7% peak-time share / RTÉ Two: 54% weekly reach, 7.8% peak-time share)	As TV viewing becomes more fragmented, with more consumers having a larger choice of channels than ever before, the traditional RTÉ services – RTÉ One and Two – are seeing reduced reach and share.  RTÉ is taking advantage of changing trends towards multichannel itself; the two new digital channels News Now and Junior both grew viewership in 2013, following their launch in 2012.	
<b>Radio reach and share:</b> Radio 1 and 2fm saw decreases on some reach measures, although Radio 1 increased peak-time share. Lyric fm and RnaG both increased weekly reach. Weekly reach (15+ adults): Radio 1, 37%; 2fm, 22%; Lyric fm, 8%; RnaG, 2%.	RTÉ's radio audience figures have showed better stability than its TV audience figures over the past 5 years, some slight decreases in RTÉ Radio 1 and 2fm reach causing missed targets in 2013, but a much less marked of declining all-day share than is seen in RTÉ One and RTÉ Two over the time period. Radio 2fm saw some audience churn in 2013.  Audience reach for some demographics is a concern, with considerable underperformance in 15-24s (RTÉ reaching 12% vs 75% reached by all radio stations), 25-34s (23% vs 79%) and 35-44s (33% vs 82%).	
<b>Digital services</b> continue to grow in popularity. RTÉ.ie weekly reach increased to 22%; average monthly browsers level at 1.9m. RTÉ Player reach decreased to 17%, but overall monthly streams grew to 7.2m (including non-RTÉ Player streams). Aertel reach halved to 16%.	Growth in digital services appears to have slowed compared to the 2009-2011 period. Reach for RTÉ Player has decreased slightly, partly because the Olympics were being shown in 2012, although the remaining users are using the service more intensively.  As in other markets, a strong digital offering from the leading PSB is proving an incentive for commercial broadcasters to develop their own services, including catch-up services.  RTÉ Aertel has seen major reduction in reach, as Irish consumers find more convenient sources of information.	

Output & Content		
<b>New hours</b> of television: 9321hrs content, of radio: 29196hrs content	RTÉ increased new television hours by 9%, driven by a large increase in News & Current Affairs output, with reductions in output in nearly every other genre. In radio, overall output and genre mix was broadly in line with 2012, with a 1% decrease in total output hours, following 3 years of small rises in output.	  RTÉ has reduced spending on content while increasing output hours.  This does not seem to have adversely affected perception of quality scores, although it may have been a factor in the reduced audience figures seen.
<b>Programming spending</b> for RTÉ One / Two: €166m, for radio: €53m	In both TV and radio, we see a contraction in content spending in 2013. Added to the previous three years of smaller declines in content spending, in 2013 RTÉ was spending 22% less on RTÉ One and Two content, and 14% less content for its main radio stations, compared to 2010.	
Most services <b>increased perception of quality</b> scores	This pattern of maintaining overall output in the face of falling spending levels does not seem to have adversely affected quality scores: as discussed in the section on Audience commitments above, only 2fm saw a decrease in audience perception of quality, with all of RTÉ's other major radio stations and TV channels seeing modest rises in score.	
Value for money		
<b>Overall net surplus</b> of €0.6m	RTÉ made a small net surplus in 2013 by reducing operating costs, although audience perception that RTÉ is good value for money also fell.  Public funding for each service was close to agreed thresholds, differing by no more than 1% of total public funding in the few instances where there was a discrepancy.	  RTÉ succeeded in balancing income and spending for the first time since 2008.  Costs per viewer / listener hour have continued to fall.
<b>Commercial revenues</b> have continued to fall: now at €145.2m	RTÉ's commercial revenue continued to fall in 2013, in line with continued decline in the TV ad market in Ireland as a result of the ongoing economic difficulties.  RTÉ saw some encouraging performance in Digital Commercial Revenue, following global trends.	
<b>Cost per viewer / listener hour</b>	Despite falling audiences for some services, RTÉ succeeded in reducing its cost per viewer / listener hour from 2012 to 2013 for all services except Raidió na Gaeltachta, as a result of lower programming costs.	
Creativity		
<b>Independent production sector spending</b> at 21% of TV content spending, and 2.2% of radio content spending	As a proportion of the cost of material transmitted in the year, RTÉ spent 21.1% of its RTÉ One and RTÉ Two content expenditure commissioning content from the independent production sectors in 2013, a somewhat reduced proportion compared to the 25.8% seen in 2010. Use of external commissioning in radio has historically been far lower, and currently stands at only 2.2% of total radio content spending  Although RTÉ meets its statutory independent sector spending commitments, spending €39.3m overall, of which >3% is on radio and >95% is on TV content.  We see room for further use of independent production companies, especially in TV, and recommend that the majority of any future increases in RTÉ's programme spending be allocated to the independent production sector.	  RTÉ does produce a good range of original Irish content, and is a major source of support for the Irish independent production sector.

<b>Irish originations</b> (internal production, statutory commissions) plus Irish acquisitions accounts for €207.3m (90%) of total broadcast content expenditure	<p>RTÉ spends the overwhelming majority of its programming budget on Irish-made programming.</p> <p>Although international acquisitions represent 9.6% of programming spending, RTÉ must be careful to fully justify this spending in future, given the increasingly buoyant commercial broadcasting sector in Ireland which may be able to meet market demand for International acquisitions.</p>	However, we note a decrease in the externally-spent proportion of the TV content budget in recent years. We feel there is room for further risk-taking, in producing more indigenous content vs. acquisitions, and in addressing the in-house/independent commissioning balance to better support the Irish independent production sector
A range of <b>new titles</b> and <b>creative initiatives</b>	<p>Although RTÉ's television production spending has been falling, RTÉ continues to produce a good range of new content, returning key series and developing new strands in all major genres.</p> <p>RTÉ continues to innovate in multi-platform content, delivering initiatives such as <i>RTÉ Goes Wild</i> and <i>Tots</i>, <i>Tweens</i> and <i>Teens</i> week. Creativity was evident in Radio, with the RTÉ Comedy Writing Room providing opportunities for new writers, and also in the Orchestras &amp; Choirs, with six new commissions awarded in 2013.</p>	
<b>Irish language and culture</b>		
<b>RTÉ's Irish language programme</b> spending has decreased in line with overall programme spending	In common with English-language programme spending, RTÉ's Irish-language television and radio content spending has been reduced markedly since 2010: TV by 42%, and radio by 16%. Irish language television output is largely News and Current Affairs.	 <p>RTÉ continues to provide a good range of services to promote Irish language and culture, and delivers content to TG4 as required by statute.</p>
<b>€7.1m on TG4 content</b>	RTÉ spent €7.1m providing the equivalent of one hour's Irish-language content per day for TG4 in 2013, less than in 2012 (€7.7m) and 2011 (€8.8m).	Spending on Irish-language content for broadcast on RTÉ has fallen in line with overall cuts in content spending.

## 6 CONTROL OF OVERCOMPENSATION AND MAINTENANCE OF SURPLUSES

The EU Communication on state aid requires that public funding of broadcasters be kept to a minimum. To this end, it stipulates that broadcasters in receipt of public funding should not be able to retain more than 10% of revenues as “profit / net income” and add this to reserves.

This requirement is subject to exclusions for capital requirements of broadcasters undertaking long-term investment, for example in digital broadcasting infrastructure projects.

2013 income for TG4 is broadly in line with pre-recession levels in nominal terms, and TG4 has run a very slight deficit for the year (see Figure 85). RTÉ, on the other hand, has suffered a 26% fall in income since 2007, but did deliver a modest surplus in 2013 for the first time since 2008 (see Figure 86).

**Figure 85: TG4 revenues, expenditure and surplus, 2007 to 2013**

€ (MILLIONS)	2007	2012	2013
Revenue	35.470	35.922	35.84
Expenditure	35.651	35.93	35.862
Surplus (Deficit)	(0.181)	(0.008)	(0.022)
Surplus (Deficit) as a % of Revenues	(0.51%)	(0.02%)	(0.06%)

Note: Deficit / surplus calculated as total income less operating expenditure  
Source: TG4

**Figure 86: RTÉ revenues, expenditure and surplus, 2007 to 2013**

€ (MILLIONS)	2007	2012	2013
Revenue	441.152	337.214	327.583
Expenditure	414.723	354.832	325.769
Surplus (Deficit)	26.429*	(17.618)	1.815
Surplus (Deficit) as a % of Revenues	5.99%*	(5.22%)	0.55%

Note: Deficit / surplus includes taxation and interest, but is before restructuring and net defined benefit pension-related finance expense / income  
\* 2007 has not surplus has not been adjusted for net defined benefit pension related finance income of € 16,184,000.

Source: RTÉ

Neither broadcaster was thus in contravention of EU state aid rules and overcompensation limits do not apply.

## 7 RECOMMENDATIONS FOR FUTURE REVIEWS

### 7.1 Purpose of the review

In our 2010 review we suggested that a clear distinction should be made between the objectives and conduct of the annual reviews and those of the five year reviews also enshrined in the Broadcasting Act. The BAI has adopted many of these principles.

We believe that an annual review of funding does not give the broadcasters the stability required to make long-term decisions in the interests of the consumers, the licence fee payers or the broadcasters themselves. We thus remain convinced that the annual review should serve as a check on strategy implementation and as a mechanism should a rapid response be required – in the event of a downturn as severe as that in 2008/09, for example. Micromanaging income on an annual basis will only add insecurity to the system and lead to short termism.

This annual review falls at an odd time, in that the performance under review is that of the last year before the broadcasters implement the strategies laid out in the five year review undertaken in 2012. The present review of 2013 performance is to inform the funding broadcasters will receive in 2015. Next year's review should be much more focused on the five year strategy.

To this end the performance measures and metrics used should focus on the fulfilment of the strategy and its delivery of the objectives of public service broadcasting.

Once again, we would emphasise that this approach places more emphasis on the five year review which should be seen and treated as a major exercise, with long term implications for the broadcasters. The annual review, in contrast, should be seen as a more streamlined and less burdensome review, unlikely to result in funding level changes except in exceptional circumstances (such as economic crisis or a major structural change in the market). To be effective, the model would need full buy-in from the key stakeholders the BAI works with on the funding review process: the DCENR, and the broadcasters themselves. Examples of this approach in practice include the UK's model of major PSB reviews every number of years through the BBC Charter Review and the Ofcom PSB Review.

### 7.2 Future development of the annual review framework

The Broadcasting Act 2009 states that an annual statement of performance commitments be prepared by each public service broadcaster, in accordance with "its objects", "statement of strategy", "public service statement" and "including the activities to which the corporation intends to commit in that financial year and associated performance indicators". Working within this structure as set out in law, we believe there is room for further refinement of both TG4's and RTÉ's commitments, to better serve the purpose of annual PSB review. We still feel that there is a tendency to micro-manage at an operational level in the commitment frameworks – the broadcasters' management teams should be left to take the decisions required to achieve the overall objectives.



## 7.2.1 TG4's Performance Commitments

We welcome TG4's steps to reduce its overall number of commitments – from 41 to 17 – focusing on the most impactful commitment statements, and reducing the amount of overlap between separate commitments.

However, we feel there is still scope for further refinement, focusing ever more tightly on the metrics which are most important to PSB review in Ireland. We have highlighted below the relevance which we believe each of TG4's 2014 Performance Commitments has to the PSB review process:

**Figure 87: Relevance of the Performance Commitments TG4 has set for 2014**

No.	2014 Performance Commitment	Relevance to PSB Annual Review
1	Ensure an increase in TG4's reach among Irish language users and all television broadcast audiences in Ireland	Audience
2	Achieve greater audience engagement with TG4 across all key media platforms.	Audience
3	Endeavour to fulfil our audiences' needs and ensure TG4 addresses their expectations.	Audience
4	Increase accessibility of TG4's content and services to audiences with physical, sensory or intellectual disability.	Output
5	Deliver high quality "must see" content across TG4 priority genres, characterised by a distinctive "súil eile" perspective.	Output
6	Continue to extend TG4's core Irish language broadcast schedule and deliver a minimum of 1,710 hours of new Irish language programming.	Irish Language & Culture
7	Invest in content technology and systems to support creativity and innovation.	Creativity
8	Deliver a worldwide Irish language content service that promotes and celebrates the Irish language and identity.	Irish Language & Culture
9	Have a positive influence on the awareness and development of the Irish language and culture.	Irish Language & Culture
10	Continue to engage younger audiences with the Irish language and TG4.	Audience
11	Support the Government to revitalise the Irish language by working closely with it to deliver the 20 Year Strategy for the Irish language (2010 – 2030).	-
12	Play a key role in supporting the Irish language independent production sector. Enhance Ireland's capabilities in the knowledge-based creative sectors and make a strong contribution to jobs and earnings.	Creativity
13	Spend at least 70% of TG4's public funding on Irish language content and no more than 15% each on its broadcast and overheads. Limit use of public funding to the achievement of our public service objects and duties.	Value for money
14	Continue to operate as cost effectively as possible and deliver value-for-money.	Value for money

No.	2014 Performance Commitment	Relevance to PSB Annual Review
15	Secure approximately €3.1m in commercial revenues and maximise all commercial opportunities.	Value for money
16	Maintain best-practice governance and reporting systems and ensure TG4 complies with all relevant and binding codes and regulations under which we function.	-
17	Deliver our public service and statutory requirements as reflected in our objects and public service statement and in all broadcasting codes and regulations.	-

Source: TG4, Oliver and Ohlbaum analysis

Moreover, we are concerned by the subjectivity involved in deciding whether a given commitment has been met or not. TG4 does add supporting detail under each commitment – including tabulated quantitative metrics – but we would argue that too much detail is presented on which to base a clear assessment of whether a given commitment has been met or not. In previous years, TG4 has declared commitments as fully met, even if it failed many of the more specific KPIs that lay beneath that commitment.

We therefore propose TG4 refines their performance commitment framework in line with the RTÉ model: adding a small number (3-4, at most) of clearly-defined, objective targets to support each of the Performance Commitments.

## 7.2.2 RTÉ's Performance Commitments

As with TG4, RTÉ has also succeeded in reducing its overall number of Performance Commitments and the Targets that underpin them. We also find much to admire in how RTÉ has developed a consistent set of metrics which it applies to each service (typically, TVRs, reach, share, perception of content quality and a brand perception measure). There are still a number of commitments which we feel are of lower importance to the annual funding review process: we have highlighted these below.

**Figure 88: Relevance of the Performance Commitments RTÉ has set for 2014**

No.	Service	RTÉ 2014 Performance Commitment	Relevance to PSB Annual Review
1a	RTÉ One	Stabilise peak TVRs among 35-54s at >8 (from 8.6 in 2013)	Audience
1b	RTÉ One	Stabilise weekly reach among Individuals at >67% (from 68.1% in 2013)	Audience
1c	RTÉ One	Maintain adult 15+ peak time share at >28% (from 28.7% in 2013)	Audience
1d	RTÉ Two	Increase peak TVRs among 15-34s from 2.3 in 2013 to >2.5	Audience
1e	RTÉ Two	Stabilise weekly reach among Individuals at e) Stabilise weekly reach among Individuals at >52% (from 54.1% in 2013)	Audience
1f	RTÉ Two	Grow 15-34s peak time share from 8.7% in 2013 to >9%	Audience
1g	RTÉ Junior	Grow weekly reach among 4-7s from 13.6% in 2013 to >15%	Audience
1h	RTÉ Radio 1	Stabilise listened yesterday reach among 35-54s at >23% (from 23% in 2013)	Audience
1i	RTÉ Radio 1	Maintain increased weekly reach among Adults 15+ at >37% (from 37% in 2013)	Audience

No.	Service	RTÉ 2014 Performance Commitment	Relevance to PSB Annual Review
1j	RTÉ Radio 1	Maintain adult 15+ peak 7-7 share at >23% (from 23.5% in 2013)	Audience
1k	RTÉ 2fm	Build on increased listened yesterday reach among 20-44s from 15% in 2013 to >15%	Audience
1l	RTÉ 2fm	Stabilise weekly reach among all Adults 15+ at >23% (from 22% in 2013)	Audience
1m	RTÉ 2fm	Grow 20-44 year old peak 7-7 share from 11.7% in 2013 to 13%	Audience
1n	RTÉ lyric FM	Maintain increased listened yesterday reach among 35-54s at >4% (from 4% in 2013)	Audience
1o	RTÉ lyric FM	Maintain increased weekly reach among Adults 15+ at >8% (from 8% in 2013)	Audience
1p	RTÉ lyric FM	Maintain increased adult 15+ peak 7-7 share at >1.8% (from 1.8% in 2013)	Audience
1q	RTÉ Raidió na Gaeltachta	Grow listened yesterday reach among 35-54s from 1% in 2013 to >1%	Audience
1r	RTÉ Raidió na Gaeltachta	Maintain increased weekly reach among Adults 15+ at >2% (from 2% in 2013)	Audience
1s	RTÉ.ie	Grow RTÉ.ie average weekly reach from 22% in 2013 to >25%	Audience
1t	RTÉ.ie	Grow RTÉ.ie average monthly Unique International Browsers from a benchmark of 1.5m in December 2013 to >1.5m	Audience
1u	RTÉ Player	Grow RTÉ Player average weekly reach from 17% in 2013 to >20%	Audience
1v	RTÉ News Now	Grow RNN's television weekly reach among Adults 15+ from 17.6% in 2013 to >20%	Audience
1w	RTÉ News Now (RNN)	Grow number of unique browsers from the RTÉ news site and RNN mobile app from 2.2m in January 2014 to >2.2m	Audience
1x	RTÉ News Now (RNN)	Grow number of Twitter followers of RTÉ News from 170k at end 2013 to 225k	-
1y	RTÉ AERTÉL	Monitor RTÉ Aertel usage and stabilise weekly reach at >15% (vs. 15% in 2013)	Audience
1z	RTÉ Archives	Increase numbers ever using RTÉ Archives from 14% in 2013 to >14%	-
1aa	RTÉ on Mobile and Online	Grow RTÉ Apps average weekly reach from 10% in 2013 to >13%	-
1bb	RTÉ on Mobile and Online	Grow RTÉ's average weekly reach via mobile and online from 35% in 2013 to >37%	Audience

