



ÚDARÁS  
CRAOLACHÁIN  
NA hÉIREANN

BROADCASTING  
AUTHORITY  
OF IRELAND

# Annual Report 2020



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## About the BAI

The Broadcasting Authority of Ireland was established under the Broadcasting Act 2009 (“the Act”) on 1st October 2009.

The Act sets out a range of general and specific objectives for the BAI and specifies that its constituent parts, in performing their functions, “shall endeavour to ensure:

- that the number and categories of broadcasting services made available in the State by virtue of this Act best serve the needs of the people of the island of Ireland, bearing in mind their languages and traditions and their religious, ethical, and cultural diversity;
- that the democratic values enshrined in the Constitution, especially those relating to rightful liberty of expression, are upheld; and,
- the provision of open and pluralistic broadcasting services.”

The Act also sets out a range of other objectives for the Authority, which includes:

- stimulating the provision of high quality, diverse, and innovative programming;
- facilitating public service broadcasters in the fulfilment of their public service objects;
- promoting diversity of control in the commercial and community broadcasting sectors;
- providing a regulatory environment that:
  - sustains independent and impartial journalism;
  - sustains compliance with employment law;
  - protects the interests of children;
  - facilitates a broadcasting sector which is responsive to audience needs and accessible to people with disabilities;

- promotes and stimulates the development of Irish language programming and broadcasting services.

The BAI Annual Report 2020 is structured on the strategic themes of the BAI Strategy Statement 2017-2019 – Promoting Diversity and Plurality, Communicating and Influencing, Empowering Audiences, Enhancing Innovation and Sectoral Sustainability, and Achieving Excellence and Accountability. A review of the efficiency and effectiveness of the 2017-2019 Strategy commenced in 2019 and this continued with further consultation throughout 2020 to inform the development of the new BAI Strategy Statement which was launched in January 2021. During the 2020 transition phase, the BAI continued to pursue its strategic objectives as set out in the 2017-2019 Strategy Statement.

The BAI consists of The Authority, two statutory committees – the Contract Awards Committee and the Compliance Committee – and the Executive Staff. The Authority has appointed a standing committee (“The FAR Committee”) to oversee finance, audit, and risk matters. The BAI Executive supports the management, administration, and implementation of the functions of the Authority, Contract Awards Committee and Compliance Committee.



# Chief Executive Officer Review

## 2020: A Year of Transition

2020 was a year like no other. At the beginning of the year, almost no one had heard of the terms Coronavirus or Covid-19. Yet by the end of the year and into 2021, these terms were front and centre of everything we did – and the broadcasting world was impacted in the same way as every other aspect of life.

From our perspective in the BAI, the pandemic changed the way we did business. Business Continuity Planning (BCP), which rarely got a mention in our monthly Operations meetings up to then, was elevated to the first item on every agenda. Working from the office ceased. The concept of Remote Working was introduced. A new BCP team was mobilised in March, which met weekly and covered the impact of the pandemic on Facilities; Health and Safety; HR; IT; Internal and external Communications and Finance. This team ensured that the transition to Remote Working was a smooth one and the business of the BAI was able to continue to great effect and to the standards expected throughout the year.

2020 was also the beginning of a period of transition for the BAI itself. The Government published the General Scheme of the Online Safety and Media Regulation Bill in July. In addition to transposing the provisions of the Audiovisual Media Services Directive<sup>1</sup> (“the AVMS Directive”), which will introduce the concept of the regulation of online media, including video-sharing platforms, the Bill envisages the dissolution of the BAI and the transfer of its functions and staff to a new Media Commission. Having been involved in the debates on media regulation at both national and European levels during the transposition period for the AVMS Directive, both I and the organisation very much welcome this development which will have significant implications for the regulation of the broader media environment into the future.

One of the most significant consequences of the pandemic was the devastating impact on revenue suffered by the commercial, community and public broadcasting sectors as well as by the independent production sector. The BAI was delighted to provide a range of supports to these sectors through a series of initiatives, including a levy waiver for certain broadcasters and additional funding rounds of the Sound & Vision Scheme for commercial and community radio services. We were also delighted to receive additional funding from the Minister for Tourism, Culture, Arts, Gaeltacht, Sport and Media, Catherine Martin, T.D., in July and December, which allowed us to increase the funding allocation for Sound & Vision rounds in late 2020 and early 2021. This additional funding has been particularly beneficial to the independent production sector and the television sector in the creation of new programming.

I mentioned earlier that the BAI successfully continued its operations throughout the year, despite the restrictions imposed by the pandemic. The main body of this report provides more detail in this regard, but some highlights are worth mentioning here.

Earlier in the year, we completed a review of the implementation of the BAI’s 2017-2019 Strategy, and we were grateful to receive largely positive feedback from stakeholders but also some concrete suggestions for the next and final strategy for the BAI. The 2021-2023 Strategy was published following consultation towards the end of the year, with the main change being the introduction of a new Leadership in Change theme, which will prepare the organisation for the transition that lies ahead.

<sup>1</sup> Directive (EU) 2018/08 of the European Parliament and of the Council of 14 November 2018

On the Plurality front, the main highlight was the launch of a Plurality Database in conjunction with Dublin City University (DCU), which provides details of the ownership and control of all media in Ireland – the first time this has been made available for all stakeholders. DCU/FUJO also supported the annual Reuters Digital News (Ireland) Report 2020, a valuable update on how news content is consumed and the trends emerging in Ireland. In addition, the implementation of both the Gender and Irish Language Action Plans recognise the diversity of Irish society, and the main body of the report outlines the many significant initiatives under both areas.

The Compliance Committee was active throughout the year and made plans for a pilot project with the Community Radio sector to trial a self-assessment approach to compliance using an annual self-reporting tool. This tool is still at an early stage of development and will hopefully be realised in 2021. The provision of Reports on Commercial Performance to the Minister, which was associated with the levy waiver and other supports, has been a valuable forerunner to the concept.

The BAI has undertaken significant work – both internally and externally – in environmental, social and governance compliance, and we achieved an important milestone with the establishment of a Broadcasting Sustainability Network in November.

Media Literacy is another area that has continued to grow through our involvement in the Media Literacy Ireland network. A particular highlight of the work this year was the further development of the Be Media Smart advertising campaign, emphasising Covid-19 and disinformation. There was also a series of media literacy online events during November, which were all very well attended.

With regard to Community Media, the launch of the Delivering Social Benefit Report and the commencement of the development of a new Community Media Policy were particularly noteworthy. Along with the commercial and public service sectors, the community sector also benefits from the BAI's extensive Sectoral Learning, Development, and Sponsorship programmes which continue to provide funding support for many worthwhile initiatives. At the end of the year, we provided input to the recently established Future of Media Commission, examining future funding systems for all traditional media sectors in Ireland.

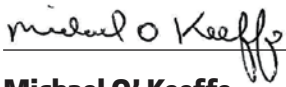
One regrettable aspect of transition is that we arrived at the end of the term of our Chairperson, Pauric Travers, in December. He has led the Authority with great distinction over the past six years, and we will all miss his wise counsel over the next period. Of course, one silver lining was the reappointment of the four Joint Oireachtas Committee nominees who were scheduled to re-join the board in January 2021.

And completing the theme of transition, this is my last CEO Review for the BAI as I will retire at the end of May 2021. I have been involved in media regulation for over thirty years, starting in the Independent Radio and Television Commission (IRTC). I have been in situ for the growth and transformation of the organisation to the Broadcasting Commission of Ireland (BCI) and subsequently to the Broadcasting Authority of Ireland (BAI).

It has been a great honour for me to have served the various Boards and Committees. I have thoroughly enjoyed the work, which is always interesting and personally fulfilling. There is never a dull moment in the work associated with media regulation, and I have met some great people over the years.