No.	Service	RTÉ 2014 Performance Commitment	Relevance to PSB Annual Review
1cc	RTÉ on Mobile and Online	Grow RTÉ's average monthly streams via mobile and online from 7.2m to 7.5m	Audience
1dd	RTÉ Orchestras & Choirs	Maintain audience at >190,000 (vs. 197,000 in 2013)	Audience
2a	RTÉ Overall	Maintain average weekly reach for all RTÉ Services among adults 15+ at >90% (vs. 96% in 2013)	Audience
2b	RTÉ Overall	Maintain average weekly reach for all RTÉ Services among 15-34s at >90% (vs. 96% in 2013)	Audience
2c	RTÉ Overall	Maintain average weekly reach for all RTÉ Services among 35-54s at >90% (vs. 95% in 2013)	Audience
2d	RTÉ Overall	Maintain average weekly reach for all RTÉ Services among 55+ at >90% (vs. 97% in 2013)	Audience
2e	RTÉ Overall	Maintain public perception that RTÉ is an Important part of Irish life at >67% (from 67% in January 2014)	Audience
2f	RTÉ Overall	Maintain public perception that RTÉ is trustworthy at >70% (from 72% in 2013)	-
3a	RTÉ One	Deliver genre mix within % range	Output
3b	RTÉ One	Maintain audience perception of Quality at >80 (from 81.4 in 2013)	Audience
3c	RTÉ One	Grow public perception that RTÉ <i>enables me to connect with national events</i> from 61% in January 2014 to >61%	-
3d	RTÉ One	Maintain public perception that RTÉ One reflects modern Ireland at >54% (from 54% in January 2014)	Audience
3e	RTÉ Two	Deliver schedule mix within % range	Output
3f	RTÉ Two	Maintain audience perception of Quality at >80 (from 81.7 in 2013)	Audience
3g	RTÉ Two	Grow public perception that RTÉ Two <i>is where I turn for Irish sport</i> from 47% in January 2014 to >47%	Audience
3h	RTÉ Two	Grow public perception that RTÉ Two <i>has a sense of humour</i> from 34% in January 2014 to >34%	Audience
4a	RTÉ Radio 1	Deliver diverse genre mix within % range	Output
4b	RTÉ Radio 1	Maintain audience perception of Quality at >80 (from 83.4 in 2013)	Audience
4c	RTÉ Radio 1	Grow public perception that RTÉ Radio 1 offers good range of content from 37% in January 2014 to >37%	Audience
4d	RTÉ Radio 1	Maintain public perception that RTÉ Radio 1 provides trusted N&CA at >53% (from 53% in January 2014)	Audience
4e	RTÉ 2fm	Deliver genre mix within % range	Output

No.	Service	RTÉ 2014 Performance Commitment	Relevance to PSB Annual Review
4f	RTÉ 2fm	Maintain audience perception of Quality at >80 (from 80.4 in 2013)	Audience
4g	RTÉ 2fm	Grow public perception that RTÉ 2fm plays good music from 34% in January 2014 to >34%	Audience
4h	RTÉ 2fm	Grow public perception <sup>6</sup> that RTÉ 2fm has a sense of humour from 31% to >31%	Audience
4i	RTÉ lyric fm	Deliver genre mix within % range	Output
4j	RTÉ lyric fm	Maintain audience perception of Quality at >80 (from 84.2 in 2013)	Audience
4k	RTÉ lyric fm	Grow public perception that RTÉ lyric fm provides a unique alternative listening choice from 25% in January 2014 to >25%	-
4l	RTÉ Raidió na Gaeltachta	Deliver genre mix within % range	Output
4m	RTÉ Raidió na Gaeltachta	Maintain audience perception of Quality at >80 (from 83.7 in 2013)	Audience
5a	RTÉ Player	Maintain score for audience perception of Satisfaction with RTÉ Player at >80% (from 87% in 2013)	-
5b	RTÉ Player	Grow public perception that RTÉ Player <i>offers a good range of content</i> from 36% in January 2014 to >36%	Audience
5c	RTÉ Player	Grow public perception that RTÉ Player is available on a device that suits me from 45% in January 2014 to >45%	-
5d	RTÉ.ie	Maintain score for audience perception of Satisfaction with RTÉ.ie at >80% (from 84% in 2013)	Audience
5e	RTÉ.ie	Grow public perception that RTÉ.ie <i>offers a good range of content</i> from 36% in January 2014 to >36%	Audience
5f	RTÉ.ie	Grow public perception that it <i>is easy to find what you're looking for</i> on RTÉ.ie from 38% in January 2014 to >38%	-
6a	RTÉ News	Deliver N&CA hours within % range on RTÉ One, RTÉ Radio 1 and RTÉ News Now	Output
6b	RTÉ News	Maintain public perception that RTÉ provides trusted N&CA at >72% (from 72% in January 2014)	Output
6c	RTÉ News Now	Deliver schedule mix within % range	Output
6d	RTÉ News Now	Grow public perception that RTÉ News Now <i>provides trusted N&amp;CA</i> from 19% in January 2014 to >19%	-
6e	RTÉ News Now	Increase % of live content from 45% in 2013 to >45%	Output
7a	RTÉ overall	Maintain public perception that RTÉ offers a broad range of content and services for children at >37% (from 37% in January 2014)	Output
8a	RTÉ overall	Grow public perception that RTÉ provides a comprehensive service for Irish speakers from 40% in January 2014 to >40%	Irish language & culture

No.	Service	RTÉ 2014 Performance Commitment	Relevance to PSB Annual Review
8b	RTÉ Raidió na Gaeltachta	Deliver schedule mix within % range	-
8c	RTÉ Raidió na Gaeltachta	Maintain audience perception of Quality at >80 (from 83.7 in 2013)	Audience
9a	RTÉ overall	Grow public perception that enables me to connect with national events from 61% in January 2014 to >61%	-
10a	RTÉ overall	Grow public perception that RTÉ programmes and services are easily accessible on a range of devices from 72% in January 2014 to >72%	-
10b	RTÉ Television	Increase number of hours broadcast in HD from just under 950 in 2013 to >1,200	Output
11a	RTÉ overall	Grow public perception <sup>11</sup> that RTÉ is a creative organisation from 44% in January 2014 to >44%	Creativity
11b	RTÉ Radio	>80% of output on RTÉ Radio's FM services will be first-run indigenous content vs. 83% in 2013	Creativity
11c	RTÉ Television	Indigenous hours as 70% of total peaktime hours on RTÉ One vs. 79% in 2013	Output
11d	RTÉ Television	Broadcast four format pilots on RTÉ Television in 2014	Creativity
12a	Overall	Grow public perception that RTÉ supports arts activities in Ireland from 56% in January 2014 to >56%	Irish language & culture
12b	Overall	Finalise a strategy for RTÉ and the Arts that will consolidate and grow the arts across all RTÉ platforms	-
13a	Overall	Achieve agreed budget out-turn for the year including targeting positive EBITDA of in excess of €10 million and achieve a Breakeven position prior to the €5 million reduction in Licence Fee funding in Government Budget 2014.	Value for money
14a	Overall	Deliver the RTÉ Portfolio of services within the operating cost target of €311m (based on income projections)	Value for money
14b	Overall	Ensure the public funding for each service is within the specified thresholds	Value for money
14c	Overall	Maintain public perception score that RTÉ is good value for money : Maintain score at >58% from 59% in 2013	Value for money
14d	Overall	Ensure Radio and Television independent commissioning meets statutory spending requirements, fulfilling obligations under S.116 of the Broadcasting Act 2009 (€39.4m)	Creativity
14e	Overall	Maximum 53% Total Operating Costs (before depreciation & amortisation) are personnel-related operating costs	Value for money
14f	Overall	Increase investment in staff learning and development by at least 30% vs. 2013 to achieve strategic objectives	-
15a	Overall	TV Commercial Revenue Target : €88.3m	Value for money
15b	Overall	Radio Commercial Revenue Target: €22.4m	Value for money

No.	Service	RTÉ 2014 Performance Commitment	Relevance to PSB Annual Review
15c	Overall	Networks Commercial Revenue Target : €28.9m	Value for money
15d	Overall	RTÉ Digital Commercial Revenue Target: €16.6m	Value for money
16a	Overall	Audiovisual online content sharing in place with national newspapers	-
17a	Overall	Report on development of 5+ key partnerships projects in 2013	-
18a	Overall	On-going Audience Reaction Panel survey in place	-
18b	Overall	On-going Brand Tracking survey in place	-
19a	Overall	Ensure compliance with BAI access rules	Output
20a	Overall	Ensure compliance with BAI Code of Programme Standards	-
20b	Overall	Ensure compliance with BAI Code of Fairness, Impartiality and Objectivity in News & Current Affairs	-
20c	Overall	Maintain Audience perceptions of "fairness and impartiality" of RTÉ News: Nine o'clock	-
20d	Overall	Maintain Audience perceptions <sup>3</sup> of "fairness and impartiality" of Morning Ireland	-
20e	Overall	All BAI complaints dealt with within mandatory timeframes	-
21a	Overall	23Maintain the high standard of the RTÉ Annual Report and Group Financial Statements (Annual Report) and publish in accordance with S.110 of the Broadcasting Act 2009	-
21b	Overall	Comply with Code of Practice for Governance of State Bodies and report to Audit and Risk Committee	-
21c	Overall	Any commercial activities in accordance with S.108 of the Broadcasting Act 2009	-
21d	Overall	Comply with BAI, ComReg, ODAS and ASAI Commercial Communications Codes	-
21e	Overall	Compliance and quarterly FOI stats to DCENR/Dept of Finance	-
21f	Overall	Build on enhancements introduced in 2013 that strengthen RTÉ's risk management	-
22a	Overall	CPTH published in Annual Report 2013	-
22b	Overall	Utilisation of Public Funding published in Annual Report 2013	-
22c	Overall	Projected utilisation for 2014 provided to BAI	-
22d	Overall	Report on fulfilment or otherwise of RTÉ 2013 ASPC in Annual Report	-
22e	Overall	Publish RTÉ 2013 ASPC following required consultation	-






















No.	Service	RTÉ 2014 Performance Commitment	Relevance to PSB Annual Review
22f	Overall	Publish RTÉ policy in respect of transactions between activities in pursuit of RTÉ's public service objectives and activities in pursuit of the objective of commercial exploitation	-
22g	Overall	Complete a review by independent consultants to address the Crowe Horwath 5-Year Review and consult with the BAI on review findings	-





Source: RTÉ, Oliver and Ohlbaum analysis


### 7.3 Measuring PSB performance in Ireland: key metrics

Throughout this report, we have referred our own metrics, derived from broadcaster-provided data, which were designed to supplement the metrics which the broadcasters themselves reported under their Commitments, particularly where we felt performance in a specific area was not being adequately measured and reported on. In Figure 89 below, we have listed those metrics which we consider to be particularly high-priority items for inclusion as Performance Targets in future.

Figure 89: Recommended core performance metrics

No.	Core Performance Metric	Already Included in 2014 Commitments?	
		RTÉ	TG4
KEY:  Already fully included in 2014 Performance Commitments / Targets  Partly included in 2014 Performance Commitments / Targets  Absent from 2014 Performance Commitments			
Audience			
1	Reach for all services (overall, and by channel / station for RTÉ), by demographic	 <i>Some demographics missing</i>	
2	Consolidated all-day share (by channel / station for RTÉ)		
3	Audience quality perception score (by channel / station for RTÉ)		 <i>See further discussion below</i>
4	Average monthly Player views / streams (across all platforms)		 <i>Total views for the year</i>
5	Average monthly unique website visitors (across all platforms)		 <i>Total visitors for the year</i>
Output & Content			
1	Total new content hours (by channel / station for RTÉ)		
2	New hours by genre (by channel / station for RTÉ), all languages		
3	Total content spending		

No.	Core Performance Metric	Already Included in 2014 Commitments?	
		RTÉ	TG4
4	Target allocation of content spending by source (in-house / Irish independent sector commissions / Irish acquisitions / International acquisitions)	 <i>International acquisitions costs not specified</i>	 <i>International acquisitions costs not specified</i>
5	Accessibility: hours (as percentage of total) of broadcasting with subtitles ( <i>Target expected to equal, or exceed, the targets specified by the BAI</i> )	✓	✓
6	Number of new hours broadcast in HD	✓	✗
<b>Value for Money</b>			
1	Commercial revenue targets	✓	✓
2	Programming spend as % of total budget	✗	✓
3	Transmission costs and other overheads as % of total budget	✗	✓
4	Cost per user hour (by channel / station for RTÉ)	✗	✓
5	Total surplus / deficit for the year	✓	✓
<b>Creativity</b>			
1	Spending on content and programming services from Irish independent production sector	✓	✓
2	Split of content spending between internal and external commissions	✗	✗
3	Split of content spending between indigenous Irish content and international acquisitions	✗	✗
4	Split of broadcast hours between first run and repeated hours (by channel / station for RTÉ)	✗	✗
5	Proportional split of first-run hours between returning strands and brand new strands (by channel / station for RTÉ)	✗	✗
6	Proportional split of first-run hours between in-house and independent producers (by channel / station for RTÉ)	✗	✗
<b>Irish Language &amp; Culture</b>			
1	Proportion of schedule broadcast in Irish language (TG4 TV Channel and RTÉ RnaG only)		✓
2	For TG4, audience share for English-language vs Irish-language programming	n/a	✗
3	Total number of new Irish-language hours	✗	✓
4	Average unique International browsers accessing website per month	✗	 <i>Expressed as % of total</i>

No.	Core Performance Metric	Already Included in 2014 Commitments?	
		RTÉ	TG4
5	Average International content streams	x	 <i>Expressed as % of total</i>

## 7.4 Measuring audience opinion in Ireland

Both RTÉ and TG4 undertake some audience survey work: RTÉ's audience measurement produces an overall audience perception of Quality score (RTÉ Audience Opinion survey) for each of its channels / stations, as well as providing some further quantitative audience opinion metrics about the character of the services (RTÉ Brand Tracker). The TG4 survey includes a review of some of its highest-reaching strands in each genre, and provides information on the proportion of the audience that "enjoyed" the programme.

### 7.4.1 RTÉ's approach to audience measurement

Many of the RTÉ performance commitment target measures are derived from RTÉ's own research surveys: the RTÉ Audience Opinion survey and the RTÉ Brand Health survey. These studies focus on perceptions of RTÉ overall, its individual services, as well as providing audience reaction to TV and radio programmes.

#### 7.4.1.1 The RTÉ Audience Opinion survey

RTÉ Audience Opinion is modelled on BBC Pulse (both of these surveys are supplied by GfK) and is a proprietary online Audience Reaction Panel delivering regular reaction from Irish audiences to broadcast and online outputs from RTÉ and others. The panel consists of 3,000 people with the sample designed and structured to be representative of the population of Ireland in terms of gender, age and region. On average, more than 1000 panellists report daily on the previous day and evening's radio and TV output.

Panellists are asked four core measure questions on each of the TV or radio programmes they indicated they had consumed on the previous day. These core measure questions are:

- Mark out of 10 (audience appreciation)
- "This programme is for people like me" (relevance)
- "I would talk to other people about this programme" (impact)
- "I made a special effort to view / listen to this programme" (effort)

In addition, genre specific questions are asked for some of the programmes viewed or listened to.

#### 7.4.1.2 The RTÉ Brand Health survey

The RTÉ Brand Health survey tracks perceptions, levels of satisfaction and favourability as well as usage (reach and frequency), of RTÉ overall and its range of service. The survey has been running continuously since 2006, and was conducted by Amárach Research until December 2013. A new supplier, Behaviour & Attitudes (B&A), was appointed following a tender process during 2013, however the existing survey methodology has been retained; the questionnaire is administered using a CATI (telephone) approach.

The survey questionnaire has been revised, maintaining continuity where relevant, to deliver efficiencies and incorporate a range of new measures that reflect RTÉ's strategic priorities. Interviewing is on-going and takes place 50 of the 52 weeks of the year with a 2 week break in December (around Christmas and New Year). From 2014, the survey is being conducted by B&A among a nationally representative sample of 1,000 Adults 18+ respondents; the Amárach survey was among Adults 15+. The margin of error for a sample of 1,000 is +/- 3.2%.