Of course, I would never have lasted (or survived) this long without the support of a great team of staff, from those who worked in the IRTC/BCI days up to the present BAI colleagues. The quality, professionalism, experience, and expertise of this team will ensure that media regulation is in a great place and ready for the next stage when the BAI will not exist, and the Media Commission will take centre stage.

I wish everyone the best in these future endeavours.

A handwritten signature in black ink, reading "Michael O'Keeffe". The signature is written in a cursive, flowing style with a horizontal line underneath the name.

**Michael O' Keeffe**

June 2021

## The Authority

The Authority has overall responsibility for the operation and functioning of the BAI, which includes setting the strategic direction of the organisation. The Authority has nine members, five of whom are appointed by the Government on the nomination of the Minister. The four remaining members are appointed by the Government following a selection process conducted by the Joint Oireachtas Committee with responsibility for broadcasting matters.

The table below reflects the membership of the Authority and meeting attendance for 2020.

Member	Meetings	Appointed
Professor Pauric Travers (Chairperson)	10/10	02/12/2014*
Ms. Mary Curtis	9/10	31/1/2017
Mr. Alan McDonnell	10/10	02/12/2014
Ms. Grace Smith	10/10	02/12/2014
Mr. Seán Ó Mórdha	1/1	17/02/2015**
Mr. Denis Wolinski	1/1	17/02/2015**
Dr. Rosemary Day	1/1	17/02/2015**
Emeritus Professor Maeve McDonagh	0/1	17/02/2015**
Vivien McKechnie	10/10	20/03/2018

\*Term completed 1/12/20

\*\*Terms completed 16/02/20, reappointed 22/12/20.

The Authority's key responsibilities include the regulation of public, commercial and community radio and television services, the making of broadcasting codes and rules, and the provision of funding for programmes and archiving relating to Irish culture, heritage, and experience.

A key focus for the Authority in 2020 concerned the development of its three-year Strategy Statement for the period 2021-2023. The new Strategy, to be published in January 2021, is designed to reflect the ever-changing media landscape and the developments envisaged in the regulatory environment over the period of the Strategy. Reflecting this period of transition, the new Strategy seeks to provide direction to enable the continuation of the BAI's work, while also ensuring the organisation has the capabilities to meet upcoming challenges and opportunities.

In meeting the challenges of the Covid-19 pandemic, the Authority adopted paperless working and moved to virtual Board meetings.

## Compliance Committee

The Compliance Committee is responsible for monitoring and enforcing compliance, investigation of complaints and has a number of reporting functions. The Committee consists of eight members; four of whom are appointed by the Government on the nomination of the Minister, while the remaining four are appointed by the Authority, comprising two nominees from the Authority members and two nominees from the BAI Executive. The two Authority positions remained vacant throughout 2020 due to the dissolution of the 32nd Dáil and associated delays in the appointments process.

The table below reflects the membership of the Committee and meeting attendance for 2020.

Member	Meetings	Appointed
Professor Kevin Rafter (Chairperson)	5/5	31/01/2017
Ms. Eileen Maher	5/5	31/01/2017
Mr. Nigel Heneghan	5/5	17/02/2015
Ms. Orlaith Carmody	5/5	03/09/2019
Ms. Stephanie Corney	5/5	23/01/2020
Mr. Andrew Robinson	4/5	23/01/2020

In accordance with its functions, the **Compliance Committee** undertook a number of activities in 2020, which included:

- Reviewing reports on compliance by television broadcasters with their obligations under the BAI Access Rules;
- Consideration and approval of a report to the Minister on compliance by non-Irish broadcasters with the BAI's General Commercial Communications Code.
- Determining the outcomes of complaints by members of the public against broadcasters in relation to their adherence to broadcasting codes and standards;

## Contract Awards Committee

The Contract Awards Committee is responsible for the implementation of licence application processes for broadcasting services. The Committee has eight members; four of whom are appointed by the Government on the nomination of the Minister, while the remaining four are appointed by the Authority, comprising two nominees from the Authority members and two nominees from the BAI Executive.

The table below reflects the membership of the Committee and attendance for 2020.

Member	Meetings	Appointed
Mr. Ercus Stewart (Chairperson)	8/8	10/03/2015
Mr. John Hogan	8/8	10/03/2015
Ms. Eimear McGovern	2/2	10/03/2015
Ms. Clodagh O'Donnell	8/8	31/01/2017
Mr. Seán Ó Mordha	1/1	19/10/2017
Ms. Anne Louise O'Donovan	8/8	30/01/2020
Ms. Clare Diamond	7/8	30/01/2020

The main activities of the **Contract Awards Committee** in 2020 included:

- Implementation of licensing plans for commercial and community radio services as directed by the Authority;
- Consideration of applications for content provision contracts;
- Consideration of applications for temporary and pilot community sound broadcasting contracts.

## Finance Audit and Risk Committee

The Finance, Audit and Risk (FAR) Committee is established as a standing committee of the Authority. Its duties and responsibilities encompass systems of internal control, external and internal audit, risk management and financial control. The Committee's membership comprises three members of the Authority and an independent, non-executive member.

The table below reflects the membership of the Committee and meeting attendance for 2020.

Member	Meetings
Mr. Alan McDonnell (Chairperson)	4/4
Mr. Denis Wolinski	4/4
Mr. Dermot O'Riordan (Independent Non-Executive)	4/4
Ms. Vivien McKechnie	3/4

The **FAR Committee** undertook a range of activities in 2020, which included:

- Oversight of the system of internal controls, including BAI and Broadcast Fund financial statements, external audit and internal audit;
- Liaison with the Office of the Comptroller and Auditor General and with Internal Auditors;
- Consideration of Internal Audit Reports;
- Risk Management activities including oversight of BAI's Corporate Risk Register.

## BAI Executive Staff

The Executive staff supports the work of the Authority, its standing Finance, Audit and Risk Committee and the statutory Compliance and Contract Awards Committees.

The BAI's work is guided by the Office of the Chief Executive, which consists of the CEO and Deputy CEO, and is supported by a team of senior managers who, in conjunction with the Office of the Chief Executive, also oversee the implementation of strategy and planning for the organisation as a whole. The BAI operates a matrix structure whereby staff work flexibly across all areas of activity according to business needs.

A list of all staff employed by the BAI on 31st December 2020 is outlined below:

### Office of the CEO:

Chief Executive	Michael O'Keeffe
Deputy Chief Executive	Celene Craig

### Senior Managers:

Aoife Clabby\*, Stephanie Comey, Clare Diamond, Ciarán Kissane, Declan McLoughlin, Anne O'Brien, Neil O'Brien, Anne Louise O'Donovan, Andrew Robinson

### Managers:

Liam Boyle, Richard Brennan, Gillian Collins, Philip Cooper, Jean Crampton, Monica Doyle, Elizabeth Farrelly, Brian Furey\*\*, Patrick Goodliffe, Sarah Herron, Sally Kennedy, Jane McCarthy, Louise McLoughlin, Sara McNamara, Deborah Molloy Bergin, Fionnuala Murphy, and Roger Woods.

### Executive Officers:

David Carrie\*\*, Jill Caulfield, Colm Coyne, Lucy Cuddihy, Rachel Ferguson, Teresa Kearns, Caroline Keville, Martina Mimmagh, Kevin Morgan, Marie Murphy, Sinéad Owens, Annette Stone, Deborah Wade

### Clerical Officers:

Barry Casey, Laura Forsythe, Jennifer Gilsenan, Jessica Scott

\* On secondment leave

\*\* On career break



# BAI Strategy Statement 2017-2019

A review of the efficiency and effectiveness of the BAI Strategy Statement 2017-2019 commenced in 2019. This work continued into 2020, and the BAI launched a new Strategy Statement for the 2021-2023 period in January 2021.