The Brand Health survey includes questions on favourability and satisfaction towards RTÉ and its services, perception of RTÉ overall and its services relating to RTÉ's strategic objectives (e.g. "is an important part of Irish life", or "has a good range of content") and awareness and usage of RTÉ's services.

To enable RTÉ to set targets for the new strategic objective measures from 2014 onwards, RTÉ commissioned a benchmark-setting survey with Red C Research. The questionnaire was revised to include the new Brand Tracker measures that were to be included in RTÉ's 2014 Commitments, and the revised questionnaire put to 1,004 Adults 18+ using the CATI method, over a three day period in early January 2014. The 2014 year-end results will be derived from the on-going B&A research.

The new Brand Tracker measures that are included in the 2014 Commitments are:

- RTÉ is an important part of Irish life
- RTÉ One: enables me to connect with national events
- RTÉ One: reflects modern Ireland
- RTÉ Two: is where I turn for Irish sport
- RTÉ Two: has a sense of humour
- RTÉ Radio 1: offers a good range of content
- RTÉ Radio 1: provides trusted N&CA
- RTÉ 2fm: plays good music
- RTÉ 2fm: has a good sense of humour
- RTÉ lyric fm: provides a unique alternative listening choice
- RTÉ Player: offers a good range of content
- RTÉ Player: is available on a device that suits me
- RTÉ.ie: offers a good range of content
- RTÉ.ie: makes it easy to find what you are looking for
- RTÉ News Now: provides trusted N&CA
- RTÉ offers a broad range of content and services for children
- RTÉ programmes and services are available on a device that suits me.

## 7.4.2 TG4's approach to audience measurement

Fios Físe is a joint research project between TG4, National University of Ireland Galway (NUIG) and the Acadamh na hOllscolaíochta Gaeilge to establish a Viewer Panel for TG4. The survey has a panel of 350 people. The panel seeks to capture the TG4 viewing habits and preferences of Irish Speakers.

It is based on Léirsinn, the BBC Alba viewing panel run by Sabhal Mór Ostaig which was established in 1993.

Panel membership, aimed at Irish speakers inside and outside An Ghaeltacht, in the Republic and in the North of Ireland, asks panel members to fill in an online 'Viewing Diary' once a week. The diary asks

questions about the TG4 schedule of the previous week. A short multiple-choice questionnaire assesses the panel's views on the programmes they have watched in the past week.

The survey provides a programme list and the question: "Did you watch the programme and did you enjoy it?" giving a score of Satisfaction between 1 and 10 (10 being the best).

The survey also asks whether the person has used the TG4 website or TG4 Player, and how many hours the person watched TG4 for.

### 7.4.3 Examples of audience research surveys outside Ireland

#### 7.4.3.1 Ofcom PSB Tracker

The Ofcom PSB Tracker is conducted via telephone interviews (CATI) with adults aged 16 and over. The first full year of fieldwork was 2006. In 2011, fieldwork was changed from four months (January, April, July, and October) to continuous interviewing across the year (March to December), to enable a more consistent measure of attitudes to PSB over the course of the year and to minimise the influence of seasonality resulting from interviewing during specific periods. Alongside this, continuous interviewing also allows analysis of specific events within the year, if required.

Quotas are applied and survey data weighted to be nationally representative of adults 16+. Weights are applied to characteristics such as Gender, Age, Region, Social grade and Ethnicity using data from the Office of National Statistics (ONS) population estimates. Some samples are boosted to allow reporting on smaller groups of the population, e.g. the Welsh sample is boosted among viewers of programming on S4C to enable reporting on S4C.

Respondents are asked to rate specific TV channels on four different aspects of broadcasting, including each of the PSB purposes and characteristics.

**Figure 90: Examples of PSB Purposes and their Alignment with the PSB Tracker**

PSB Purpose and Characteristic	PSB Tracker Statement
To inform ourselves and others and to increase our understanding of the world through news, information and analysis of current events and ideas	Its news programmes are trustworthy Its programmes help me understand what's going on in the world today Its regional news programmes provide a wide range of good quality news about my area
To stimulate our interest and knowledge of the arts, science, history and other topics through programmes that are accessible and can encourage informal learning	It shows interesting programmes about history, sciences or the arts

PSB Purpose and Characteristic	PSB Tracker Statement
To reflect and strengthen our cultural identity through original programming at UK, national and regional level, and by occasionally bringing audiences together for shared experiences	<p>It shows high quality soaps or drama made in the UK</p> <p>Provides a wide range of high quality and UK-made programmes for children*</p> <p>Provides a wide range of high quality and UK-made programmes for older children</p> <p>It portrays my region (IN ENGLAND)/Scotland/ Wales/Northern Ireland (Nations) fairly to the rest of the UK</p>

Respondents who either regularly or occasionally watch a channel are asked to rate each of the channels (BBC One, BBC Two, ITV1, Channel 4, S4C, Channel 5, BBC Three, BBC Four and BBC News) separately and also to consider all of the channels together for each of the statements. The order of channels is rotated to minimise order bias.

They are asked to rate on a 10-point scale (10 being the highest score) the degree to which they feel the statement applies to each channel.

#### 7.4.3.2 BBC Trust: Purpose Remit Survey (PRS)

The PRS was first conducted in 2008, initially by Kantar Media, but subsequently by NatCen Social Research, for the BBC Trust. The survey is conducted using a mixed mode approach with some respondents completing an online questionnaire and others face-to-face surveys. Where necessary, samples are boosted for certain items such as regionality and ethnicity.

The central aim is to understand the public's views of the BBC's performance against its Purposes and to understand that performance in the context of perceived importance.

There are a number of specific objectives under the BBC's duty to "inform, educate and entertain" the public. These are grouped under six sections and tested using specific statements:

1. Creativity: e.g. "The BBC has lots of fresh ideas"
2. Citizenship: e.g. "The BBC provides high quality independent journalism"
3. Global: (e.g. "The BBC helps me understand what goes on in the wider world")
4. Nations, region and communities: e.g. "The BBC is good at representing life in [Nation / Region] to the rest of the UK in its main UK news and current affairs programmes"
5. Education: e.g. "I have learned new things from programmes or online content on the BBC"
6. Emerging communications: e.g. "The BBC provides quality content that I find enjoyable or useful on the internet"

In addition, it collects information on general measures of BBC performance such as perceived licence fee value for money.

Through regression analysis of the results BBC Trust uses the survey to understand the top drivers of perceptions such as Value for Money. E.g. a respondent who gave a positive performance score to the statement "The BBC makes high quality programmes and online content" is 2.3 times more likely to agree that the licence fee offers good value for money.

#### 7.4.3.3 BBC-GfK Pulse Survey

Daily Pulse (Pulse) is a continuous BBC nationally representative survey designed to assess what audiences think of the programmes they have seen on TV and listened to on the radio on a daily basis. It is an online survey, recruited and administered online by GfK and has been running since 2005. The panel is not informed that the survey is conducted on behalf of the BBC to avoid influencing answers, and the survey is presented with GfK branding. Pulse measures a wide range of BBC and competitor stations.

The panel consists of around 20,000 people. The daily reporting panel is weighted for age, social grade, sex, presence of children, region, and the household digital type on a daily basis to ensure it is representative of the UK as a whole.

The main Pulse measure is the Appreciation Index (AI) – respondents are asked to mark out of 10 each of the programmes they watched or listened to the previous day, where 10 is the highest score and 1 the lowest. The average of all these marks out of 10 for a programme is then multiplied by 10 to give an Appreciation score (AI). For example if aggregated scores for all programmes together for BBC TV give an average score of 8.2 this translates to an AI of 82.

Additional measures include ratings for the quality and distinctiveness of the programmes.

Panellists are presented with the previous day's schedules for all the terrestrial channels plus BBC Three, BBC Four, E4 and Sky One, and S4C in Wales. Once they have selected the programmes they viewed they are asked a number of questions about them. Some questions are specific to the BDS (Broadcasting Dataservices) genre into which a programme falls, some are cross-genre questions (e.g. on appreciation) and also sometimes panellists are asked additional programme-specific questions dependent on the research needs of the BBC.

Panellists score only those programmes that they have watched for at least five minutes; generally they will be scoring programmes that they have chosen to watch. As such, average scores are relatively high, and lower scores in the Pulse survey are likely to represent strong dissatisfaction with a programme (or possibly even dissatisfaction with the outcome, e.g. a sports event).

Results are calculated on the basis of the number of responses, not respondents. In this way, multiple responses to a programme over a period of time from the same respondent are registered. This means that for any given rating, it is not possible to extrapolate views of the population as a whole. The rating provides an indication of the strength of opinion about a particular programme.

This methodology is useful when looking at Pulse scores overall, as it can be considered that the opinions of dedicated viewers may greatly influence the rating. Therefore the rating and number of responses represents both a score for the programme and for its popularity. For example, if a programme has a high number of responses and a high score, this shows that lots of people watched the programme and liked it. A programme with fewer responses and the same high score, would suggest that not as many people watched it, but those that did liked it.

The Appreciation Index tends to increase the more pre-selection has taken place. In the past, it has already been noted that the Appreciation Index tends to be higher for smaller channels as a certain amount of pre-selection has already taken place. However, even the general Appreciation Index has been on the rise. This is likely down to increased use of PVRs and growth of multichannels.

As part of how to interpret the AI scores, it is necessary to establish norms for what good or bad scores are and they may vary between channels or across genres.



The BBC Pulse data is not fully published for commercial reasons as GfK provides this survey for multiple broadcasters in the same market.

#### 7.4.3.4 The BBC Brand and Reputation Tracking Survey

The BBC Brand and Reputation Tracking Survey is a BBC survey for measuring the public's overall awareness and perceptions of the BBC and its competitors. Around 1,000 adults (15+) are interviewed each month through an in-home face-to-face survey with the sample recruited and weighted to be representative of the UK population by age, sex, social grade and region. Additional interviews take place in Scotland, Wales and Northern Ireland to ensure robust sample sizes in these Nations. The survey has been running since 1999 and is administered by Kantar Media.

Each respondent answers a wide range of questions relating to their awareness, usage and opinions of key BBC and competitor services.

### 7.4.4 Recommendations for audience research surveys in Ireland

Audience research surveys tend to serve different levels of purposes in terms of what insight is sought and who is looking to be informed, such as top level (corporate/regulatory/policy) and operational level (marketing/creative).

In terms of the survey examples listed, the PSB Tracker and the BBC Trust PRS serve a top level purpose informing the regulator and governing body and with the results intended to inform the general public. The BBC-GfK Pulse Survey and the BBC Brand and Reputation Tracking Survey serve a more operational level purpose for internal use and with only limited publication.

Surveys such as the RTÉ Audience Opinion (modelled on BBC Pulse and provided by GfK) and TG4' Fios Fise (modelled on BBC Alba's audience survey) are valuable tools at an operational level for the corporations internally, less so for monitoring public service compliance.

At present, we do not feel that the current RTÉ and TG4 surveys are fully suited to measuring audience perceptions of fulfilment of the PSBs as a whole. The TG4 survey lacks the scope or scale to match the RTÉ survey – understandable, given the disparity in the operating budgets of the two organisations. Moreover, while both surveys provide some valuable information to the board and management teams at TG4 and RTÉ, neither survey examines audience perceptions of PSB performance, as the Ofcom PSB tracker does in the UK. Further, the proprietary TG4 and RTÉ surveys both fail to include any publicly accessible comparator metric against other broadcasters in Ireland, making it difficult to make comparisons between the performance of TG4 and RTÉ and the performance of commercial broadcasters. We would argue, for example, that if a rationale for providing PSB funding (especially to RTÉ) is to allow a greater degree of creativity and risk-taking in programming, then RTÉ's programming should be regarded as demonstrably more creative than that of its commercial rivals.

As we already set out and recommended in our 2010 report for the BAI, we would argue that for the purposes of the BAI's Public Funding Reviews of RTÉ and TG4 in terms of the fulfilment of their Commitments it would be useful to run an independent survey akin to Ofcom's PSB tracker. Not only to track performance over time, but also to compare performance must be an element of comparison between broadcasters for the scores to provide useful output. And ultimately it is problematic that a broadcaster monitors itself for reporting purposes as is currently the case.

We would therefore advocate the introduction of a centralised annual survey, administered by the BAI, which tracks public perceptions of the PSBs against their key public service objectives, and also allows for some comparison with commercial and international broadcasters available in Ireland.

## 8 PUBLIC FUNDING MODIFICATION RECOMMENDATION

The purpose of this report is to make a recommendation for any modification in the level of public funding that each of the public service broadcasters receives, based on the evidence presented above.

We have based our assessment on the following elements:

- The level of performance against the commitments each broadcaster set itself for 2013, especially those relating to the five areas of Audience, Output & Content, Creativity, Value for Money and Irish Language & Culture
- Further quantitative analysis of data provided by the broadcasters to develop further measures of performance in the five areas of Audience, Output & Content, Creativity, Value for Money and Irish Language & Culture
- Any issues with overcompensation or surpluses, in line with European Commission guidelines

As noted previously, we believe that an annual review of funding does not give the broadcasters the stability required to make long-term decisions in the interests of the consumers, the licence fee payers or the broadcasters themselves. We do not see a case for recommending a funding modification based on the 2013 performance review, firstly because there have been no major changes in the Irish economy generally, or to the Irish television and radio industry specifically in the review period. Secondly, the future of funding in the Irish market is likely to be significantly affected by two reports due for publication in the near future: the DCENR economic analysis of the Irish advertising market, and whether allowed advertising minutage for Irish PSBs should be reduced to support growth of the Irish commercial broadcast sector; and the NewERA analysis of RTE's operational efficiency.

The 2009 Broadcasting Act defines the formula for any licence fee modification as  $(\Delta\text{CPI}) + 1\% - X$ , where  $(\Delta\text{CPI})$  is the annual change in the consumer price index as compiled by the Central Statistics Office, and  $X$  is the adjustment recommended by the Authority. (The wording of the Act is not clear whether the CPI measure is the one pertaining to the performance year under review, or the CPI measure at the time of the recommendation. We have assumed it is the former). The annual average rate of inflation in 2013 was 0.5%<sup>24</sup>.

### 8.1 TG4 funding modification recommendation

***TG4 delivers a valued service in an efficient manner, and we do not see a case for adjusting its public funding on the basis of annual review. We therefore recommend that the TG4 grant be increased in line with inflation.***

TG4 delivers a service which is valued by its core audience, and delivers a good range of Irish-language output. The Crowe Horwath evaluation that no further efficiencies are possible under the TG4 operating model has been accepted by the BAI, and we have seen no evidence to dispute this judgment. We therefore feel that TG4 is using the available funds efficiently.

TG4 does face some challenges, particularly around the ability of genres other than film and sport to attract audiences in any great number, and also in rebalancing the demographic mix of its audiences. We

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<sup>24</sup> Central Statistics Office

do not see a clear case for funding increases being the answer to these problems, but rather, a revision of how existing funds are allocated between different content genres.

The suggested uses of additional funding outlined in TG4's Scenario 2 are unlikely to address these concerns: broadcasting the existing content in High Definition is not going to significantly change how it appeals to audiences of different ages. HD transmission, while important, cannot be argued to be a priority for any niche broadcaster in the current economic climate – smaller indigenous-language broadcasters in other nations have deferred or withdrawn from HD broadcasting: the well-funded S4C in Wales recently terminated its DTT HD broadcasting service.

We see TG4's ambitions as an educator – with proposed projects to develop learning Irish resources and interactive online content and games for children – as being of secondary importance to its primary role as an Irish-language broadcaster. If the Government requires TG4's support in providing Irish-language learning services to compliment classroom learning, these projects may be considered for funding from other sources.

While there is no immediate need to adjust TG4's funding upwards, we feel that reductions to the TG4 budget put the quality of the broadcaster's output at risk. In turn, this would jeopardise TG4's viewership in the age of digital television and ever-wider channel choice, particularly as its current core audience ages.

We conclude that TG4's current level of funding is both adequate to meet its objectives, and appropriate for a native-language broadcasting service in a nation the size of Ireland. We therefore recommend a value of X of 1, to give a licence fee modification of +0.5%, in line with inflation.

## 8.2 RTÉ funding modification recommendation

***Although RTÉ's income has been reduced markedly in recent years, it has been able to find savings while maintaining a service appropriate to its objects. We do not see a case for adjusting its public funding on the basis of annual review, and therefore recommend that the RTÉ public funding is increased in line with inflation.***

In its Recommendations to the Minister<sup>25</sup>, the BAI set out a case for increasing investment in RTÉ's programme output. This was contingent on full realisation of efficiency measures, and on further investment being made predominantly in the independent production sector (although recognising the value of a healthy internal production department also).

We note that a mandate to invest further public spending predominantly in independent commissions will mark a slight departure in the approach RTÉ has taken to date in commissioning new content: currently, only 21.1% of television programming and 1.2% of radio programming (by value) is sourced from independent production sector companies, with the value of external television commissions shrinking faster than internal commissions over the past five years (36% and 19% respectively)<sup>26</sup>.

The BAI further proposes a future cap on commercial revenue (below pre-recession norms). The BAI believes this approach will benefit the health of the commercial broadcasting sector in Ireland, and ultimately, the indigenous Irish television industry as a whole. We would recommend further analysis be

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<sup>25</sup> Section 124 Review: Authority Recommendations (Broadcasting Authority Ireland, June 2013)

<sup>26</sup> Note that the percentages of 21.1% and 1.2% refer to spending as a proportion of total television and radio content spending, respectively. As discussed in the body of the report, RTÉ meets its statutory minimum spending on television and radio (€39.3m), of which >95% is on television and >3% is on radio.

undertaken on this issue to gauge the extent to which the indigenous Irish sector would benefit, given the rising “opt-out” revenues on popular international channels broadcasting in Ireland.

It is beyond the scope of this annual review to undertake the in-depth analysis required to conclude on either of these issues. Further, we are unable to reach firm conclusions on the current level of operational efficiency at RTÉ: this analysis is currently being undertaken by the New Economy and Recovery Authority, and the results will be valuable in informing future public funding reviews.

We feel there is no immediate need to increase RTÉ’s public funding on the basis of this review. As with TG4, significant further reductions in programming spending from current levels could start to jeopardise output and reach as programme quality is adversely affected. RTÉ has already absorbed large cuts to its overheads and programming budgets with limited impact to quality scores or audience figures. The extent to which any further cuts can be absorbed will be clarified in the upcoming NewERA report on RTÉ’s efficiency.

On the basis of the current report, we therefore recommend RTÉ’s public funding is held constant in real terms. RTÉ will need to absorb a €5m reduction in funding from the Department of Social and Family Affairs, taking effect in 2014: we believe that growth in RTÉ’s advertising revenue will cover most or all of this cut, hence there is no need to “top up” the public funding from other sources.

We conclude that RTÉ’s current level of funding is both adequate to meet its objectives, and appropriate for a principal television and radio public broadcasting service in a nation the size of Ireland. We therefore propose a value of X of 1, to give a licence fee modification of +0.5%, in line with inflation.

## 8.3 Future funding recommendations

We conclude this report by considering where any additional future funding would be best allocated, were it to be made available to TG4 or RTÉ.

### 8.3.1 Additional funding for TG4: high-quality Irish content

If additional funds were made available to TG4, we would support further investment in content, in particular low-volume, high-quality Irish language content.

#### 8.3.1.1 Case study: *Hinterland*

There are examples of other smaller native language broadcasters successfully making tactical investment in low-volume, high-quality content, such as S4C in the UK who invested in the series *Hinterland* / *Y Gwyll*, a detective drama series of four 120-minute individual films produced by independent producer Fiction Factory. The project – a joint commission between BBC Wales and S4C – was shot on location in Wales. All scenes in *Hinterland* were shot twice – once in English and once in Welsh – to produce a Welsh language and a mixed language version with English subtitles.

*Hinterland* / *Y Gwyll* had a budget equivalent to €5.3m for the series. The production received EU development and production funding of €545,000 under the EU MEDIA programme, and further funds were made available from upfront distribution payments from All3Media covering 25% of the budget, as well as repayable business finance support from the Welsh government.

The first episode of *Hinterland* attracted 81,000 viewers on S4C when it was aired in Welsh in October 2013, making it the second most watched programme on S4C that week (after the rugby). When the

mixed-language version was broadcast on BBC One Wales in January, it drew an audience of 350,000, more than double the viewers in Wales for any other TV programme shown at the time.

The series has since been sold to more than 12 countries, 30 territories and Netflix in the US and Canada. The Welsh government estimates that the filming in Ceredigion was worth £4.2m to the economy.

#### 8.3.1.2 Future funding for TG4

Investment in high-quality, low-volume content would allow TG4 to generate fresh interest in the channel, bringing new viewers to the channel and improving its brand image. Further, carefully-targeted content investment could recoup a considerable portion of production costs on the secondary market, not only improving the cost-effectiveness of the content, but also boosting the reputation for Irish-made content around the world.

### 8.3.2 Additional funding for RTÉ: investment in independent producers

In recent years, RTÉ has delivered significant cost savings and (pending the New Era work) this may have gone as far as it can without substantial impact on programming range and quality.

However, we do not feel that there has been sufficient consideration of the BAI's Five-year Review of Public Funding Authority Recommendations (June 2013) to investigate the increased use of the independent production sector as a source of programming.

Intervention to promote the use of the independent sector can achieve any or all of four different objectives. They are:

- Efficiency
- Creativity and Diversity
- Industrial Policy
- Offsetting market power

#### 8.3.2.1 Efficiency

The Review of Funding for Public Service Broadcasters (Crowe Horwath, May 2013) suggests that RTÉ should be encouraged to find further efficiencies through use of the independent production sector. Based on our experience in other markets, we would agree with this recommendation: in-house production departments can often be expensive. They can have working practices which have developed (and potentially not changed) over decades; they will have group and overhead charges that add to the basic production costs, in large properties configured for operations of the pre-digital age. By contrast external producers are often small operations with limited overheads, flexible working practices and no legacy costs. Outsourcing a television production can therefore yield considerable savings.

This was certainly the case in the UK broadcasting market of the 1990s. In-house production would often require crews that were several times larger than an independent, while at the same time taking longer to complete. However, the internal UK market reforms of the 1990s, successive rounds of efficiency savings and the impact of the BBC's Window of Creative Competition (WOCC) have driven down the costs of in-house production.

#### 8.3.2.2 Creativity and diversity

Although steps can be made to improve innovation from in-house production, by far the easiest way – given the range of sources that can be used – is to utilise the diversity of the external market. This is particularly important for broadcasters such as RTÉ who have a universal service obligation. In addition to ensuring diversity, use of external production can stimulate creativity – both from sourcing new ideas and in the competition for commissions that ensures the best ideas make it to air.

#### 8.3.2.3 Industrial policy

Supporting the creative industries has been a long-term goal of many policy makers and regulators. They point to the importance of the creative sector in the new economy, and the growing contribution of exports (of completed product and IP) to the wider economy and in transforming the economics of the domestic media industry. To this end the creative sector has received support through a number of interventions, both general and specific.

The television industry is increasingly global. Several countries – notably the Netherlands and the UK – have used a strong home base of demand to create a vibrant independent production sector that has become increasingly international in its outlook, selling first finished programming (with the benefits of rights retention), then IP and format rights, and finally investing in overseas production to meet the demands of new markets. In return, these sectors have become the recipients of significant investment, much of it international. But this virtuous circle has been created by the combination of ring fenced domestic quotas and the rights retention framework.

#### 8.3.2.4 Correcting market power

Most independent TV producers (particularly in the Irish market) are small (with turnover in the millions or tens of millions at best). There are a large number of them. They serve a market with one main customer (and small amounts of demand from TG4, TV3 and the UK). This imbalance could make for imperfect competition. Even inadvertently, the relative scale of buyer and supplier can make negotiations difficult. In these circumstances, mandating a certain minimum threshold of terms can ensure that small suppliers achieve the outcomes needed to become established.

#### 8.3.2.5 Future funding to RTÉ

We would recommend further investigation into how these objectives could best be maximised through regulatory intervention, to achieve the optimum mechanism for increasing licence-fee funded support to the independent production sector.



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## 10 GLOSSARY

Abbreviation	Definition
ASAI	Advertising Standards Authority for Ireland
BAI	Broadcasting Authority of Ireland
BYOD	Bring Your Own Device
CATI	Computer Assisted Telephone Interviewing
CND	Central News Desk
CPH	Cost Per Hour
CPLH	Cost Per Listener Hour
CPVH	Cost Per Viewer Hour
DCENR	Department of Communications, Energy and Natural Resources
ERM	Enterprise Risk Management
EU	European Union
FOI	Freedom of Information
GAA	Gaelic Athletic Association
GDP	Gross Domestic Product
HD	High Definition
HR	Human Resources
IBD	Integrated Business Unit
IFRS	International Financial Reporting Standards
ILBF	Irish Language Broadcast Fund
IMI	Irish Management Institute
ITT	Invitation To Tender
KPI	Key Performance Indicator
MoU	Memorandum of Understanding
N&CA	News and Current Affairs
NUIG	National University of Ireland Galway

ODAS	On-Demand Audiovisual Services
PROCs	Personnel Related Operating Costs
PSB	Public Service Broadcaster
Q1 / Q2 / Q3 / Q4	Quarter One / Two / Three / Four
QoE	Quality of user Experience
RnaG	Raidió na Gaeltachta
RNN	RTÉ News Now
RTÉ CO	RTÉ Chamber Orchestra
SVOD	Subscription Video On Demand
SIM	Subscriber Identity Module
TVOD	Transactional Video On Demand
TVR	Television Viewer Ratings
WITBN	World Indigenous Television Broadcasters Network

# 11 APPENDIX 1: TG4'S ADDITIONAL COMMITMENTS

Following Chapter 4's assessment of the TG4 commitments we consider to be of high interest to the PSB funding review, Appendix 1 summarises all further commitments which TG4 made for 2013.

TG4 made 16 additional commitments, further to the commitments which we have categorised under the headings of Audience, Output & Content, Creativity, Value for Money and Irish Language & Culture above. We consider these commitments to be of less interest to the PSB review process, so we have summarised them in Figure 91 below, without further commentary or analysis. TG4's performance against these commitments was good, with only one failure, relating to the archive project.

**Figure 91: TG4's performance against its additional commitments**

No.	Performance Target	TG4's Reported Outcome (comparison vs. 2012 in parentheses)	Met Target?
15	Support the Government to revitalise the Irish language by working closely with it to deliver the 20 Year Strategy for the Irish language (2010 – 2030)	<ul style="list-style-type: none"> <li>Met directly with the Government Ministerial sub-committee on the Irish language in 2013, and briefed the Ministers and their senior officials on the role and contribution of broadcasting in promoting the Irish language and in contributing to the delivery of the overall Strategy.</li> <li>Supported the move to an emphasis on oral-skills in the new post-primary curriculum. Delivered workshop to demonstrate how TG4 content can be used to deliver the new curriculum.</li> <li>Established oral skills tool on website.</li> </ul>	Yes
17	Develop an archive which provides public access to TG4 content and which supports and celebrates the Irish language and culture	<ul style="list-style-type: none"> <li>This project did not begin in 2013 due to funding constraints. It is envisaged that this will commence in 2014 (subject to funding and capital budgets).</li> </ul>	No
21	Conclude the implementation of an all-island broadcast platform availability strategy	<ul style="list-style-type: none"> <li>TG4 has completed the implementation of its broadcast platform availability on an all-island basis.</li> </ul>	Yes
25	Maximise TG4's impact through implementation of our Digital Marketing Strategy and innovative marketing campaigns	<ul style="list-style-type: none"> <li>Developed its digital marketing and social media strategy to enable wider audience reach – both national and international, more cost effectively.</li> <li>Introduced social media plug-ins to facilitate interaction between TG4.ie and Player service visitors.</li> <li>Created and aired 2 new Idents – Étain &amp; Fomhairí.</li> <li>Delivered strong 2014 Marketing &amp; Promotional Campaigns.</li> <li>Facebook likes increased from 15,000 to 26,000, Twitter followers increased from 4,600 to 10,000 and YouTube Channel views increased from 340,000 to 1,393,000.</li> </ul>	Yes
26	Continue to develop our staff and skills	<ul style="list-style-type: none"> <li>Performance reviews were completed on all staff.</li> <li>Personal development plans (PDPs) completed for all staff with plans integrated with TG4 Department plans and goals.</li> <li>Significant amount of training was undertaken.</li> </ul>	Yes

No.	Performance Target	TG4's Reported Outcome (comparison vs. 2012 in parentheses)	Met Target?
31	Build on the previous year's contribution to the national economy by adding circa <b>€58m</b> to national earnings and by having an associated employment impact of some <b>700</b> additional jobs	<ul style="list-style-type: none"> <li>• TG4's contribution to national earnings is estimated to be over <b>€66m</b> with an associated employment impact of over <b>960</b> jobs including <b>300</b> jobs in the independent production sector.</li> <li>• For every <b>€1</b> invested by TG4 in the creative industries in Ireland, it was worth almost <b>€2</b> to the economy of Ireland in 2013.</li> </ul>	Yes
32	Work closely with the TG4 Board, the DCENR and the BAI to maintain best-practice governance and reporting systems and to ensure compliance with all relevant and binding codes and regulations	<ul style="list-style-type: none"> <li>• TG4 maintained best practice governance and reporting systems in 2013 and ensured compliance with all Codes and broadcasting regulations.</li> <li>• Delivered all Public Service and Statutory Obligations.</li> </ul>	Yes
33	Engage in ongoing dialogue with key industry stakeholders, regulators, broadcasters, policy-makers and other key bodies on all aspects of broadcasting operations, codes and regulations	<ul style="list-style-type: none"> <li>• Maintained close relations with RTÉ.</li> <li>• Worked with relevant UK agencies and bodies to develop further policies in Northern Ireland.</li> <li>• Participated in all key sector fora including IBEC, the EBU, Celtic Media Festival, Circom and WITBN etc.</li> <li>• A TG4 representative took over as Chair of the Celtic Media Festival and another was elected Chair of the IBEC Broadcasting and Content Distribution Industry Group.</li> <li>• Engaged with ComReg, Ofcom and the CSO.</li> <li>• Strengthened partnerships with Irish language, cultural and sporting bodies such as Oireachtas na Gaeilge, Cumann Peil Gael na mBan, GAA, Tionól Teagaisc, Comhar na Naíonraí, Gaelscoileanna and An Coiste Téarmaíochta etc.</li> </ul>	Yes
34	Deliver three Internal Audits and a Risk Management review of TG4	<ul style="list-style-type: none"> <li>• Undertook 3 internal audits on the following areas: programme rights; financial policy and procedures; programme standards and guidance.</li> </ul>	Yes
35	Deliver all statutory requirements as reflected in TG4's objects, broadcasting codes and regulations etc.	<ul style="list-style-type: none"> <li>• Delivered on all statutory and other obligations as reflected in its objects and in all broadcasting codes and regulations etc. Adhered to the Code of Practice for Governance of State Bodies.</li> <li>• Ensured all required plans and reports were delivered and published. E.g. ASPC, Performance Review, Statement of Strategy etc. and that all required policies and charters were delivered and published. E.g. Customer Service Charter, Code of Practice for the Handling of Complaints, Code of Fair Trading Practice etc.</li> <li>• Transparent in commercial vs. non-commercial activities in the attribution of public funding and complied with EU Commission State Aid Rules to Public Service Broadcasting.</li> <li>• Reported regularly to the Board on all statutory and broadcasting requirements and engaged in regular dialogue with all bodies, agencies and regulators to whom it reports.</li> </ul>	Yes
36	Ensure TG4 meets the needs of its audiences, and that it caters for the expectations of the	<ul style="list-style-type: none"> <li>• Audience survey data (IPSOS MRBI) for TG4's Irish language audience was reviewed to identify and meet audience requirements.</li> <li>• Audience Council feedback and other qualitative research was used to ensure audience requirements are being met.</li> </ul>	Yes

No.	Performance Target	TG4's Reported Outcome (comparison vs. 2012 in parentheses)	Met Target?
	communities it serves	<ul style="list-style-type: none"> <li>• Endeavoured to deliver the highest standards of editorial integrity and a diverse range of high quality programming.</li> <li>• No complaints were made about TG4's services to the BAI.</li> </ul>	
37	TG4 will be independent, impartial and reliable	<ul style="list-style-type: none"> <li>• TG4 adhered to all broadcasting codes and guidelines.</li> <li>• Maintained the highest standards of editorial integrity.</li> <li>• Showed no editorial or programming bias in terms of gender, age, disability, race, sexual orientation, religion or membership of a minority community.</li> <li>• Respected children in all programming and advertising broadcasts.</li> <li>• Transparent in all reporting and in all expenditures.</li> </ul>	Yes
38	Develop and embed enhanced values in TG4 which reflect the importance of fulfilling TG4's audience needs to the highest standards	<ul style="list-style-type: none"> <li>• Fulfilling audience needs to the highest standards is embedded in TG4's values.</li> </ul>	Yes
39	Endeavour to exceed required standards in TG4's Codes and regulatory requirements	<ul style="list-style-type: none"> <li>• Code of Practice for the Handling of Complaints: initial response within <b>7 working days</b> at the latest and final response within <b>21 days</b> from receipt of complaint.</li> <li>• Acknowledged Freedom of Information (FOI) requests within <b>10 working days</b> of the receipt of request and to grant or deny the request within <b>21 working days</b> of receiving it.</li> <li>• Right of Reply: responded to the requester in writing not later than <b>10 days</b> after receipt of the request setting out its decision. (<b>10-31 day</b> deadlines for action specified in the Codes).</li> </ul>	Yes
40	Draft and publish an updated Statement of Strategy and continue to position the case with the Government for an increase in funding and a multi-annual funding approach as reflected in the Broadcasting Act 2009	<ul style="list-style-type: none"> <li>• Published an updated Statement of Strategy for 2013-2017, in line with Crowe Horwath feedback on TG4's Statement of Strategy, particularly the key recommendation made that TG4 should also investigate a plan based on present revenue allocations only.</li> <li>• TG4 delivered this revised funding plan in late 2013.</li> </ul>	Yes
41	Foster awareness and understanding of other cultures amongst our audiences	<ul style="list-style-type: none"> <li>• TG4 was a founding member of WITBN and remains fully involved with the leadership of the organisation.</li> <li>• Exchanged <b>4 hours</b> of programming for <b>24 hours</b> through WITBN in addition to news programmes and song clips.</li> <li>• Continued working with Celtic or other lesser-used language nations / regions on production projects.</li> <li>• TG4 continued to engage with the Celtic Media Festival and the EBU throughout 2013.</li> </ul>	Yes

Source: TG4, Alexa

## 12 APPENDIX 2: RTÉ'S ADDITIONAL COMMITMENTS

Following Chapter 5's assessment of the RTÉ commitments we consider to be of high interest to the PSB funding review, Appendix 2 summarises all further commitments which RTÉ made for 2013.