In 2020, the BAI operated a transitional work plan using the existing objectives and outcomes of the 2017-2019 Strategy Statement. Accordingly, the structure of this report reflects the strategic themes and goals of that Statement.



## 2020 Highlights

### Promoting Diversity and Plurality

The BAI published several valuable research reports during 2020 relevant to the promotion of media diversity and plurality. Research conducted on behalf of the BAI examined the progress of Facebook, Google, Twitter, and Microsoft as they sought to increase their accountability for the content carried and promoted on their services in Ireland through their commitment to the self-regulatory European Code of Practice on Disinformation. The BAI also continued to fund the inclusion of Ireland in the Reuters Digital News (Ireland) Report 2020 and launched a new online media ownership resource. The website **[www.mediaownership.ie](http://www.mediaownership.ie)** will provide the public with an easily searchable database on media ownership in Ireland.

The BAI signed contracts for a mix of radio services during the year. A new community radio contract was signed with Dublin Northeast Community Communications Cooperative Society Limited t/a Near FM, serving Northeast Dublin. Contracts were also signed with three commercial radio stations. City Broadcasting Limited, trading as Dublin's Q102, Choice Broadcasting Limited, trading as Classic Hits, and Classic Rock Broadcasting Limited, trading as Radio Nova, were awarded contracts of 10 years duration each. Elsewhere, 20 contracts were signed with operators for stations operating temporarily around the country.

The Broadcasting Funding Scheme allocated almost €16m to support the production of 235 TV and Radio projects. Four application rounds were operated during the year and the allocation of funding included the disbursement of an additional €3m secured by the Minister.

The BAI continued to deliver on commitments outlined under the four key pillars of its Gender Action Plan. These pillars focus on data collection and publication, research, encouraging gender initiatives and accountability. Funding was allocated to several gender initiatives under its Sectoral Learning & Development Scheme in 2020 including the X-Pollinator Incubator project, run in partnership with Screen Skills Ireland and Screen Ireland, Women in Film and Television's In Her Voice panel at the Cork Film Festival and A Writers' Guild of Ireland's workshop Adding to your Writer's Toolbox for women writers working in the audio-visual sector.

### Communicating and Influencing

The Deputy Chief Executive, Ms. Celene Craig, was appointed as a Board member of the European Regulators Group for Audiovisual Media Services (ERGA). Comprising representatives from national audio-visual regulatory bodies of the 27 EU member states, ERGA advises the European Commission on matters relating to the implementation of the revised Audiovisual Media Services Directive (AVMSD). Through its participation in ERGA, the BAI has played a significant role in preparing for the AVMSD, in giving practical effect to the various elements of the Directive, and in putting in train future co-operation arrangements between national regulators. The BAI continues to have extensive engagement with a range of players in the audiovisual sector including broadcasters, video-on-demand services, and social media platforms, as well as with statutory and non-statutory interests in the Harmful Online Content area.

The BAI chaired a European Regulators' working group on Disinformation in 2019-2020 which was responsible for assisting the European Commission in assessing the implementation and effectiveness of a European, voluntary Code of Practice on Disinformation, designed to address the spread of online disinformation and fake news – signatories to the Code include online platforms, leading social media networks, advertisers, and the advertising industry.

## Empowering Audiences

The BAI continued to support the work of Media Literacy Ireland. The network rolled out a second iteration of its Be Media Smart information campaign. Acknowledging the communication challenges arising from the pandemic, and misinformation concerns in this context, the 2020 campaign asked the public to “Stop, Think and Check” that the information they read, see, hear, or indeed share across platforms is accurate and reliable. The campaign was publicised across Radio, TV and online.

The BAI’s online complaints platform had its first full year of operation in 2020. The new system makes it easier for the public and broadcasters to engage with the BAI and reduces the administration burden associated with processing complaints

## Enhancing Innovation and Sectoral Sustainability

The Covid-19 pandemic had a significant impact on the broadcasting sector in 2020. The BAI worked closely with the Minister and broadcasters during the year to introduce a range of measures that would support the sector and enable it to continue its vital role of providing essential information and programme content to audiences. The BAI completed several reports that quantified the financial impact of the pandemic on independent radio stations and provided an evidence base to inform decision making. The BAI agreed to a Ministerial request to waive levy payments from the independent radio sector for the first six months of 2020.

A social benefit toolkit for community broadcasters was launched to mark National Community Radio Day. An accompanying report, Community Radio – Delivering Social Benefit, examined the development and implementation of an evaluation methodology that addresses the statutory requirement for community media to deliver a social benefit to the community it serves. This will be a valuable tool for broadcasters and will assist them in identifying the benefits they generate and demonstrate them to others.

## Achieving Excellence and Accountability

A sector-wide Broadcasting Sustainability Network was established and developed by the BAI in the context of its strategic commitment to demonstrate and show leadership in environmental, social, and economic best practice. It aims to foster best practice and to provide the support to make the Irish broadcasting sector a sustainability leader that uses its collective voice to create a greener, more inclusive, more resilient future for all.



President Michael D. Higgins at a screening of the Irish language feature film Arracht funded by the BAI Sound & Vision Scheme



Section 1:

# Promoting Diversity & Plurality

## BAI Strategic Objectives:

1. Facilitate a mix of voices, opinions and sources of news and current affairs in audio-visual media, which enhances democratic debate and active citizenship in Ireland
2. Increase the production and availability of culturally-relevant audio-visual content for Irish audiences
3. Foster a media landscape that is representative of, and accessible to, the diversity of Irish society
4. Foster and promote quality programming in the Irish Language

## Outcomes of Strategic Objectives:

1. The mix of voices, opinions and sources of news and current affairs content available for audiences remains strong
2. The range and sources of quality, culturally-relevant audio-visual content, including content in the Irish language, available to audiences has increased
3. Irish audio-visual media is more diverse in terms of its content and those involved in its production

There are four key deliverables within the work plan which principally support the achievement of these strategic objectives. These cover the areas of media plurality; broadcasting services; broadcasting funding schemes and the diversity of Irish society in broadcast media. These are elaborated on further hereunder.

## Media Plurality

The BAI continued to focus on promoting plurality in the broadcasting sector during 2020. Plurality is a central theme of the BAI's Strategy Statement, and the Authority is committed to facilitating a mix of voices and opinions and ensuring a plurality of media sources for Irish audiences. The BAI activities in this area are framed by the BAI Plurality Policy (2019) and the BAI Ownership and Control Policy (2019). In addition to ongoing licensing and compliance activities, the BAI undertakes a range of research and other activities that promote and shape debates about the plurality of media in Ireland. Key activities in this area during 2020 included:

## Review of the Implementation of the Code of Practice on Disinformation - CodeCheck

The BAI plays a leadership role in the European Regulators Group for Audiovisual Media Services (ERGA) subgroup on Disinformation. The Subgroup is assisting the EU Commission to assess the implementation of the Code of Practice on Disinformation. In support of this activity, the BAI commissioned the Institute for Future Media and Journalism (FuJo) at Dublin City University (DCU) to examine and report on how Facebook, Twitter, Microsoft, and Google implemented their commitments under this voluntary Code of Practice.

Codecheck, published in April 2020, concluded that some progress had been made by the signatories in implementing their commitments under all five pillars of the Code. However, it was also found that significant weaknesses remain in terms of the content and structure of the Code, and the processes for reporting, monitoring, and enforcing the commitments, particularly at a national level.



The BAI's analysis was reflected in an overall ERGA Report published in May 2020, which included several specific recommendations for strengthening the Code. The BAI, through ERGA, had further engagement with the European Commission on this matter in the second half of 2020, and this work is continuing with another monitoring exercise planned for early 2021.