RTÉ made 124 additional commitments, further to the commitments which we have categorised under the headings of Audience, Output & Content, Creativity, Value for Money and Irish Language & Culture above. We consider these commitments to be of less interest to the PSB review process, so we have summarised them in Figure 92 below, without further commentary or analysis. RTÉ's performance against these commitments was generally sound, although 21 (17%) of these additional targets were missed.

**Figure 92: RTÉ'S performance against its additional commitments**

No.	Performance Target		RTÉ's Reported Outcome (comparison vs. 2012 in parentheses)	Met Target
<b>1x</b>	Grow RTÉ Apps average weekly reach	>9%	<b>10%</b> (increase vs. 7%)	Yes
<b>1nn</b>	Archive project: target Hours Accessioned/ Catalogued Television	5500-6500	<b>6,617 hours</b> (decrease vs. 6,970) Exceeded target, but was less than 2012 hours due to reduced personnel resources	Yes
<b>1oo</b>	Archive project: target Hours Accessioned/Catalogued Radio: ( <b>11,275</b> in 2012)	10,000-12,000	<b>11,275 hours</b> (level with 11,275) – same as the previous year despite reduced personnel resources	Yes
<b>2b</b>	Increase RTÉ One News & Current Affairs in schedule – see Commitment 6		Met target of <b>1,549 hours</b> in schedule	Yes
<b>2c</b>	RTÉ One to be the primary outlet for all major events – see Commitment 8		See Commitment 8: Delivered coverage of European Presidency, 1913 Lockout Anniversary, and major sporting events	Yes
<b>3a</b>	RTÉ Radio 1 to introduce a range of new, diverse voices to peak weekday & weekend programmes from Q1		New voices to were brought to air on <i>Drivetime</i> and <i>The Marian Finucane Show</i>	Yes
<b>3b</b>	RTÉ Radio 1 to introduce new content to key peak weekday & weekend programmes from Q1		New content introduced into the <i>Marian Finucane Show</i> at weekends. The <i>Today</i> programme features a variety of items with the new presenter, and investigative content	Yes
<b>3c</b>	RTÉ Radio 1 to assign a new producer to focus on music content for 35-54s		A RTÉ Radio 1 Music Producer was appointed in February 2013	Yes
<b>3d</b>	Implement new station sound and revamp signature tunes of all major programmes		RTÉ Radio 1 has begun to integrate music in to its branding. RTÉ 2fm has completed new station imaging, with new voiceovers and music and sound effects packages.	Yes
<b>3g</b>	RTÉ Radio 1 to ensure coverage of all major National & Sports events – see Commitment 8		Covered GAA & Rugby fixtures	Yes



No.	Performance Target		RTÉ's Reported Outcome (comparison vs. 2012 in parentheses)	Met Target
3h	RTÉ Radio 1 to develop new Investigative Journalism programming – see Commitment 5		Delivered new investigative content	Yes
3j	RTÉ 2fm to increase the coverage of Music Festivals in 2013		Cover of Life Festival 2013, both Sea Sessions in Bundoran, Rory Gallagher Festival, first Longitude festival, 10th Electric Picnic.	Yes
3m	RTÉ 2fm to trial new on-air voices		Three guest presenters on <i>Tubridy</i> . Weekend early breakfast slot used to trial new on-air voices.	Yes
3n	RTÉ 2fm to provide opportunities for development of production staff		As well as giving production staff the opportunity to work on-air, the new voices initiative has offered other production staff with new skills in mentoring and staff development.	Yes
4a	RTÉ News Now: new panels and tickers live in Q2		New animated graphics (on side panels and lower third of screen) were introduced to RNN in Q2, covering News, Sport, Weather, Business and Entertainment.	Yes
4b	Updated RTÉ News Now website live in Q3		Commitment largely achieved. External software development, that enables a visually enhanced website and enhanced social media integration, was completed during 2013. Following testing, the updated website went live in early February 2014.	Largely
4c	RTÉ News Now Twitter/social media feeds live by year-end		Social media feeds have been integrated into the website since Q1 2013.	Yes
4e	A new RTÉ News Now App developed and launched for iOS and Android platforms in Q3		Commitment largely achieved. The new app was built and developed in 2013, and following testing in early 2014 it was rolled out at end Q1 2014	Largely
4j	Launch an RTÉ junior app on iOS in Q2		The RTÉ Junior app successfully launched in the first half of 2013, offering a wide range of content from multiple platforms: RTÉ Junior television programmes, RTÉ Junior radio programmes and specially-commissioned RTÉ Junior games.	Yes
5a	New multi-media RTÉ Investigations Unit by Q3 2013		Establishment of a new multimedia RTÉ Investigations Unit	Yes
6d	Target live audience share for <i>Prime Time</i> (News & Current Affairs) on a par with 2012 to in 2013	25%	<b>25.7%</b> (slight increase vs. 25%)	Yes
6e	Maintain reach for <i>Morning Ireland</i> on par with 2012 at in 2013	12%	<b>13%</b> (increase vs. 12%) Maintained its position as the most listened to programme on Irish radio	Yes
6f	Maintain audience perception of Fairness & Impartiality of RTÉ News (see Commitment 16)		At 96.1%, met target of >95%	Yes
6g	RTÉ One to feature <i>Prime Time</i> in schedule 3 nights per week		<i>Prime Time</i> successfully changed to three nights per week during Q1. <i>Prime Time</i> did not broadcast during August owing to financial pressures.	Yes
6i	Revamp of main news bulletins on RTÉ One by year end		Due to increased pressure on financial resources, plans were deferred until 2014 and resources were directed at Referendum and October's Government Budget	No

No.	Performance Target	RTÉ's Reported Outcome (comparison vs. 2012 in parentheses)	Met Target
6j	Revamped News on 2 in Q3	Due to pressure on financial resources a full revamp was not possible, but certain changes were made.  Bulletin duration reduced both in response to financial pressures and to attract younger audiences to the channel. The schedule changed from a 20-minute bulletin four nights a week to an 8-minute bulletin five nights a week.	No
6k	Enhance the RTÉ Current Affairs offering by merging <i>Primetime</i> and <i>Frontline</i> into one new, strong <i>Primetime</i> strand, with changed presentation team and a dedicated studio: delivery in Q1	The new <i>Prime Time</i> format came to air in Q1 2013, with greater flexibility and incorporating investigative segments	Yes
6l	Report on provision of coverage of key international events	A wide range of stories were covered including, where RTÉ typically covered these stories from location: the papal resignation and subsequent inauguration; the health condition and subsequent death of Mandela; Furlong trial in Japan; and Meagher murder case in Australia. International coverage was curtailed from Q3 due to financial pressures however the Syrian refugee crisis, US financial shutdown, EU banking crisis and hurricane in the Philippines were all covered.	Yes
6m	New News App to include a Nuacht service in Q3 2013	Commitment not achieved. This has been delayed due to financial constraints and restructuring.	No
6n	Re-vamped website to include a designated Nuacht page in Q3 2013	Commitment not achieved. This has been delayed due to financial constraints and restructuring.	No
8a	RTÉ One support for "The Gathering" including "Glaoch" from the Aras in Q1	RTÉ offered a wide range of entertainment, news, sport and documentaries over St Patrick's weekend, across TV, radio, online and mobile.	Yes
8b	RTÉ One to provide Q2 Coverage of European Presidency	Extensive coverage of Ireland's six-month European Presidency was provided by RTÉ News on RTÉ One and across all other platforms, in particular RNN.	Yes
8c	RTÉ One to provide coverage of the 1913 Lockout anniversary on Nationwide in Q4	Nationwide, and other multi-platform activity, covered the Lockout anniversary.	Yes
8d	RTÉ One to maintain ongoing commitment to GAA, Irish Soccer and Rugby	RTÉ Sport provided comprehensive coverage of Irish soccer, broadcasting five Republic of Ireland World Cup qualifiers. GAA was catered for through League Sunday and Championship Matters In Rugby, live coverage of the 6 Nations performed well.	Yes
8e	RTÉ One to provide coverage of the Confederations Cup in Q3	RTÉ showed every game in the Confederations Cup (10 live games on RTÉ Television and three delayed coverage, three live on the web two of which were available as highlights on TV)	Yes
8f	Launch Decade of Anniversaries website	The website Century Ireland ( <a href="http://www.RTE.ie/centuryireland">www.RTE.ie/centuryireland</a> ) was launched in May 2013. Century Ireland is published on a fortnightly basis, and is the main online portal for the Irish decade of commemorations, 1912-23.	Yes

No.	Performance Target	RTÉ's Reported Outcome (comparison vs. 2012 in parentheses)	Met Target
8g	RTÉ Radio 1 to deliver series on the Lock Out and the Decade of Anniversaries	<i>Citizens: Lockout</i> , was a six-part, hour long series. In addition, there were 35 two-minute drop-ins across the commencement of the lockout.	Yes
8h	RTÉ Radio 1 to provide coverage of GAA & Rugby fixtures	Radio 1's rugby coverage included Six Nations and the Heineken Cup, while GAA commenced in Q2 with a special live broadcasts.	Yes
8i	RTÉ Raidió na Gaeltachta to provide coverage of GAA matches not covered on RTÉ Radio 1	RTÉ Raidió na Gaeltachta broadcast all GAA matches which were not broadcast on RTÉ Radio 1.	Yes
8j	RTÉ Lyric fm to provide coverage of major music festivals and National Concert Hall Friday Concerts	Each National Concert Hall Friday concert was covered during Q1-2. RTÉ lyric fm provided coverage of Bloom, and covered and provided outreach at Electric Picnic and the National Ploughing Championships.	Yes
9a	Aggregate Arts & Culture content into the new RTÉ News Now App in Q4	Commitment not achieved due to resource issues arising from financial pressures. RTÉ will finalise a new Arts & Culture strategy for 2014 and a decision on regarding the RTÉ News Now app will be required.	No
9b	RTÉ Radio 1 to deliver coverage of The Francis McManus Short Story Awards and P.J. O'Connor Awards	The 25 short-listed stories were read nightly on RTÉ Radio 1 over 5 weeks. The winners of the PJ O'Connor Awards were adjudicated on the evening of 1 May.	Yes
9f	RTÉ lyric fm to launch new website	RTÉ lyric fm's new website launched in May, providing itemised content (stories), a more visual experience (images and videos) and ability to share to social media.	Yes
9g	RTÉ lyric fm to publish CDs	RTÉ lyric fm published three CDs in 2013.	Yes
9h	RTÉ lyric fm deliver new programming, including Britten, Wagner and Verdi in Q4	Delivered the <i>Viva Verdi</i> series and <i>Wagner's Music in Ireland</i> . The birth of Benjamin Britten was commemorated throughout November.	Yes
9k	RTÉ Orchestras & Choirs to support Irish Artists	The RTÉ NSO supported 46 Irish artists during 2013. The RTÉ CO supported 67 Irish Artists during 2013.	Yes
9l	RTÉ Orchestras & Choirs to work in partnerships with organisations/individuals	Irish partnerships, including with the Contemporary Music Centre, the National Concert Hall, and the Arts Council. International initiatives included BBC, EuroRadio, the Embassy of China and Shanghai East Radio, and the Finnish Embassy. Collaborations with Wide Open Music, the National Concert Hall, County Councils, the Royal Irish Academy of Music and Ballet Ireland.	Yes
9m	RTÉ Orchestras & Choirs to deliver educational/outreach initiatives	RTÉ Orchestras delivered 83 educational and outreach related activities, which splits out as 49 performances and 34 other activities.	Yes
10b	RTÉ Raidió na Gaeltachta to launch new website in Q3	The new RTÉ Raidió na Gaeltachta website launched in April, providing itemised content (stories), a more visual experience (images and videos) and ability to share to social media.	Yes

No.	Performance Target		RTÉ's Reported Outcome (comparison vs. 2012 in parentheses)	Met Target
<b>10g</b>	RTÉ Raidió na Gaeltachta to, in partnership with Raidió na Life, rebroadcast young people's content in Q3-4		Six-part series <i>Spioradáltacht ar Leith</i> presented by Judy-Meg Ní Chinnéide on Raidió na Life was broadcast in Q3.	Yes
<b>10h</b>	RTÉ Raidió na Gaeltachta to develop new talent through competition and internships		Successful competition for sports commentators in conjunction with the GAA. RTÉ Raidió na Gaeltachta facilitated four internships throughout 2013, in News and Programming.	Yes
<b>11b</b>	Solvency: Ability to meet commitments as they fall due		RTÉ continues to discharge commitments when due.	Yes
<b>12c</b>	Ensure effective process for review of proposed PROC contracts and extensions by Q2		A regular review process by a cross-organisational group has been in place since early 2013.	Yes
<b>13a</b>	Increase RTÉ's financial transparency by introducing a new funding attribution model that shows prospectively how public funding will be utilised		RTÉ developed and introduced a new public funding attribution model in 2012 which attributes public funding to individual services in a way that is proportionate to the net cost of the public service.	Yes
<b>13b</b>	Deliver the RTÉ Portfolio of services within the operating cost target	€*m	€307m, in response to reductions in commercial revenue.	Yes
<b>13f</b>	Publish CPTH (Cost Per Transmitted Hour)		Cost per Transmitted Hour by service is set out in the Financial Review section of the RTÉ Annual Report and Group Financial Statements 2012, which was submitted to DCENR on 30 April 2013 and subsequently published by RTÉ.	Yes
<b>15b</b>	RTÉ will provide subtitles for the new RTÉ Junior service Monday-Friday	50%	<b>41%</b> The target was set as an approximation for the new channel and the target was not achievable within current resources. Despite there being no statutory or regulatory requirement to provide subtitles on RTÉ Junior, RTÉ is committed to continuing this access service.	No
<b>15c</b>	RTÉ will provide subtitles for the new RTÉ Junior service at weekends	40%	<b>36%</b> - commentary as 15b above	No
<b>15d</b>	Launch audio-described programming		Commitment not achieved. Audio Description did not commence in 2013 as planned due to a combination of financial and resource limitations.	No
<b>15e</b>	RTÉ will continue to be the only Irish broadcaster to provide Irish Sign-Language, providing a daily news service and a weekly weather forecast		As part of its ongoing commitment to the deaf and hard of hearing communities, RTÉ broadcasts a daily news service and a weekly weather forecast.	Yes
<b>15f</b>	Programming commissioned by RTÉ and produced by the deaf community	10.5 hrs	<b>28 hours</b> Including 15 hours of <i>News for the Deaf</i> , two hours of <i>Weather</i> , and eight hours <i>Hands On</i> .	Yes
<b>15g</b>	Provisions of subtitles on RTÉ Player in Q3		Commitment not achieved. This project has been delayed due to technical issues.	No

No.	Performance Target	RTÉ's Reported Outcome (comparison vs. 2012 in parentheses)	Met Target
<b>16a</b>	Maintain Audience perceptions of "fairness and impartiality" of RTÉ News: Nine o'clock	<b>&gt;95%</b> <b>96.1%</b> – exceeding target	Yes
<b>16b</b>	Maintain Audience perceptions of "fairness and impartiality" of Morning Ireland	<b>93-95%</b> <b>93.4%</b> – meeting target	Yes
<b>16c</b>	Stabilise audience perception of "trustworthiness" of RTÉ Radio 1: Grow Trust score from 55% in 2012 to >55% in 2013	<b>59%</b> (increase vs. 55%)	Yes
<b>17a</b>	Draft and publish new 2013 Contents Standards Guidelines by year-end	A new Content Standards Guidelines (2013) document was published online by RTÉ, updating, builds on and replaces the 2008 Programme Standards and Guidelines.	Yes
<b>17b</b>	Ensure compliance with BAI Code of Programme Standards	Commitment not achieved. During 2013 three complaints were fully upheld against RTÉ Radio and one was upheld in part against RTÉ Television.	No
<b>17c</b>	Ensure compliance with BAI code of Fairness, Impartiality and Objectivity in News & Current Affairs	Reviewed new BAI Code of Fairness, Objectivity and Impartiality in News and Current Affairs was published 1 July 2013, and cross-checked with the RTÉ Journalism Guidelines and Content Standards Guidelines.	Yes
<b>17d</b>	All BAI complaints dealt with within mandatory timeframes	All complaints were dealt with within the required timeframes.	Yes
<b>18a</b>	Progress the new Audience Reaction Panel Tender process – new contract in place by Q4	Five companies expressed interest in pitching for the contract. Following conclusion of the tender process, in accordance with EU rules, the incumbent (GfK NOP Media) was notified in late 2013 they had won the competition.	Yes
<b>18b</b>	Progress the new Corporate Tracking Survey Tender process – new contract in place by Q4	During Q4, RTÉ's brand tracker questionnaire was reviewed internally, and an ITT launched in accordance with national guidelines. The successful research agency (Behaviour & Attitudes) commenced fieldwork in early 2014 using an updated questionnaire.	Yes
<b>19a</b>	Share more of RTÉ's content by providing unbranded clean feeds of content to other Irish media providers	Following a content sharing pilot programme RTÉ now provides a number of branded RTÉ News packages for carriage on independent.ie as part of a commercial arrangement.	Yes
<b>19b</b>	Content sharing with *; when requested	RTÉ.ie provides live video streams of major news events to established media outlets such as Irishtimes.ie and MerrionStreet.ie. Among the key events shared were the Obama and Clinton visits, the Global Economic Forum and Budget 2014.	Yes

No.	Performance Target	RTÉ's Reported Outcome (comparison vs. 2012 in parentheses)	Met Target
20a	Progress RTÉ's relationship with at least 5 key organisations/stakeholders covering the areas of the Arts, Culture, Business, Education and other media, as identified by the RTÉ Partnerships Group	A Partnerships Group established to manage RTÉ's Partnership Portfolio. Irish Film Board: working towards joint Memorandum of Understanding (MoU), to co-fund content. BBC NI: RTÉ is formalising its relationship with BBC NI via a MoU to co-develop and co-fund programming. NUIG: RTÉ, through RTÉ Raidió na Gaeltachta, and NUIG have partnered to digitise the extensive linguistic RTÉ Raidió na Gaeltachta archive. The Arts Council: strengthening the RTÉ Supporting the Arts brand. Independent Broadcasters of Ireland – The Power of Radio: promoting radio in and encouraging advertisers to spend on radio.	Yes
21a	Pilot the metrics consistent with the ASPC and implementation of the 5-year strategy	RTÉ has evolved its metric set, including devising a range of new metrics based on strategic objectives, to ensure that its commitments, its public value framework, and similarly measures to track its overall strategy are all fully aligned with each other and with the BAI framework for annual reviews.	Yes
22a	Increase capacity for HD streaming on site and with deployment at Eircom by Q2	RTÉ successfully commissioned the use of infrastructure available at Eircom to increase capacity for HD streaming.	Yes
22b	Develop plan for funding camera upgrades in the main production studios by Q2	RTÉ has developed plans to commence a programme of upgrading cameras and production facilities in the Donnybrook studios during 2014.	Yes
22c	Complete go live of FAST project which supports playout of file based HD content by Q3	RTÉ successfully delivered on FAST (File Acquisition and Server Technology) as planned. FAST will facilitate the launch of new channels in HD, integration with RTÉ Digital, speedy transfer of material to/from RTÉ's customers, partners and suppliers, and deliver cost efficiencies.	Yes
22d	Launch HD playout for RTÉ One and distribute RTÉ One HD on SAORVIEW by Q4	RTÉ One HD launched on 16 December 2013 on the Saorview, e-Vision and UPC transmission platforms	Yes
23a	Revise mobile device policy and issue a Bring Your Own Device (BYOD) policy by Q2	The BYOD policy was revised and approved by the RTÉ Executive. Following a pilot phase, paperless billing went live for all RTÉ SIM holders by end of 2013. Information sessions on implementation of BYOD policy took place during Q1 2014.	Yes
23b	Roll out Adobe Story for <i>Fair City</i> by Q2	The roll-out of Adobe Story for <i>Fair City</i> was completed in the first half of 2013 and is now used for all script and schedule creation and management. This tool brings efficiencies all the way from script creation through to the shooting schedule.	Yes
23c	Deployment of pilot for a new suite of collaboration tools by Q2	A pilot was run in Q2 as committed, with Google Apps. Full roll-out was deemed not of benefit at this time, however there will be a phased roll-out to specific areas where there is immediate business benefit.	Yes
23d	New news production system fully deployed in Dublin and at news bureaux by Q3	The new version of Avid rolled out in Dublin and in RTÉ's regional offices	Yes



No.	Performance Target	RTÉ's Reported Outcome (comparison vs. 2012 in parentheses)	Met Target
23e	E-commissioning project deployed and operational by Q3	Commitment largely achieved. Due to financial constraints the system is not yet operational. Requirements have been fully scoped to reflect new structures in RTÉ Television and the system vendor has progressed to design stage.	Largely
23f	New workflow system for HR fully operational by Q4	The new workflow system was developed and went live in November 2013, starting with RTÉ Radio, and remaining roll-out planned for 2014.	Yes
23g	Implement new analytics tool in Digital to gather data on users by Q3	Implemented ComScore's Digital Analytix package for digital services measurement.	Yes
23h	Begin the rationalisation of the technology environment with the roll-out of Landmark to radio by Q2	The roll-out of Landmark was successfully delivered, meaning that TV and Radio now use the same sales system.	Yes
24a	Develop RTÉ ID (customisation tool)	Commitment not achieved. Rollout rescheduled to 2014 due to internal reprioritisations and a dependency on the successful implementation of ComScore.	No
24b	Commission a pilot project to examine the current quality of the RTÉ.ie user experience with respect to video streaming and deliver findings	In Q2 Conviva were engaged to pilot their quality-of-user-experience (QoE) technology and evaluate performance of desktop and iOS versions of RTÉ Player.	Yes
24c	Launch RTÉ Player Android app by Q2	The RTÉ Player Android app launched in Q3 2013, making the on-demand and catch-up service available to thousands of Android users / devices.	Yes
24d	Launch RTÉ Player on Gaming consoles in Ireland in Q4	After development with Microsoft the RTÉ Player launched on gaming consoles during Q3.	Yes
24e	Launch full series and archive collections on an on-demand service in 2013	Commitment not achieved. *	No
24g	*	*	Largely
24h	Redesign and relaunch 2fm, lyric and Raidió na Gaeltachta websites in Q2.	The new Radio websites provide itemised content (stories), a more visual experience (images and videos) and ability to share to social media. RTÉ 2fm's new website launched in March; Radio 1's new site launched in January; lyric fm in May and Raidió na Gaeltachta in April.	Yes
24i	*	*	No
24j	Develop and launch a new RTÉ News Now App (see Commitment 4e)	New app built, and rolled out in 2014, missing target delivery in 2013	No
24k	Upgrade of Media Archives/Library databases to web 2.0	Commitment largely achieved. Significant progress was made in 2013 to upgrade and enhance the database, which was fully tested and upgraded in Q1 2014.	Largely



No.	Performance Target	RTÉ's Reported Outcome (comparison vs. 2012 in parentheses)	Met Target
24l	Average of 3 major archive exhibitions published per quarter with use of Twitter and Vine video sharing	In 2013 there were 11 new online exhibitions and three updated exhibitions published plus 554 individual features, with all content promoted through Twitter.	Yes
25a	Maintain the high standard of the RTÉ Annual Report and Group Financial Statements (Annual Report) and publish in accordance with S.110 of the Broadcasting Act 2009	The RTÉ Annual Report and Group Financial Statements 2012 was submitted to DCENR on 30 April 2013. This Report has been laid before the Houses of the Oireachtas.	Yes
25b	Annual Report to comply with IFRS	As is the case with previous years, the RTÉ Annual Report complies with IFRS.	Yes
25c	Annual Report to include a report on fees and aggregate expenses paid to Board members	This is provided in the Corporate Governance section of the RTÉ Annual Report.	Yes
25d	Annual Report to include a report on fulfilment or otherwise of RTÉ's 2012 Statement of Performance Commitments.	A summary of RTÉ's fulfilment or otherwise of 2012's commitments was included in the RTÉ Annual Report	Yes
25e	Publish 2013's Statement of Performance Commitments following required consultations	Following required consultation with BAI and their feedback on 2013's commitments, RTÉ submitted a revised ASPC 2013 in September. A summary version was published on RTÉ.ie in both Irish and English language.	Yes
25f	Conform with the UK Corporate Governance Code and Ireland specific requirements of the Irish Stock Exchange Corporate Governance Annex as far as is feasible having regard to requirements under the Broadcasting Act 2009	RTÉ's compliance is set out in the Corporate Governance section of the RTÉ Annual Report.	Yes
25g	Comply with Code of Practice for Governance of State Bodies and report to Audit and Risk Committee.	The Audit and Risk Committee considered RTÉ's compliance with this code. The RTÉ Chairman submitted his formal Report to DCENR along with RTÉ's Annual Report on 30 April 2013.	Yes
25h	Compliance with commercial activities as set out in S.108 of the Broadcasting Act 2009	Compliance with all was achieved.	Yes
25i	Compliance with BAI General Commercial Communications Codes	Compliance with all was achieved.	Yes
25j	Compliance with BAI Children's Commercial Communications Codes	Compliance with all was achieved.	Yes
25k	Compliance with ComReg Code of Practice for Premium Rate Services	Compliance with all was achieved.	Yes
25l	Compliance with ODAS Code of Conduct for on-demand audiovisual media services	Compliance with all was achieved.	Yes
25m	Compliance with ASAI Code of Standards for Advertising, Promotional and Direct Marketing in Ireland	Compliance with all was achieved.	Yes

No.	Performance Target	RTÉ's Reported Outcome (comparison vs. 2012 in parentheses)	Met Target
25n	Compliance with ASAI Alcohol Marketing, Communications and Sponsorship codes of practice	Compliance with all was achieved.	Yes
25o	Compliance and quarterly FOI stats to DCENR/Dept of Finance	Full FOI and Data Protection compliance achieved.	Yes
25p	Promote best-practice in Enterprise Risk Management (ERM)	Commitment not achieved. A formal Group Risk Policy was not adopted in 2013, and was delayed pending the findings of an external review and comparison to leading best practice in this area.	No
25q	Implement enhancements to the RTÉ risk management framework in order to strengthen the risk management controls and to deliver the Audit and Risk Committee's risk agenda for 2013	An Interim Update was provided in the RTÉ Annual Report, submitted to DCENR on 30 April 2013 and subsequently published by RTÉ. A draft policy and risk appetite statement developed, validated by an external consultancy, and is on track to be finalised at end of Q1 2014.	Yes
26a	An investment in Editorial, Producer and Journalistic Training to optimise training and development in an symbiotic and cost efficient manner: launch Q1	Editorial Leadership Programme delivered Q1-3; extensive internal competition for six new Producer / Directors and the subsequent training course started in Q1 2014; Doc on One Training for Radio.  TV News Packaging Masterclasses were run during Q1-2; an Investigative Journalism programming course was delivered Q2; investigative journalism course was delivered during Q3 by a member of the BBC's Journalism Board; Current Affairs masterclasses.	Yes
26b	An investment in New Technology and Multi-Media Training: ongoing	The Central News Desk is the heart of the new media newsroom operation. Core training has been identified for all employees involved and is being delivered throughout 2013 and beyond.  Delivered TV News Packaging Masterclass; Live Insert Training; Mobile Journalism; Social Media Training; "Twitter Essentials" Digital Marketing Seminars.	Yes
26c	New Management Development Initiatives to support the focus on teamwork, collaboration, knowledge sharing and continuous improvement	Launched via RTÉ's Director General's staff briefings in September. A project team was put in place. Key partnerships with the *, and the * have been established. Roll-out of approved initiatives will take place from early 2014.	Yes
26e	The creation of the RTÉ Academy to create a knowledge organisation that continually strives to improve and enhance output quality, professionalism and creativity: launch Q2	A project group was put in place to capture 2014-2017 learning and development initiatives and plans were approved and finalised in 2013. This group gave practical effect to the initiative which began roll-out Q1 2014.	Yes
26f	An investment in new On Line Training and Development systems to support the Cultural Transformation towards becoming a leading Public Service Media Organisation: launch Q2	A very cost-effective online Editorial Standards tool for RTÉ's N&CA journalists was developed during the first half of 2013. Roll-out of this tool was pushed back due to resource issues arising from financial pressures.  Q4 saw the roll out of a pilot in N&CA testing the understanding of the new Journalism Guidelines.	Yes

No.	Performance Target	RTÉ's Reported Outcome (comparison vs. 2012 in parentheses)	Met Target
<b>27a</b>	Move from an IBD (Integrated Business Division) structure to a hybrid structure: Young Peoples, delivered in Q1	In December 2012, a Cross-Divisional Head of Children's Content, who leads and advises on strategy, content and future policies and procedures for children and young people across all platforms in RTÉ.	Yes
<b>27b</b>	Move from an (Integrated Business Division) IBD structure to a hybrid structure: Technology, delivered in Q2	Introduction of a centralised shared services Technology function. Work commenced in Q4 2012 and has continued during 2013. Centralised structure better able to support the organisation's needs, removes duplication of effort, creates greater flexibility, and results in a smoother user-experience for RTÉ's staff on all technological issues.	Yes
<b>27c</b>	Centralised News Desk to be operational from 7am to Midnight by year-end	Commitment largely achieved. The Centralised News Desk (CND) was established and during 2013 was operational from 6am-2pm. Any extension post 2pm was resource-dependent and was therefore not possible in 2013 due to financial pressures.	Largely
<b>27d</b>	Agree and implement a new Production and Operating model for Digital by Q4	A new structure has been implemented in Production & Operations in RTÉ Digital, with a greater emphasis on successful project delivery, and sustainable ongoing operations. Resources are being effectively utilised cross-IBD. Governance teams are in place for all major digital projects.	Yes

Source: RTÉ Brand Tracker (Amárach Research), TAM Ireland Ltd / Nielsen TAM, JLNIR Ipsos MRBI, RTÉ Audience Opinion (GfK NOP Media)

*[Redacted: data is commercially sensitive]*

## 13 APPENDIX 3: 2014 Commitments






Appendix 3 provides further details on how RTÉ and TG4 have developed their 2013 Commitments into their 2014 Commitments.

### 13.1 Development of the TG4 Commitments in 2014

#### 13.1.1 Development of the TG4 audience commitments

There are no major changes to the audience-related commitments TG4 sets for 2014.

Figure 93: TG4's 2014 audience commitments in comparison to the equivalent 2013 commitments






'13 No.	2013 Performance Target		'14 No.	2014 Target & Change vs. 2013 Target	
	—— Directly equivalent commitments	----- Related commitments		 No significant change  Less arduous than 2013  More arduous than 2013	
19	Maintain and if possible increase our audience		1	Ensure an increase in TG4's reach among Irish language users and all television broadcast audiences in Ireland.	
20	Continue to enhance access to our content and engage with our audiences across all digital platforms and devices by implementing our Digital Strategy targets for 2013		2	Achieve greater audience engagement with TG4 across all key media platforms.	

Source: TG4

#### 13.1.2 Development of the TG4 output & content commitments

TG4 has marginally revised its target hours of new young people's content (from 371 hours in 2013 to 388 in 2014), otherwise its output commitments remain largely unchanged.

Figure 94: TG4's 2014 overall output & content commitments in comparison to the equivalent 2013 commitments

'13 No.	2013 Performance Target		'14 No.	2014 Target & Change vs. 2013 Target	
	—— Directly equivalent commitments	----- Related commitments		 No significant change  Less arduous than 2013  More arduous than 2013	
1	Deliver a minimum of <b>1712</b> hours of new high quality Irish language content across all genres, characterised by TG4's distinctive "súil eile" perspective.		6	Continue to extend TG4's core Irish language broadcast schedule and deliver a minimum of <b>1,710 hours</b> of new Irish language programming.	
2	Deliver a minimum of <b>371</b> hours of new children and young people's Irish language content.		KPI of 5	KPI under Commitment 5: <b>388</b> hours of children's and young people's content.	


<b>10</b>	Increase accessibility of our content and services to audiences with physical, sensory or intellectual disability.	—	<b>4</b>	Increase accessibility of TG4's content and services to audiences with physical, sensory or intellectual disability.	↔
<b>11</b>	Continue to move towards a 35 week core television programming schedule.	-----	<b>5</b>	Continue to extend TG4's core Irish language broadcast schedule and deliver a minimum of 1,710 hours of new Irish language programming.	↔
<b>23</b>	Continue the transition to HDTV capability by the end of 2013.	-----	<b>7</b>	Invest in content technology and systems to support creativity and innovation. <i>KPI under Commitment 5: TG4 will continue to work with Sky, UPC and other Platform providers to ensure a migration to HD services.</i>	↓

Source: TG4

TG4 has made some minor adjustments to its target schedule mix, otherwise there are no major changes to the genre-specific output commitments TG4 sets for 2014.