## Media Ownership Database

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In November 2020, the BAI launched a new dedicated website **[www.mediaownership.ie](http://www.mediaownership.ie)** that provides information about ownership of, and shareholdings in, Irish media companies. The BAI commissioned the School of Communications at Dublin City University to design and maintain the website which offers a structured and searchable reference database of media businesses that serve Irish audiences using the definitions in the BAI's Media Plurality Policy. Media outlets included in the database comprise national and local newspapers, radio stations, television channels, and media websites. Members of the public can search by outlet, owner, and shareholder to better understand the Irish media landscape. The database adopted the definitional framework in the Competition and Consumer Protection Act 2014 and will be a valuable resource for the BAI's report on the impact of media ownership changes between 2018-2020 on the plurality of media in the state. The BAI will submit this report to the Minister in 2021.

## Reuters Digital News Report

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The BAI published the sixth edition of the Reuters Digital News (Ireland) Report in June 2020. The BAI continues to fund the inclusion of Ireland in the Reuters Digital News study, which aims to understand how global audiences consume news content. As in previous years, the BAI commissioned the Institute for Future Media and Journalism (FuJo) at Dublin City University (DCU) to produce a specific report on the Irish results of the survey.

For the first time in 2020, the report looked at the interest of Irish consumers in local news. It found that consumers of Irish news appear to have a stronger relationship with local news than elsewhere in the world. Other key findings from the report noted that social media is increasingly the primary source of news for young people, that Irish people continue to be concerned by 'fake news' on the internet and that the growth of podcast listening in Ireland continues to rise.

## EU Rule of Law Report 2020

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The BAI provided information to the European Commission's DG Justice and Consumers team preparing the inaugural EU Rule of Law Report. The report, published in September 2020, provides an assessment of both the rule of law situation across the EU and in each Member State under three main headings: Justice System, Anti-Corruption Framework and Media Pluralism. Overall, the Report concluded that "regarding media pluralism, constitutional guarantees and solid regulatory structures operate within a political culture that avoids intervention in the editorial content of media outlets and prevents conflicts of interest in terms of media ownership".

The Media Pluralism Monitor published by the Centre for Media Pluralism in Florence, Italy, is a key information source for the Rule of Law Report. The BAI continues to act as an expert reviewer of the application of this monitor in Ireland and contributes to discussions about how the tool should evolve to reflect the evolving media landscape.

## Broadcasting Services Strategy

The Broadcasting Services Strategy provides the framework for the formulation of licensing plans and associated licensing activities by the BAI. It is one of the key means by which the Authority fulfils many of its statutory objectives and, in particular, its key statutory objective of endeavouring to ensure that the number and categories of broadcasting services in the State best serve the needs of the people of the island of Ireland, bearing in mind their languages, traditions, religious, ethical, and cultural diversity. It also supports the provision of open and pluralistic broadcasting services in Ireland.

## Radio Licensing Activity 2020

In 2020, the BAI continued to implement licensing plans for commercial and community radio, which involved undertaking licensing processes for existing services whose contracts were due to expire. Following approval by the Authority, the plans were subsequently implemented by the Contract Awards Committee.

By year-end, contracts had been signed for three commercial and one community service. The licensing process for a further service was nearing completion. The services concerned and their status as of 31st December 2020 are detailed in the tables below.

### Commercial Radio

Station	Station Type	Target Audience	Franchise Area	Status as of 31st December 2020	Applicant / Contractor
<b>Classic Hits</b>	Multi-city Music Driven service	45+ Age Group	Dublin City & County & Commuter Belt, Counties Cork, Limerick, Galway and Clare	Contract signed	Choice Broadcasting Ltd t/a Classic Hits
<b>Dublin's Q102</b>	Music-based service for a General audience	35–55 Year age group	Dublin City & County	Contract Signed	City Broadcasting Ltd t/a Dublin's Q102
<b>Radio Nova</b>	Classic Rock music-based service	25+ years	Dublin City & County & Commuter Belt	Contract signed	Classic Rock Broadcasting Ltd t/a Radio Nova
<b>Spirit Radio</b>	Christian and religious service	15+ Years	Quasi-national	Licensing Process Underway	Spirit Radio Ltd t/a Spirit Radio

### Community Radio

Station	Station Type	Target Audience	Franchise Area	Status as of 31st December 2020	Applicant / Contractor
<b>Near FM</b>	Community Radio Service	Local Community	North-East	Contract Signed	Dublin Northeast Community Communications Co-operative Society Ltd t/a Near FM

## Temporary Sound Broadcasting Services

Further to Section 68 of the Broadcasting Act 2009, the BAI may enter into contracts with applicants for the provision of sound broadcasting services that operate for a short period. The two key types of temporary radio services offered are: 1) those who operate a regular temporary radio service for up to a maximum of 30 days in a 12-month period, and 2) those who operate a pilot community radio service for up to a maximum of 100 days in a 12-month period.

Temporary Service applicants requested 30-day sound broadcasting contracts for a variety of activities during 2020. Given the Covid-19 situation, the focus in 2020 was predominately on drive-in movie and awareness events. The Contract Awards Committee also considered applications for Pilot Community Services from community groups that sought a 100-day sound broadcasting contract over a 12-month period to provide community-orientated and facilitated programming.

In 2020, the Contract Awards Committee awarded 21 temporary sound broadcasting contracts. Eight applications were from established pilot community groups or new aspirant community groups, while 13 applications were for special event purposes.

## Content Provision Contracts

Section 71 of the Broadcasting Act 2009 makes provision for the awarding of content provision contracts for television and radio services. Successful applicants seeking this type of contract are required to arrange carriage separately on an appropriate platform, be it cable, satellite, digital terrestrial, or Internet Protocol delivery systems. The BAI continued to engage with UK-based broadcasters exploring the potential to move their operations to Ireland in preparation for Brexit. In this regard, of note in 2020 was the application and awarding of two contracts for services provided by Discovery Broadcasting Ireland.

The BAI received six Section 71 applications in 2020 for the following services:

Applicant	Service Name	Service Description
Discovery Broadcasting Ireland	'Really' and 'HGTV'	Really is a general entertainment channel, which focuses on actual live events and live entertainment. HGTV is a lifestyle channel, providing content focused on the home, cookery, and gardening
Eircom Limited	'eir Sport 1' and 'eir Sport 2'	Providing live sports content not otherwise available on terrestrial television in Ireland
Eurasian Broadcasting Enterprise Limited	'Setanta Sports 3'	A combination of live/repeat sports highlight and magazine and general interest sports programmes
QYOUTV International Limited	'QYOU TV'	Short form, professionally-produced programming curated from material available online
United Christian Broadcasters (Ireland)	'UCB Ireland'	A Christian radio service, consisting of a mix of contemporary Christian music, interviews, human interest stories, educational, specialist and discussion programmes
Premier Media Broadcasting Limited	'Premier Sports 1' and 'Premier Sports 2'	Broadcasting live sport, including football, rugby league, tennis, ice hockey, basketball, MMA, cricket, athletics, wrestling, and cycling



## Spectrum Management and Planning

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The BAI continued to liaise with UK and Irish agencies and departments on spectrum and related activities during 2020 to ensure a positive environment for the development of broadcasting services in Ireland. Spectrum management and planning helps ensure that the radio spectrum is used most efficiently in economic, social, and technical terms.

The technical characteristics of broadcasting stations must be agreed upon between neighbouring countries. These agreements help to ensure that all countries have equitable access to the broadcasting spectrum. The BAI works closely with ComReg to analyse broadcast proposals from neighbouring countries to ensure that any changes would not unduly limit the coverage of current or future broadcasters in Ireland. Similarly, proposals from Ireland may require agreement from neighbouring countries before the transmitter station can be implemented. During 2020, the BAI considered and developed proposals for future enhanced FM coverage in East Galway, Connemara, Tipperary, Westmeath, and the North Midlands area. Licences were also sought from ComReg for temporary and pilot community radio stations, including additional coverage for Christmas FM.