**Figure 95: TG4's 2014 genre-specific output & content commitments in comparison to the equivalent 2013 commitments**

'13 No.	2013 Performance Target			'14 No.	2014 Target & Change vs. 2013 Target	
	—— Directly equivalent commitments	----- Related commitments			↔ No significant change	↓ Less arduous than 2013    ↑ More arduous than 2013
3	Provide independent and in-depth coverage and analysis of, and an alternative viewpoint on, news and current affairs throughout the island of Ireland and inform audience understanding of the world		-----	KPI of 5	KPI under Commitment 5: News & Current Affairs will remain an important part of the TG4 schedule, focusing on politics, the economy and regional, national and international affairs.	↔
4	Reflect the important role that sport, particularly Irish sport, holds in Irish life and culture. Broadcast major and live sporting events and overall, ensure Irish language sports coverage is a key part of the 2013 schedule.		-----	KPI of 5	KPI under Commitment 5: Sport will remain a cornerstone of TG4's programming schedule... TG4 will continue to build on its success with sport, broadcasting live matches and other major sporting events.	↔
5	Continue to engage and entertain audiences with strong Irish language drama, documentary and entertainment/lifestyle content.		-----	KPI of 5 & 8	KPI under Commitment 5: Drama, documentary and lifestyle & entertainment programming will remain a core focus in TG4's schedule. These are important for their unique focus on Ireland, its history, culture and people and for providing an entertaining and attractive schedule for audiences.  KPI under Commitment 8: 61% of new Irish language programme hours celebrating Irish culture & identity (drama, music, sport, arts, news & current affairs and documentaries).	↔









6	Feature content which supports the personal development of audiences, stimulating interest in and knowledge of the arts, music, religion, history, science and technology.	-----	KPI of 5	KPI under Commitment 5: TG4's role in fostering the personal development of audiences by stimulating interest in Irish language arts, music, historical, science & technology and religious content is an important role for TG4 as the Irish language public service broadcaster.	
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Source: TG4

### 13.1.3 Development of the TG4 value for money commitments

TG4 has kept its 2014 Value for Money commitments in line with its 2013 commitments.

**Figure 96: TG4's 2014 value for money commitments in comparison to the equivalent 2013 commitments**

'13 No.	2013 Performance Target —— Directly equivalent commitments ----- Related commitments		'14 No.	2014 Target & Change vs. 2013 Target  No significant change  Less arduous than 2013  More arduous than 2013
22	Secure approximately <b>€3.112m</b> in commercial revenues in 2013 including new revenues from digital content and services.	-----	15	Secure approximately <b>€3.1m</b> in commercial revenues and maximise all commercial opportunities. 
24	Continue to invest in our broadcasting and administrative systems and to leverage digital technologies to drive efficiencies.	-----	7	Invest in content technology and systems to support creativity and innovation. 
27	Spend at least <b>70%</b> of our public funding on Irish language content and no more than <b>15%</b> each on its broadcast and on overheads. Limit use of public funding to the achievement of our public service objects and duties.	——	13	Spend at least <b>70%</b> of TG4's public funding on Irish language content and no more than <b>15%</b> each on its broadcast and overheads. Limit use of public funding to the achievement of our public service objects and duties. 
28	Maintain competitive programming per hour costs.	}	14	Continue to operate as cost effectively as possible and deliver value-for-money. 
29	Continue to operate as cost effectively as possible and to deliver value-for-money.			KPI under Commitment 14: Average cost-per-hour will remain broadly in line with 2013 levels and below or at the lower end of the range of those of the BBC, S4C and RTÉ. 

Source: TG4

### 13.1.4 Development of the TG4 creativity commitments

TG4 has amended its target number of hours sourced from the Irish language production sector, down from 698 hours in 2013 to 648 hours in 2014, otherwise there are no major changes to the creativity-related commitments TG4 sets for 2014.

**Figure 97: TG4's 2014 creativity commitments in comparison to the equivalent 2013 commitments**

'13 No.	2013 Performance Target —— Directly equivalent commitments ----- Related commitments		'14 No.	2014 Target & Change vs. 2013 Target ↔ No significant change   ↓ Less arduous than 2013   ↑ More arduous than 2013	
7	Inspire and support creativity and innovation in our content and broadcasting services.	-----	7	Invest in content technology and systems to support creativity and innovation.	↔
8	Source a significant share of our content from the Irish language production sector to ensure our schedule is unique and reflects Irish cultural identity.	-----	KPI of 12	KPI under Commitment 12: target of 648 hours (vs. 698 hours delivered in 2013).	↓
9	Maximise value-for-money and innovation in content creation by working in partnership with other organisations.	-----	KPI of 14	KPI under Commitment 14: An important means for TG4 to maximise value-for-money in programming and content expenditure is to work closely with other broadcasters, production companies and funding bodies etc. on coproduction, programming exchange and other content development initiatives.	↔
18	Play a pivotal role in strengthening the Irish language independent production sector.	{	12	Play a key role in supporting the Irish language independent production sector. Enhance Ireland's capabilities in the knowledge-based creative sectors and make a strong contribution to jobs and earnings.	↔
30	Provide circa 100 jobs and support approximately 300 full-time jobs in the independent production sector, enhancing Ireland's capability in the knowledge-based creative sectors.			KPI under Commitment 12: Maintain 2012 jobs impact	

Source: TG4

### 13.1.5 Development of the TG4 Irish language and culture commitments

There are no major changes to the Irish language and culture commitments that TG4 sets for 2014.

**Figure 98: TG4's 2014 Irish language and culture commitments in comparison to the equivalent 2013 commitments**

'13 No.	2013 Performance Target —— Directly equivalent commitments ----- Related commitments		'14 No.	2014 Target & Change vs. 2013 Target ↔ No significant change   ↓ Less arduous than 2013   ↑ More arduous than 2013	
13	Engage younger audiences with the Irish language and with TG4 by delivering a range of new interactive and entertaining services and content which can be used as an Irish educational resource.	-----	10	Continue to engage younger audiences with the Irish language and TG4.	↔



<b>14</b>	Ensure that our programming reflects the culture of the people of the island of Ireland and in particular, those of the Gaeltachtaí and households whose daily language is Irish.	-----	<b>9</b>	Have a positive influence on the awareness and development of the Irish language and culture.	↔
<b>12</b>	Deliver a high quality service, primarily in the Irish language that promotes and celebrates the Irish language and identity and provides an attractive daily link to the Irish language for every household with access to TG4.				
<b>16</b>	Provide a worldwide Irish language service and continue to move towards establishing TG4 as a global hub for all Irish language and Irish-related audiovisual content.		<b>8</b>	Deliver a worldwide Irish language content service that promotes and celebrates the Irish language and identity.	↔

Source: RTÉ, Oliver & Ohlbaum Analysis

## 13.2 Development of the RTÉ Commitments in 2014

### 13.2.1 Development of the RTÉ audience commitments

As discussed elsewhere, reach is one of the most important measures of effective fulfilment of public service objectives. RTÉ has made notable revisions to its overall reach targets for 2014, down to 90% for all age categories. RTÉ's actual overall reach in 2014 was 95% in all age groups. RTÉ feels that the new targets reflect the principles of uniformity and consistency in approach that the new review framework aims for, and moreover, notes that error margin of the metric is +/- 3.2%<sup>27</sup>.




Nevertheless, RTÉ has left room in its 2014 targets for a decrease in overall reach beyond margin for error. Although RTÉ reports that it does not expect or plan for any deterioration in its overall reach figures, the 2014 performance review should be watchful for any such decrease, even if the 2013 performance targets are met.

We welcome the amendment in how RTÉ breaks down its audience share by demographic to include the 55+ demographic (2014 No. 2d), separate to the 35-54 age group, rather than reporting on the 35+ age group, which overlaps with the 35-54s category.

**Figure 99: RTÉ's 2014 overall audience commitments in comparison to the equivalent 2013 commitments**

'13 No.	2013 Performance Target		'14 No.	2014 Target & Change vs. 2013 Target	
	Directly equivalent commitments	----- Related commitments		↔ No significant change	↓ Less arduous than 2013    ↑ More arduous than 2013
<b>1pp</b>	Average weekly reach for all RTÉ Services among adults 15+ at <b>&gt;95%</b>		-----	<b>2a</b>	Average weekly reach for all RTÉ Services among adults 15+ at <b>&gt;90%</b> ↓












<sup>27</sup> Reach figures based on a sample size of 1,000

<b>1qq</b>	Average weekly reach for all RTÉ Services among 15-34s at <b>&gt;92%</b>	-----	<b>2b</b>	Average weekly reach for all RTÉ Services among 15-34s at <b>&gt;90%</b>	
<b>1rr</b>	Average weekly reach for all RTÉ Services among 35-54s at <b>&gt;95%</b>	-----	<b>2c</b>	Average weekly reach for all RTÉ Services among 35-54s at <b>&gt;90%</b>	
<b>1ss</b>	Average weekly reach for all RTÉ Services among <b>35+</b> at <b>&gt;95%</b>	-----	<b>2d</b>	Average weekly reach for all RTÉ Services among <b>55+</b> at <b>&gt;90%</b>	
New commitment for 2014:			<b>2e</b>	Maintain public perception that RTÉ is an Important part of Irish life at >67% (from 67% in January 2014)	

Source: RTÉ, Oliver &amp; Ohlbaum Analysis

In terms of the television-specific audience commitments, RTÉ has made few major changes. There are some slight revisions in targets, the largest being in the RTÉ Two target adult 15+ peak time share, from >7.5% to >9%, targeting a return to 2012 levels after a fall to 7.8% in 2013. RTÉ also adds new commitments to measure audience perception of channel characteristics.

**Figure 100: RTÉ's 2014 television audience commitments in comparison to the equivalent 2013 commitments**

'13 No.	2013 Performance Target			'14 No.	2014 Target & Change vs. 2013 Target		
	—— Directly equivalent commitments	----- Related commitments			 No significant change	 Less arduous than 2013	 More arduous than 2013
1a	RTÉ One peak TVRs among 35-54s: <b>&gt;8</b>		——	1a	RTÉ One peak TVRs among 35-54s: <b>&gt;8</b>		
1b	RTÉ One weekly reach among all individuals: <b>&gt;67%</b>		——	1b	RTÉ One weekly reach among all individuals: <b>&gt;67%</b>		
1c	RTÉ One adult 15+ peak time share: <b>&gt;28%</b>		——	1c	RTÉ One adult 15+ peak time share: <b>&gt;28%</b>		
1d	RTÉ One target score for audience perception of Quality: <b>&gt;80</b>		——	3b	RTÉ One target score for audience perception of Quality: <b>&gt;80</b>		
1f	RTÉ Two peak TVRs among 15-34s: <b>&gt;2.3</b>		-----	1d	RTÉ Two peak TVRs among 15-34s: <b>&gt;2.5</b>		
1g	RTÉ Two weekly reach among all Individuals: <b>&gt;53%</b>		-----	1e	RTÉ Two weekly reach among all Individuals: <b>&gt;52%</b>		
1h	RTÉ Two adult 15+ peak time share: <b>&gt;7.5%</b>		-----	1f	RTÉ Two adult 15-34s peak time share: <b>&gt;9%</b>		
1i	RTÉ Junior: target score for audience perception of Quality: <b>&gt;80</b>		——	3f	RTÉ Junior: target score for audience perception of Quality: <b>&gt;80</b>		
1jj	RTÉ Two weekly reach among 4-14s: <b>&gt;10%</b>		-----	1g	> RTÉ Two weekly reach among 4-7s: <b>15%</b>		
6c	RTÉ News: Six One and Nine o'clock cumulative reach: <b>33%</b>			No direct equivalent			
New commitment for 2014:				3c	*		

New commitment for 2014:	3d *
New commitment for 2014:	3g *
New commitment for 2014:	3h *

Source: RTÉ

*[Redacted: data is commercially sensitive]*

Other than a slight relaxation of the RTÉ Radio 1 reach target (>24% to 23%), RTÉ has either kept its radio audience commitments constant, or in several cases, slightly increased them. As in the television audience commitments, RTÉ adds new targets to measure audience perception of station characteristics.

**Figure 101: RTÉ's 2014 radio audience commitments in comparison to the equivalent 2013 commitments**

'13 No.	2013 Performance Target —— Directly equivalent commitments ----- Related commitments		'14 No.	2014 Target & Change vs. 2013 Target ← No significant change    ↓ Less arduous than 2013    ↑ More arduous than 2013	
1k	Maintain RTÉ Radio 1 listened yesterday % reach among 35-54s at >24%	——	1h	Maintain RTÉ Radio 1 listened yesterday % reach among 35-54s at >23%	↓
1l	Maintain RTÉ Radio 1 24hr weekly reach among all Adults 15+ at >36%	——	1i	Maintain RTÉ Radio 1 24hr weekly reach among all Adults 15+ at >37%	↑
1m	Maintain RTÉ Radio 1 adult 15+ peak 7-7 share at 23%	——	1j	Maintain RTÉ Radio 1 adult 15+ peak 7-7 share at 23%	↔
1n	Stabilise RTÉ Radio 1 score for audience perception of Quality at 80	——	4b	Maintain RTÉ Radio 1 score for audience perception of Quality at >80	↔
1o	Maintain RTÉ 2fm listened yesterday % reach among 20-44s at >14%	——	1k	Maintain RTÉ 2fm listened yesterday % reach among 20-44s at >15%	↑
1p	Maintain RTÉ 2fm 24hr weekly reach among all Adults 15+ >23%	——	1l	Maintain RTÉ 2fm 24hr weekly reach among all Adults 15+ >23%	↔
1q	Grow RTÉ 2fm adult 15+ peak 7-7 share to 8%	-----	1m	Grow 20-44 year old peak 7-7 share to 13%	↑
1r	Grow RTÉ 2fm score for audience perception of Quality to 80	——	4f	Grow RTÉ 2fm score for audience perception of Quality to >80	↔
1s	Increase RTÉ 2fm score for audience perception of "Affinity – in tune with younger people" to 40%		No direct equivalent		
1cc	Maintain RTÉ lyric fm listened yesterday % reach among 35-54s at >3%	——	1n	Grow RTÉ lyric fm listened yesterday % reach among 35-54s to >4%	↑

<b>1dd</b>	Maintain RTÉ lyric fm weekly reach among Adults 15+ at <b>&gt;7%</b>	——	<b>1o</b>	Grow RTÉ lyric fm weekly reach among Adults 15+ to <b>&gt;8%</b>	↑
<b>1ee</b>	Maintain RTÉ lyric fm adult 15+ peak 7-7 share at <b>&gt;1.6%</b>	-----	<b>1p</b>	Maintain RTÉ lyric fm adult 15+ peak 7-7 share at <b>&gt;1.8%</b>	↑
<b>1ff</b>	Grow RTÉ lyric fm score for audience perception of Quality at <b>&gt;80</b>	——	<b>4j</b>	Grow RTÉ lyric fm score for audience perception of Quality at <b>&gt;80</b>	↔
<b>1gg</b>	Maintain Raidió na Gaeltachta listened yesterday % reach among 35-54s at <b>&gt;1%</b>	——	<b>1q</b>	Maintain Raidió na Gaeltachta listened yesterday % reach among 35-54s at <b>&gt;1%</b>	↔
<b>1hh</b>	Maintain Raidió na Gaeltachta weekly reach among Adults 15+ at <b>&gt;1%</b>	——	<b>1r</b>	Maintain Raidió na Gaeltachta weekly reach among Adults 15+ at <b>&gt;2%</b>	↑
<b>1ii</b>	Stabilise Raidió na Gaeltachta score for audience perception of Quality at <b>&gt;80</b>	——	<b>4m</b>	Stabilise Raidió na Gaeltachta score for audience perception of Quality at <b>&gt;80</b>	↔
<b>3i</b>	Maintain RTÉ 2fm Audience Appreciation Index for Music at <b>82</b>	-----	<b>4g</b>	*	↔
New commitment for 2014:			<b>4c</b>	*	
New commitment for 2014:			<b>4d</b>	*	
New commitment for 2014:			<b>4h</b>	*	
New commitment for 2014:			<b>8c</b>	For RTÉ Raidió na Gaeltachta, maintain audience perception of Quality at >80 (from 83.7 in 2013)	

Source: RTÉ

*[Redacted: data is commercially sensitive]*

RTÉ has made significant upward revisions to its targets for RTÉ.ie weekly reach (>20% to >25%) and RTÉ New Now weekly reach (>15% to >20%), in line with growth trajectories for these relatively recent additions to the RTÉ service portfolio.

RTÉ changed measurement provider for its Unique International Browsers metric (from urchin analytics to ComScore). RTÉ had previously been scoring an average of 1.9m Unique International Browsers per month, but the first ComScore baseline (January 2014) produced a considerably lower value of 1.5m. RTÉ attributes this change to a change in measurement methodology, and commits to international growth in 2014.

RTÉ adds new commitments to measure visitors to its news site specifically, and to assess public perceptions of the RTÉ Player and RTÉ.ie service content.