## Broadcasting Funding Schemes

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The goal of the BAI Broadcasting Fund is to increase public access to high-quality television and radio programmes in the English and Irish languages and fund the archiving of programme material made for broadcast, which preserves a historic record of Irish culture, heritage, and experience. The revenue for the Fund is generally generated through 7% of the annual net receipts of the television licence fee.

The schemes operating under the Fund are **Sound & Vision**, which supports the funding of programming and ancillary measures and the **Archiving Scheme 2**, which provides funding for the development of an archiving culture in the Irish broadcasting sector which contributes to the preservation of Ireland's broadcasting heritage and experience.

The funds available to Sound & Vision were supplemented in 2020. Catherine Martin, T.D., Minister for Tourism, Culture, Arts, Gaeltacht, Sport and Media secured additional funding of €2m in the July stimulus and a further €4.9m in December 2020. €3m of this was allocated to Sound & Vision funding rounds in 2020 with the balance to be allocated to further rounds in early 2021.

The BAI operated four funding rounds of the Sound & Vision Scheme in 2020. The administrative processes for Sound & Vision were modified by the BAI, cognisant of the challenging market conditions for all media market operators due to the global pandemic and the need to be responsive in our approach to the contracting and payment processes.

### Sound & Vision Funding Rounds in 2020

The current Broadcasting Funding Scheme in operation is Sound & Vision 4, which was approved in March 2020 by former Minister Richard Bruton, T.D., for a period of three years, until March 2023.

The BAI Authority ratified the recommendations of funding awards for two open funding rounds, Rounds 34 and 37 and two targeted funding rounds, Round 35, the Covid-19 Fund for the Independent Commercial Radio Sector, and Round 36, the Community Radio Fund for the Community Radio Sector.

## Sound & Vision 3

Round 34 was the final, open-funding round implemented under Sound & Vision 3. The recommended funding package for this round consisted of 126 projects totalling €7.02m; 36 audio-visual projects received funding of €6.41m, while 90 audio projects received funding of €605k.

## Sound & Vision 4

Round 35 was the first round to be implemented under Sound & Vision 4 in April 2020. This round was targeted at the independent commercial radio sector further to a Ministerial request. €2.5m of funding was available to support the industry in making programming content aimed at raising awareness and understanding of global issues and, in this instance, Covid-19. The recommended funding package for this round consisted of 32 audio projects for total funds of €2.5m.

Round 36 was a targeted funding round further to a Ministerial request. This round focussed on providing funding support for the Social Benefit activities of the Community Radio sector. The recommended funding package consisted of 22 audio projects totalling €669k.

Round 37, an open funding round and the last round fully implemented over the course of 2020, concluded with the recommended package of funding of 55 projects for a total fund of €5.58m. 23 audio-visual projects were awarded funding of €5.28m and 32 audio projects were awarded 289k. This funding allocation included additional funding of €3m secured by Minister Catherine Martin, T.D.

In line with the Scheme criteria and the strategic aims of the Authority, the funding allocated will support the production of programming across various genres and formats having regard to Irish language, diversity of audiences and demographic elements. This spread of funding ensures that a wide range of high-quality content dealing with Irish heritage and culture is available to the audience.

Broadcasters, independent producers, and audiences continue to benefit significantly from the fund. Noteworthy in 2020 was the award of funding support to commercial regional and local sound broadcasting contractors in the State further to the Covid-19 and Community Radio Fund initiatives. The funding supported the production of bespoke content for Irish audiences at national, regional, local and community levels, of particular importance in the time of a global pandemic.

The funded content also provided a high level of social content and community outreach activity that would otherwise not have been possible. The content formats and subject matter were varied and covered factual, educational, information segments, health, human-interest, community / social / outreach, business, agricultural, mental health & well-being, arts & culture, entertainment, live music comedy, religious and interactive.

Funding to support the production of programmes that are in Irish, or are bi-lingual, continued and totalled approximately 27% in 2020. The BAI also continued to encourage the increased involvement of women in lead creative roles and included this as a criterion in assessing projects.

## Breakdown for Radio/TV, Broadcaster Type, Audiences and Programme Language 2020

TV/Radio	Number of Projects	€ Total Funds Awarded	%
Radio	176	€4,063,613.00	25.77%
TV	59	€11,705,965.00	74.23%
<b>Broadcaster Type</b>			
Commercial	84	€4,246,236.00	26.93%
Community	78	€1,317,329.00	8.35%
PSB	73	€10,206,013.00	64.72%
<b>Audiences</b>			
<15	12	€2,102,990.00	13.34%
15-34	11	€999,510.00	6.34%
35-54	13	€583,365.00	3.70%
55+	1	€35,807.00	0.23%
All adults	155	€8,511,212.00	53.96%
Family	43	€3,536,694.00	22.43%
<b>Programme Language</b>			
Bi / multilingual	1	€132,000.00	0.84%
Bi-lingual	20	€2,547,173.00	16.15%
English	201	€11,372,980.00	72.12%
Irish	13	€1,717,425.00	10.89%
<b>Totals</b>	<b>235</b>	<b>€15,769,578.00</b>	<b>100.00%</b>

## Archiving Scheme 2

The BAI Archiving Scheme provides funding support for developing an archiving culture in the Irish broadcasting sector which contributes to the preservation of Ireland's broadcasting heritage and experience. The Scheme's objectives include developing an integrated approach to the archiving of programme material, suitable storage processes and access to programme material by interested parties. The mainstay of the work in this area in 2020 involved executing the funding contracts for the projects awarded funding in December 2019 and the processing of tranche payments for the other 18 active archiving projects funded under the Scheme.

## Ancillary Measures

Funding for ancillary measures facilitates the exploration of initiatives for increasing the production and availability of diverse and culturally relevant audiovisual material. In recent years, these ancillary measures projects have supported the delivery of key BAI objectives including supporting the Irish Language Action Plan and the Gender Diversity Action Plan.

In 2020 this included:

- The continuation of the **Cine4 Development Scheme** which is a joint-funding initiative between the BAI, TG4 and Screen Ireland to support the development and production of feature films in the Irish language. The Cine4 Scheme has supported the development of several Irish language feature films including 'Arracht' set during the Great Famine of Ireland. Produced by Macalla Teoranta, the film was released in 2020, and, ahead of its official cinematic release, the BAI, TG4 and Screen Ireland hosted a private screening of the film with special guests, President of Ireland, Mr. Michael D. Higgins, and Mrs. Sabina Higgins. Arracht went on to be selected as Ireland's entry for the 2021 Oscars Best International Feature Film category.



Actor Dónal Ó Healaí pictured at a screening of Arracht funded by the BAI Sound & Vision Scheme

Pictured with President Michael D. Higgins and Mrs. Higgins at a screening of Arracht funded by the BAI Sound & Vision Scheme, Michael O'Keefe (BAI), Alan Esslemont (TG4), Desiree Finnegan (Screen Ireland), Cúán Mac Chongail (Macalla Teoranta)





- In November 2019, the BAI, RTÉ and Junior Cycle for Teachers launched an exciting new selection of **Junior Cycle online classroom resources** focused on making Irish-produced content available to schools to support specific subjects. In 2020, additional resources were commissioned in relation to Engineering, Science, English and Religion. These resources were based on specific episodes from the 'Building Ireland' Series and the documentary 'Between Land and Sea'. These resources are available on [www.rte.ie/learn/junior-cycle/](http://www.rte.ie/learn/junior-cycle/).

In the development of the material for these resources, while adhering to all Covid-19 safety measures, the students involved were given the opportunity to get involved in the production process, taking on the roles of interviewer, assisting with scripting questions on the material and through hands-on involvement in camerawork and sound.