**Figure 102: RTÉ's 2014 digital services and performing groups audience commitments in comparison to the equivalent 2013 commitments**

2013 Performance Target		2014 Target & Change vs. 2013 Target	
'13 No.	Directly equivalent commitments ----- Related commitments	'14 No.	No significant change Less arduous than 2013 More arduous than 2013
1t	Maintain RTÉ.ie average weekly reach at >20%	1s	Maintain RTÉ.ie average weekly reach at >25%
1u	Stabilise score for audience perception of Satisfaction with RTÉ.ie at >80%	5d	Stabilise score for audience perception of Satisfaction with RTÉ.ie at >80%
1v	Grow RTÉ.ie average monthly Unique International Browsers to >2m	1t	Grow RTÉ.ie average monthly Unique International Browsers to >1,5m (from 1.5m January 2014 baseline)  Decrease 2013-2014 attributed to a change in measurement provider
1w	Grow RTÉ Player average weekly reach to >20%	1u	Maintain RTÉ Player average weekly reach to >20%
1y	Grow RTÉ Digital Services average weekly reach to >32% (excluding mobile)	1bb	Grow RTÉ's average weekly reach via mobile and online from 35% in 2013 to >37% (including mobile)
1z	Grow RTÉ Digital Services average monthly streams to 7.5m	1cc	Grow RTÉ's average monthly streams via mobile and online from 7.2m to 7.5m
1aa	Grow RTÉ News Now weekly reach among Adults 15+ to >15%	1v	Grow RTÉ News Now weekly reach among Adults 15+ to >20%
1kk	Stabilise RTÉ Orchestras & Choirs audience at in 2013 at >190k	1dd	Stabilise RTÉ Orchestras & Choirs audience at in 2013 at >190k
1mm	Stabilise weekly RTÉ Aertel weekly reach at >15%	1y	Stabilise weekly RTÉ Aertel weekly reach at >15%
New commitment for 2014:		1w	Grow number of unique browsers from the RTÉ news site and RNN mobile app from 2.2m in January 2014 to >2.2m
New commitment for 2014:		5b	*
New commitment for 2014:		5e	*

Source: RTÉ

[Redacted: data is commercially sensitive]

## 13.2.2 Development of the RTÉ output & content commitments

Many of RTÉ's 2013 overall output and content commitments related to specific initiatives, such as launching a new Investigative Unit and appointing a new Science and Technology correspondent. Having fulfilled these initiatives, these commitments are no longer relevant going forward. RTÉ's overall output and content commitments for 2014 measure public perceptions of news and current affairs trustworthiness and children's content breadth.

**Figure 103: RTÉ's 2014 overall output & content commitments in comparison to the equivalent 2013 commitments**

13 No.	2013 Performance Target		'14 No.	2014 Target & Change vs. 2013 Target		
	—— Directly equivalent commitments	----- Related commitments		↔ No significant change	↓ Less arduous than 2013	↑ More arduous than 2013
<b>4g</b>	Launch enhanced RTÉ Junior and TRTÉ radio services in Q2			No direct equivalent		
<b>5b</b>	New Investigative unit will deliver a number of full programme documentaries and short reports into <i>Prime Time</i> by Q3			No direct equivalent		
<b>7a</b>	Appointment of new Science & Technology Correspondent in Q1 2013, reporting into main news programmes			No direct equivalent		
	New commitment for 2014:		<b>6b</b>	Maintain public perception that RTÉ provides trusted N&CA at <b>&gt;72%</b> (from 72% in January 2014)		
	New commitment for 2014:		<b>7a</b>	Maintain public perception that RTÉ offers a broad range of content and services for children at <b>&gt;37%</b>		

Source: RTÉ

In terms of TV output, RTÉ has doubled its target of broadcast HD hours, from 600 hours target in 2013 to >1200 hours in 2014 (950 hours were actually delivered in HD in 2013). RTÉ has reduced its target proportion of indigenous hours broadcast in peak time on RTÉ One, although this does follow a large increase in this metric in 2013 compared to 2012. No other television-related output and content commitments have been changed dramatically. RTÉ also includes commitments to meet target genre mix, based on Figure 106 below.

**Figure 104: RTÉ's 2014 television output & content commitments in comparison to the equivalent 2013 commitments**

2013 Performance Target		2014 Target & Change vs. 2013 Target		
'13 No.	Directly equivalent commitments ----- Related commitments	'14 No.	No significant change Less arduous than 2013 More arduous than 2013	
1e	3,216 hours RTÉ One home produced content	11c	Indigenous hours as 70% of total peak time hours on RTÉ One vs. 79% in 2013	
1j	1,515 hours RTÉ Two home produced content		No direct equivalent	
1bb	*		6e	* ↑
2d	RTÉ Two to deliver 10-12 hours of factual documentaries for young Irish adults		No direct equivalent	
4d	Three new live RTÉ News Now evening bulletins in 2013	No direct equivalent		
4f	Launch RTÉ Junior as a standalone channel with 12 hour schedule, including launch on Sky April 2013	No direct equivalent		
6a	1,549 hours of News & Current Affairs on RTÉ Television	6a	Deliver N&CA hours within % range on RTÉ One, RTÉ Radio 1 and RTÉ News Now ↔	
6h	300+ hours News & Current Affairs in the RTÉ One schedule, with inclusion of Morning Edition in the schedule	6a	Deliver N&CA hours within % range on RTÉ One, RTÉ Radio 1 and RTÉ News Now ↔	
15a	>8,500 hours subtitling on RTÉ Television	19a	All BAI targets met ↔	
22e	Maintain HD transmission at ~600 hours	10b	* ↑	
New commitment for 2014:		3a	Deliver RTÉ One genre mix within % range (see Figure 106)	
New commitment for 2014:		3e	Deliver RTÉ Two schedule mix within % range (see Figure 106)	
New commitment for 2014:		6c	Deliver RTÉ News schedule mix within % range (see Figure 106)	

Source: RTÉ

[Redacted: data is commercially sensitive]



RTÉ's 2014 radio and performing output and content commitments have been rationalised, focusing on target genre mix, as specified in Figure 76 below.

**Figure 105: RTÉ's 2014 radio and performing output & content commitments in comparison to the equivalent 2013 commitments**

2013 Performance Target	
'13 No.	Directly equivalent commitments ----- Related commitments
1II	RTÉ Orchestras & Choirs to stabilise target number of performances at <b>&gt;180</b>
3I	RTÉ 2fm to increase Comedy output at peak time
5c	Develop Investigative Journalism on RTÉ Radio 1: develop new investigative programme segments for current strands
6b	1,676 hours of News on RTÉ Radio
9e	RTÉ lyric fm to deliver a new series of Irish-themed features in Qs1-2 and Spoken Word Concert features in Q4
New commitment for 2014:	
New commitment for 2014:	
New commitment for 2014:	
New commitment for 2014:	

2014 Target & Change vs. 2013 Target		
'14 No.	No significant change ↔	Less arduous than 2013 ↓ More arduous than 2013 ↑
No direct equivalent		
No direct equivalent		
No direct equivalent		
6a	Deliver N&CA hours within % range on RTÉ One, RTÉ Radio 1 and RTÉ News Now (see Figure 106)	↔
No direct equivalent		
4a	Deliver RTÉ Radio 1 diverse genre mix within % range (see Figure 106)	
4e	Deliver RTÉ 2fm genre mix within % range (see Figure 106)	
4i	Deliver RTÉ lyric fm genre mix within % range (see Figure 106)	
4I	Deliver RTÉ Raidió na Gaeltachta genre mix within % range (see Figure 106)	

Source: RTÉ

RTÉ's target genre mix for its broadcast services is broadly in line with 2013 levels:

**Figure 106: RTÉ's projected 2014 genre mix by service**

*[Redacted: data is commercially sensitive]*








Total output hours is also comparable with 2013 figures in most cases, with a noteworthy increase in transmitted hours of acquired content on RTÉ Junior, a rebalancing of the 2fm schedule away from Music and in favour of Entertainment, and a decrease in Music hours transmitted on RTÉ digital radio.

**Figure 107: RTÉ's projected 2014 genre mix by service***[Redacted: data is commercially sensitive]*

### 13.2.3 Development of the RTÉ value for money commitments

RTÉ has set more rigorous financial targets for 2013, including an EBITDA of > €10m (€20.5m in 2013), and the target of reducing operating costs yet further.

**Figure 108: RTÉ's 2014 overall value-for-money commitments in comparison to the equivalent 2013 commitments**







'13 No.	2013 Performance Target		'14 No.	2014 Target & Change vs. 2013 Target	
	—— Directly equivalent commitments	----- Related commitments		 No significant change  Less arduous than 2013  More arduous than 2013	
11a	Achieve agreed budget out-turn for the year		13a	*	
12a	*		14a	Deliver the RTÉ Portfolio of services within the operating cost target of €* (based on income projections)	
13c	Ensure the public funding for each service is within the agreed thresholds		14b	Ensure the public funding for each service is within the agreed thresholds	
13d	Stabilise audience perception score that RTÉ is good value for money at >58%		14c	Maintain score at >58% from 59% in 2013	


Source: RTÉ

*[Redacted: data is commercially sensitive]*

RTÉ's revenue commitment targets anticipate a slight increase on the achieved 2013 figures in all areas – most notably from its Transmission Networks subsidiary – but on the whole take a more conservative stance than the 2013 target figures, reflecting on-going difficulties in the Irish economic and advertising landscape.

**Figure 109: RTÉ's 2014 revenue commitments in comparison to the equivalent 2013 commitments**

'13 No.	2013 Performance Target		'14 No.	2014 Target & Change vs. 2013 Target	
	—— Directly equivalent commitments	----- Related commitments		 No significant change  Less arduous than 2013  More arduous than 2013	
14a	TV Commercial Revenue earned €*		15a	TV Commercial Revenue earned €*	
14b	Radio Commercial Revenue earned €*		15b	Radio Commercial Revenue earned €*	
14c	RTÉ NL Commercial Revenue earned €*		15c	RTÉ NL Commercial Revenue earned €*	





<b>14d</b>	RTÉ Digital Commercial Revenue earned €*	<b>15d</b>	RTÉ Digital Commercial Revenue earned €*	
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Source: RTÉ

*[Redacted: data is commercially sensitive]*

Many of RTÉ's 2013 cost-control commitments related to discrete 2013 initiatives which have now been delivered. RTÉ has also decided not to report on studio utilisation in its commitments: a justified rationalisation of lower-priority commitments. RTÉ targets personnel-related operating costs at 2013 levels.

**Figure 110: RTÉ's 2014 spending commitments in comparison to the equivalent 2013 commitments**

'13 No.	2013 Performance Target —— Directly equivalent commitments ----- Related commitments	'14 No.	2014 Target & Change vs. 2013 Target		
			 No significant change	 Less arduous than 2013	 More arduous than 2013
<b>12b</b>	Achieve PROC target for 2013 Budget - % of Total Operating Costs (before depreciation & amortisation) of <b>52.7%</b>	<b>14e</b>	Maximum * % of Total Operating Costs		
<b>12d</b>	Reduce the overall cost of sports rights by €*		No direct equivalent		
<b>12e</b>	Reduce the cost of acquired programmes by €*, through reduced spend, whilst retaining key properties within the schedule		No direct equivalent		
<b>12f</b>	Reduce the level of fee payments made to the Top Ten Talent by €*		No direct equivalent		
<b>13g</b>	Stabilise TV studio utilisation at <b>&gt;65%</b>		No direct equivalent		
<b>13h</b>	Grow radio studio utilisation to <b>80%</b>		No direct equivalent		
<b>26d</b>	Agree and implement new work practice agreement 2013-2017: deliver * % improvement in productivity		No direct equivalent		






Source: RTÉ

*[Redacted: data is commercially sensitive]*

### 13.2.4 Development of the RTÉ creativity commitments

Continuing the theme of rationalising the number of commitments presented, RTÉ has consolidated its creativity commitments, removing the commitments relating to specific shows and genres, and adding two new commitments measuring public perceptions of RTÉ's creativity and level of support for the arts. We note that the current score against these metrics is low, with less than half of the surveyed population believing RTÉ to be a creative organisation as of January 2014. Moreover, it is debatable whether public opinion on creative achievement is the best metric to measure creativity, and will need to be considered alongside originated output and indigenous content spend commitments, such as 11b below (see Figure 78). For further discussion, see Chapter 10.

**Figure 111: RTÉ's 2014 television creativity commitments in comparison to the equivalent 2013 commitments**

‘13 No.		2013 Performance Target				‘14 No.		2014 Target & Change vs. 2013 Target			
		Directly equivalent commitments		----- Related commitments				 No significant change  Less arduous than 2013  More arduous than 2013			
2a		RTÉ One to reformat key returning and deliver new Lifestyle / Entertainment series						No direct equivalent			
2e		RTÉ Two to develop full series from 2012 Format Farm and deliver other new programme formats		-----		11d		Broadcast four format pilots on RTÉ Television in 2014			
2f		RTÉ Two to deliver a Two Tube pilot compilation for RTÉ Player						No direct equivalent			
4h		RTÉ Junior to deliver new television series in Q2-4						No direct equivalent			
9d		RTÉ Radio 1 / RTÉ One to deliver new series of Raw and Fair City on RTÉ One						No direct equivalent			
9i		RTÉ One to deliver new Factual doc and return key Irish Language series						No direct equivalent			
		New commitment for 2014:						11a		Grow public perception that RTÉ is a creative organisation from 44% in January 2014 to >44%	
		New commitment for 2014:						12a		Grow public perception that RTÉ supports arts activities in Ireland from 56% in January 2014 to >56%	
13e		Ensure Radio and Television independent commissioning meets statutory spending requirements of €39.3m		-----				14d		Ensure Radio and Television independent commissioning meets statutory spending requirements of €39.4m	

Source: RTÉ

As in the television creativity commitments above, we welcome RTÉ's efforts to reduce the radio, performance and cross-platform creativity commitments that are based on specific initiatives, in favour of broader, more quantitative commitments like the proportion of radio output which is first-run indigenous content.

**Figure 112: RTÉ's 2014 radio, performance and cross-platform creativity commitments in comparison to the equivalent 2013 commitments**

'13 No.	2013 Performance Target	
	—— Directly equivalent commitments	----- Related commitments
3e	RTÉ Radio 1 to develop new Comedy and Factual content	
3f	RTÉ Radio 1 to work with the independent sector to develop new Factual series	
3k	RTÉ 2fm to deliver the new Sport series <i>Game On</i> in Q1	
4i	Deliver a new digital radio series of programmes, including new dance shows, science, educational, outdoors, adventure, animation and art series and the RTÉ Junior Radio service (RTÉ Junior and TRTÉ) will be enhanced to complement the TV offer	
4k	Deliver RTÉ Tots, Tweens and Teens week in Q2	
7b	Commission new Science & /or Technology based formats on RTÉ One	
7c	In Q2, deliver new cross-platform event - <i>RTÉ Goes Wild</i> , RTÉ's series of TV, Digital and Radio programmes that bring you closer to nature, in addition to coverage on the RTÉ Player, RTÉ You Tube, TRTÉ and RTÉ Junior.	
9c	Deliver new drama series on RTÉ Radio 1 in 2013	
9j	RTÉ Orchestras & Choirs to commission new music & premier new works	
New commitment for 2014:		

'14 No.	2014 Target & Change vs. 2013 Target
	No direct equivalent
	No direct equivalent
	No direct equivalent
	No direct equivalent
	No direct equivalent
	No direct equivalent
	No direct equivalent
	No direct equivalent
	No direct equivalent
11b	>80% of output on RTÉ Radio's FM services will be first-run indigenous content vs. 83% in 2013

Source: RTÉ

### 13.2.5 Development of the RTÉ Irish language & culture commitments

As elsewhere, RTÉ has removed commitments relating to specific initiatives, adding in their place commitments relating to the Raidió na Gaeltachta schedule mix, and public perception of Irish speakers' service.

**Figure 113: RTÉ's 2014 Irish language and culture commitments in comparison to the equivalent 2013 commitments**

'13 No.	2013 Performance Target	
	—— Directly equivalent commitments	----- Related commitments
<b>10a</b>	RTÉ Raidió na Gaeltachta to launch a new series aimed at Irish speakers outside the Gaeltacht and abroad – <i>Cruinneog</i> in Q1	
<b>10c</b>	RTÉ Raidió na Gaeltachta to provide an Irish language online news service in Q3	
<b>10d</b>	RTÉ Raidió na Gaeltachta to deliver Irish Exam related programming	
<b>10e</b>	RTÉ Raidió na Gaeltachta to deliver a series to mark RTÉ Tots, Tweens and Teens week	
<b>10f</b>	RTÉ Raidió na Gaeltachta to deliver content for third level institutions during Seachtain the Gaeilge	
<b>24f</b>	Coverage of national events provided on RTÉ.ie, ensuring that the Irish abroad can stay connected to Irish news and events	
	New commitment for 2014:	
	New commitment for 2014:	

Source: RTÉ

'14 No.	2014 Target & Change vs. 2013 Target	
	No direct equivalent	
	No direct equivalent	
	No direct equivalent	
	No direct equivalent	
	No direct equivalent	
	No direct equivalent	
<b>12a</b>	Provide innovative content which will connect listeners to a personalised authentic Gaeltacht and Irish-language world: deliver Raidió na Gaeltachta schedule mix within % range (see Figure 106)	
<b>8a</b>	Grow public perception that RTÉ provides a comprehensive service for Irish speakers from 40% in January 2014 to <b>&gt;40%</b>	