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## Diversity of Irish Society in the Broadcast Media

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The BAI has a central role in promoting increased representation of the diversity of Irish society in the broadcast media. Projects in this area explored partnership opportunities, potential events, training initiatives, funding opportunities and conversations with the industry to identify approaches to support greater diversity.

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## BAI Gender Action Plan

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During 2020, the BAI continued to deliver on the commitments outlined under the four key pillars of its Gender Action Plan. These pillars focus on data collection and publication, research, encouraging gender initiatives and accountability.

Behind the scenes shot from Junior Cycle 2020 Building Ireland project, reporting from Skerries Mills



The BAI also supported several gender initiatives under its Sectoral Learning & Development Funding Scheme in 2020. For example, despite the Covid-19 restrictions, virtual events such as Women in Film and Television's 'In Her Voice' panel at the Cork Film Festival were held. These celebrated and promoted Irish women filmmakers. A Writers' Guild of Ireland's workshop 'Adding to your Writer's Toolbox' for women writers working in the audio-visual sector also took place during the year.

The Authority approved the inclusion of a diversity budget under its annual Sectoral Learning and Development Plan. In 2020, €9,000 was awarded to the X-Pollinator creative team of Katie Holly and Lara Hickey to fund a follow-up proposal to build on the success of the original X-Pollinator initiative held in 2019.

The X-Pollinator Incubator project, run in partnership with Screen Skills Ireland and Screen Ireland, was a competitive mentorship programme under which six X-Pollinator participants were mentored and supported to develop treatments in a structured environment and given the opportunity to pitch their projects to industry professionals.

56 projects applied, with over 100 individuals involved – 89 of whom were women. Six projects were awarded places on the programme, and these will be showcased at a wrap event in 2021. In addition, an online information clinic was held to promote the project. Speakers included directors Cathy Brady and Dearbhla Walsh as well as representatives from the BAI and Screen Skills Ireland.

The BAI participated in several Diversity events at national and European levels. For example, in November, the BAI took part in a panel that discussed the promotion, inclusion and non-discrimination on screen/on air at a European Audiovisual Observatory event, 'Diversity and inclusion in the audio-visual industries'.

## Irish Language

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The BAI delivers on the Irish language commitments set out in its Strategy Statement through its statutory and ancillary functions such as licensing, compliance, sectoral learning and development and media literacy, in addition to undertaking a range of other initiatives. These initiatives are set out in the **BAI Irish Language Action Plan** which was published in February 2019. The Plan focuses on the following five key areas:

- Supporting, developing, and promoting Irish Language programming and stations through Licensing and Broadcasting Fund initiatives
- Fostering Irish language partnerships
- Supporting Research
- Collecting data and
- Enhancing accountability processes, including compliance monitoring and reporting

The BAI's Irish language commitments and work are supported by a dedicated Irish language team comprised of four full-time staff members with fluent or very good Irish.

## Irish Language Advisory Committee

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An important initiative under the BAI's Irish Language Action Plan was the establishment of the Irish Language Advisory Committee, chaired jointly by the BAI and Foras na Gaeilge. The Committee's role is to drive the implementation of the Plan in consultation with a range of Irish language stakeholders who are also members of the Committee.

In 2020, the Committee progressed the following initiatives/areas of focus:

- An ongoing exploration of the potential for a youth-driven hybrid service for radio



- Provision of support resources for broadcasters; and
- Creation of collaboration opportunities and resource-sharing for broadcasters

Aside from the Committee's work, other areas of the Plan were delivered by a range of other BAI work activities supported by the BAI Irish Language Team. These are outlined below:

### **Supporting, developing, and promoting Irish Language programming and stations through Licensing and Broadcasting Fund initiatives: Sound & Vision**

The Sound & Vision Scheme requires that a minimum of 25% of the fund is allocated to support the production of Irish language or bilingual programmes. Overall, for 2020, in line with previous years, the minimum Irish language percentage requirement was exceeded, with almost 30% of funding going towards Irish language/bilingual programmes across radio and television. The Irish language projects cover a variety of formats and genres aimed at different audiences, including drama, animation, documentary, arts/culture, and education.

### **Fostering Irish language partnerships through the BAI Sectoral Learning & Development Programme**

The BAI's Sectoral Learning & Development programme provides funding and other supports to various industry networks to deliver learning and development activities. The BAI also dedicates a portion of its Sectoral Learning & Development budget to support Diversity initiatives, including those relating to the Irish Language.

The Glúin Nua initiative, launched in July 2020 at the Galway Film Fleadh, is a partnership between BAI, TG4, Northern Ireland Screen's Irish Language Broadcast Fund and Údarás na Gaeltachta. The initiative aims to foster first-time directors and writers who have a strong understanding of the digital environment and create engaging stories in the Irish language across platforms.

TG4 conducted a selection round in December 2020, and the successful candidates/production companies are due to be announced shortly.



Glúin Nua: New Commissioning fund to support emerging directors, writers and creative producers to create short-form content in the Irish language

Oireachtas na Gaeilge received funding support for the continued development and operation of the Aerthonnta website. Aerthonnta is an information service for those broadcasting in Irish on radio stations throughout Ireland, providing information for the whole Irish language community about the programmes available to them in their localities. Aerthonnta provides weekly updates about relevant events, broadcasting-related news and the main stories affecting the Irish language community. One activity in 2020 was to combine the website with a new database and directory resource called Eolaire. This development work will provide a registration point for fluent Irish speakers interested in applying for broadcasting jobs in the Irish language.

In addition, commercial and community radio stations can use the directory as a recruitment resource. Oireachtas na Gaeilge will continue to develop the resource in 2021 with promotion and public awareness campaigns.

### **BAI Sponsorship Scheme**

The BAI Sponsorship Scheme provided €92,500 of sponsorship funding to events and activities of relevance to the remit of the BAI. Several of these promote and support Irish Language broadcasting, including the Celtic Media Festival, Gradaim Chumarsáide an Oireachtais, the SMEDIAS and the IMRO Radio Awards.



## Media Literacy Ireland

Media Literacy Ireland (MLI) is an alliance of organisations and individuals working together voluntarily to promote media literacy in Ireland. Facilitated by the BAI, MLI fosters discussion, identifies gaps in media literacy provision and tries to bring stakeholders together to help fill those gaps. MLI runs monthly media literacy webinars facilitated by the BAI. In 2020, MLI established an Irish Language Working Group to support media literacy activity in the Irish language. The BAI is a member of the Working Group.

## Supporting Research

The BAI also supports the completion of relevant research projects. In 2019, the BAI contributed funding support to Dr John Walsh of NUI Galway to conduct an ongoing research project about Irish Language content on Irish Radio services. The findings of that research and an accompanying report on this research are due for publication in early 2021.

## Data Collection

In 2020, the BAI collected data from broadcasters to aid the development of a comprehensive knowledge base and learn more about the quantity and range of Irish/Bilingual programming currently available across the TV and radio sectors. The BAI published a report of the findings.

## Enhancing accountability processes, including compliance monitoring and reporting.

One aspect of the Irish Language Advisory Committee's role includes the regular monitoring and evaluation of initiatives and actions that seek to promote Irish Language broadcasting. The Committee prepared an end-of-year report on the implementation of the Irish Language Action Plan 2020. The Committee submitted the report for consideration to both the BAI Authority and the Board of Foras na Gaeilge.





Section 2:

# Communicating & Influencing

## BAI Strategic Objective

Promote public debate and inform policy to facilitate a vibrant, dynamic media landscape.

## Outcomes of Strategic Objectives

1. BAI is viewed by stakeholders as an informative, authoritative, and influential voice on media matters.

There are two key deliverables within the BAI work plan which principally support the achievement of this strategic objective. These cover the areas of National and International Fora and Communications. These are elaborated on further hereunder.

The BAI continued to engage with key stakeholders in 2020 to advise, inform and influence national and European audiovisual media policy, law, and practice.

## National Activities

At a national level, the critical area of focus for the BAI was on the General Scheme of the Online Safety and Media Regulation Bill, published in January 2020. The General Scheme incorporated the AVMS Directive and additional proposals relating to the regulation of Harmful Online Content at a national level. Over the year, the BAI continued to engage extensively with the Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media on the development of the General Scheme. Throughout 2020, the BAI also engaged with a range of bodies in broadcasting, media, and regulation, including the IBEC Audiovisual Federation, the Joint National Listenership Research (JNLR) Committee, the AV Action Plan Committee, the IBI, Craol, the CTA and broadcasters.

## AVMSD

The draft General Scheme provides for the transposition of the AVMSD, which updated European media law across various areas, including linear and on-demand services. The AVMSD also introduced new regulations applying to video-sharing platforms.

Over 2020, the BAI explored the regulatory issues arising from the changes introduced by the revised AVMSD and how they might be addressed in practical terms. Examples include the investigation of the design for a registration system for on-demand services, the development of a framework for the regulation of video-sharing platforms that would address matters such as identifying video-sharing platforms based in the Irish jurisdiction and approaches to the development of online safety codes.

## Online Safety

The draft General Scheme of the Online Safety and Media Regulation Bill also introduces a structure for the regulation of Harmful Online Content in Ireland, and the BAI also explored regulatory issues relevant to this new area.

To further develop its knowledge in this area, the BAI engaged in a comprehensive engagement process with a wide variety of stakeholders involved in the area of harmful online content. This engagement's objective was principally to understand the key issues that stakeholders face and their views on the adequacy of the draft legislative provisions in meeting their concerns. The engagement process was beneficial in identifying key issues and themes that the BAI could further interrogate.

The development of a broad, desk-based overview of key research regarding harmful online content supplemented the information collected at stakeholder meetings. The overview also centred on the main areas of harmful online content identified in the draft General Scheme including Nutritional Deprivation, Cyberbullying and Suicide/Self Harm.

The BAI also had regular and constructive engagement and exchanges with the key on-demand services and video-sharing platforms established in this jurisdiction.

## European Activities

At the European level, the BAI continued to participate in two key European audiovisual bodies: **ERGA**, a network of national audiovisual regulators in EU Member States which advises the European Commission on audiovisual regulatory matters, and **EPRA**, the Europe-wide independent network of audiovisual regulators.

### ERGA

ERGA is the European Commission's advisory group on audiovisual regulatory matters. The BAI is Ireland's designated body to ERGA and participated in all three sub-groups in 2020.

#### i. Sub-group 1

The first main objective of ERGA Sub-group 1 in 2020 was to draft a Memorandum of Understanding ("MoU") between ERGA regulators to create a framework for cooperation in the implementation of the revised AVMS Directive. The MoU provides for mechanisms for collaboration and the exchange of information and best practice between regulators in a structured way.

The second objective of ERGA Sub-group 1 concerned the preparation of ERGA's position paper on the Digital Services Act ("the DSA"), a draft regulation incorporating a range of legislative reforms proposed by the European Commission regarding the regulation of online platforms. Matters addressed in the position paper included how platforms that provide access to online content should be regulated at an EU level, and how the cooperation between regulators might be structured and function at EU level in a regulatory regime for online platforms to support the overall objectives of the Regulation. The BAI co-chaired this Sub-group and co-authored ERGA's Position Paper in partnership with the Conseil Supérieur de l'Audiovisuel (CSA, France).

#### ii. Sub-group 2 – Plurality and Disinformation

The focus of Sub-Group 2 was on plurality and disinformation in the online sphere. The BAI continued to play a lead role in the activities of the group throughout 2020. The work of this Sub-group was particularly timely given that the dissemination of disinformation on the COVID-19 pandemic was a significant concern nationally and internationally in 2020.

In the first half of 2020, the Sub-group finalized the ERGA Report on Disinformation which assessed the implementation of the European Commission's Voluntary Code of Practice on Disinformation ("The Code"). This was published in May 2020 and the Commission acknowledged the BAI's contribution to the debate about the effectiveness of the Code in its own assessment of the implementation of the Code in September 2020. In addition, the BAI supported the publication of a complementary national report in April 2020, CodeCheck, which was undertaken in collaboration with Dublin City University's FuJo Institute.

From June 2020 onwards, the ERGA Sub-group 2 established four workstreams to progress matters identified in the ERGA Report on Disinformation as needing to be addressed. Specifically, these were: i) media literacy campaigns and disinformation; ii) the relationship between fact-checkers and platforms; iii) the relationship between platforms and researchers, and iv) consumer complaints processes as a means of addressing public complaints to online platforms.

While the BAI participated in all the workstreams, it took joint responsibility for leading the workstream dealing with fact-checkers. Working with the National Council for Radio and Television in Greece ("NCRTV Greece"), a final report entitled "Strengthening Fact-checking across the EU" was published in December 2020. The report is based on a survey of active fact-checkers and a follow-up stakeholder workshop that included regulators, the European Commission, fact-checkers, academics, NGOs, and relevant video-sharing platforms.

In the workstream on researchers, the BAI assisted the Italian regulator, AGCOM, in further exploring how the relationship between social media platforms and independent researchers could be developed and strengthened.

### iii. Sub-group 3 – Prominence

ERGA's third sub-group focused on prominence, particularly the visibility and findability of content of 'general [public] interest' (for example, content found on RTÉ, TG4 or Virgin Media 1) and of European audiovisual content in the catalogues of on-demand services – both of which issues are provided for in the AVMS Directive. The Sub-group produced two reports which investigated best practice in respect of prominence.

## EPRA

EPRA is a European network made up of 55 audio-visual regulatory authorities from 47 countries in which the BAI plays an active role. The network organises two plenary meetings every year which support the exploration of key themes and in 2020 these were 'reconciling regulatory & market approaches' and 'ensuring plurality in the age of algorithms.' In addition, during 2020, EPRA continued to focus on and discuss media literacy and quality content.

## BAI Responses to European Consultations

In September 2020, the BAI responded to the European Commission's Digital Services Act package consultation, which sought the views of stakeholders on the future rulebook for digital services and addressed issues such as content regulation, safety online, freedom of expression, fairness, and a level-playing field in the digital economy.

The BAI also made a submission to the European Commission's European Democracy Action Plan public consultation, which addressed several matters concerning European democracy, including the integrity of elections and political advertising, strengthening media freedom and pluralism, and tackling disinformation.

## Other BAI International Activities

### Online Content Regulators Forum

The BAI is an active participant in an international forum of content regulators active in the online regulatory sphere. Membership of the Forum, initiated by Ofcom-UK in 2020, includes the BAI, the CRTC (Canadian regulator), the ACMA (the Australian regulator) and Ofcom. The Forum's purpose is to establish a structured collaboration between a group of regulators facing similar challenges in the regulation of harmful online content. This dialogue on issues of mutual interest aims at enabling Forum members to benefit from a broader, more global perspective as our respective organisations navigate the coming challenges of online regulation - while respecting that the members of the Forum have varying legislative mandates.

### Expert Round Table Meeting – The Future Regulation of Online Media Services

In October 2020, the BAI, in collaboration with the Program on Platform Regulation at Stanford University, USA, held an expert round table discussion on The Future Regulation of Online Media Services. The event had three themes:

1. Post-transposition of the AVMS Directive in Ireland – Meeting the Goals of Regulation
2. The Digital Services Act: A New Regulatory Framework for Video-sharing Platforms?
3. The potential for self- and co-regulatory initiatives within the Irish statutory framework

In addition to the moderators and speakers, attendees represented a comprehensive range of stakeholders, including ERGA members, YouTube, Ofcom, Twitter, TikTok, Facebook, Google, Trinity College Dublin, EASA, UCD, DCU, LSE, as well as key officials from the Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media and the Head of Audiovisual and Media Policy, DG Connect in the European Commission.

Throughout 2020, the BAI contributed to an extensive range of regulatory, academic and industry events at which there is ongoing debate and discussion on the appropriate framework and form for the future regulation of on-demand services and online platforms. Some highlights have included the International Institute for Communications' Global Forum for Regulators, the European Broadcasting Union, the Westminster Media Forum, and events organised by European Regulators.

## Communications

The communications activities undertaken by the BAI play an essential role in ensuring the delivery of the BAI's overall strategic objectives. The BAI regularly liaises with broadcasters and initiates and maintains proactive engagement with various stakeholders, including the public, sectoral representative bodies, government departments, and other regulators.

2020 saw the BAI maintain this proactive approach despite the challenges arising from the Covid-19 pandemic. During the year, the communications function continued to support organisational activities through the publication of media releases, engagement on social media, public consultation, and sponsorship of industry events and initiatives. In addition, several BAI specific events, such as webinars and online launches, took place. Examples of the events run to support the operational and research activities of the BAI include the following:

- Launch of the Media Ownership Database
- Launch of the Broadcaster Sustainability Network
- Launch of the Digital News Report (Ireland)
- Launch of Code Check and Elect Check Reports

Aisha produced by Subotica Operations Limited funded by the BAI Sound & Vision Scheme





## Media Relations and Information provision

The BAI published 34 media releases on its website during the year, responded to a range of media queries and interview requests, and maintained an active presence on social media to broaden its reach and connect with stakeholders. In addition, complaint decisions, minutes of Authority meetings, and relevant research reports were also published on its website.

## Sponsorship

The provision of sponsorship is a key aspect of the BAI's communication activities annually, contributing to the sector's overall development in line with the BAI's Strategy Statement. However, 2020 proved to be an unusual year for the BAI's sponsorship activity as the opportunity for in-person events was curtailed due to the challenges and restrictions arising from the Covid 19 pandemic.

Despite this, the BAI succeeded in sponsoring a range of initiatives and events. A total of €92,500 was allocated to support 17 events and activities in 2020, including projects in their final year of multi-annual funding under contracts signed in 2018.

Many of these events and activities were reimagined and modified to an online format to reflect restrictions and public health guidance. Some of the successful events and activities supported during the year include the Choice Music Prize, IFI's Spotlight series, the IFTA Award, and the Galway Film Fleadh.

## Public Consultation on the BAI's Strategy Statement 2021-2023

In October 2020, the BAI launched a public consultation on its draft Strategy Statement 2021-2023. Views were sought on the themes and objectives set out in the draft Strategy, including a new theme of Leadership in Change. The consultation closed in November, with submissions received being used to inform the finalisation of the Strategy Statement to be launched in 2021.



Féile 2020, featuring Craol Chair Declan Gibbons, BAI Chief Executive Michael O'Keeffe and Minister for Tourism, Culture, Arts, Gaeltacht, Sport and Media, Catherine Martin T.D.

## Industry Events

As in the previous year, the BAI continued to support and contribute to relevant events and conferences, participating in online panel discussions and webinars, including the following:

### CRAOL Féile and Achievement Awards 2020

In response to the Covid-19 pandemic, the theme for Craol Féile and Achievement Awards 2020 was Remote but not Distant. Reimagined into an online format, the Féile successfully delivered several engaging workshops about community radio and how to maintain momentum and respond to change in the climate of the pandemic. The opening session saw an introduction from Minister for Tourism, Culture, Arts, Gaeltacht, Sport and Media, Catherine Martin T.D., and a discussion with BAI CEO, Michael O' Keeffe. In addition, the BAI's draft Community Media Policy was presented, and Authority member, Dr. Rosemary Day, participated as part of the judging panel for the virtual awards ceremony.

- **IMRO Radio Awards**

The BAI continued its sponsorship of the IMRO Radio Awards in 2020. Like many other events during the year, the Awards were transformed into an online event delivered virtually with a live-streamed ceremony on the 2nd of October. The BAI's CEO, Michael O'Keeffe, participated on the night, presenting some awards, acknowledging the array of talent in the sector and the importance of the continued delivery of high quality and diverse programming for radio audiences.



IMRO Radio Awards 2020 sponsored by the BAI

- **Glúin Nua Mentorship Scheme**

In July 2020, the BAI announced a partnership initiative with TG4, the ILBF, Údarás na Gaeltachta and Gréasán na Meán to support new talent in the Irish audiovisual industry and the creation of original Irish language content. Launched at the Galway Film Fleadh, the Glúin Nua Scheme offers production companies the opportunity to develop a new generation of storytellers to deliver Irish language content for audiences aged 16-34. The newly-produced content will have a digital-first release on TG4's online platform and a subsequent linear broadcast.

## Social Media 2020

Twitter >



239

Tweets



6,182

Twitter followers (+458)

Facebook >



108

Facebook posts



2,190

Facebook followers (+105)



Section 3:

# **Empowering Audiences**



## BAI Strategic Objective

Develop the understanding, engagement, and participation of the public in an evolving media landscape

## Outcomes of Strategic Objective

1. Audiences in Ireland are more connected to, and engaged with, audio-visual content
2. Audiences in Ireland are supported to develop a greater understanding of, and participation in, the production and dissemination of audio-visual content

There are three key deliverables within the BAI work plan which principally support the achievement of these strategic objectives. These cover the areas of Codes, Rules and Complaints; Media Literacy; and Participation in Media. These are elaborated on further hereunder.

## Codes, Rules and Complaints

BAI broadcasting codes and rules and the BAI broadcasting complaints process combine to support audience enjoyment, understanding, and interaction with audiovisual content.

## BAI Children's Commercial Communications Code

The BAI Children's Commercial Communications Code sets out the rules that Irish radio and television stations must comply with when airing commercial communications aimed at children or broadcast in or around children's programming.

The BAI completed a review of the Code in 2020, and the report was laid before the Houses of the Oireachtas by the Minister for Tourism, Culture, Arts, Gaeltacht, Sport and Media.

Overall, the review found that the current Code is broadly effective, and its principles are respected and understood. However, it also identified specific areas that the BAI could examine in the context of a revision of the Code. The regulation of foods high in fat, salt and sugar and the approach to applying the rules during peak viewing times (6 pm-11.30 pm) was one of the areas identified. Having considered the outcomes and the considerable role of online marketing in commercial messages to children, the Authority decided that a revision of the rules should be undertaken by the proposed Media Commission, whose responsibilities will extend to online content providers, thereby facilitating a consistent approach to the regulation of commercial communications to children across media services.

## Complaints

The BAI's complaints handling process supports the public's right to make a complaint about programming or commercial content broadcast on Irish television and radio that they believe has not met the required standards set out in the Broadcasting Act 2009 or in the BAI's Codes.

Complaints are usually submitted to the broadcaster in the first instance and then referred to the BAI if complainants are not satisfied with the broadcaster's response. Referred complaints are processed through the BAI's online complaints system, which had its first full year of operation in 2020. The new system provides a more streamlined mechanism for the public and broadcasters to engage with the BAI and has reduced the administrative burden associated with processing complaints.

In total, eighty-one (81) valid complaints were submitted to the BAI in 2020. Nineteen (19) of these were considered by the BAI Compliance Committee and thirty-five (35) were considered by the BAI Executive Complaints Forum.

All fifty-four (54) complaints considered by these two bodies were rejected. Three (3) complaints were resolved by way of the complainant being satisfied with the response submitted by the broadcaster prior to consideration by the BAI.

Twenty-four (24) complaints submitted to the BAI in 2020 were carried over for consideration into Q1 2021.

The fifty-four (54) complaints considered by the Compliance Committee and the Executive Forum were submitted under the following BAI Codes:

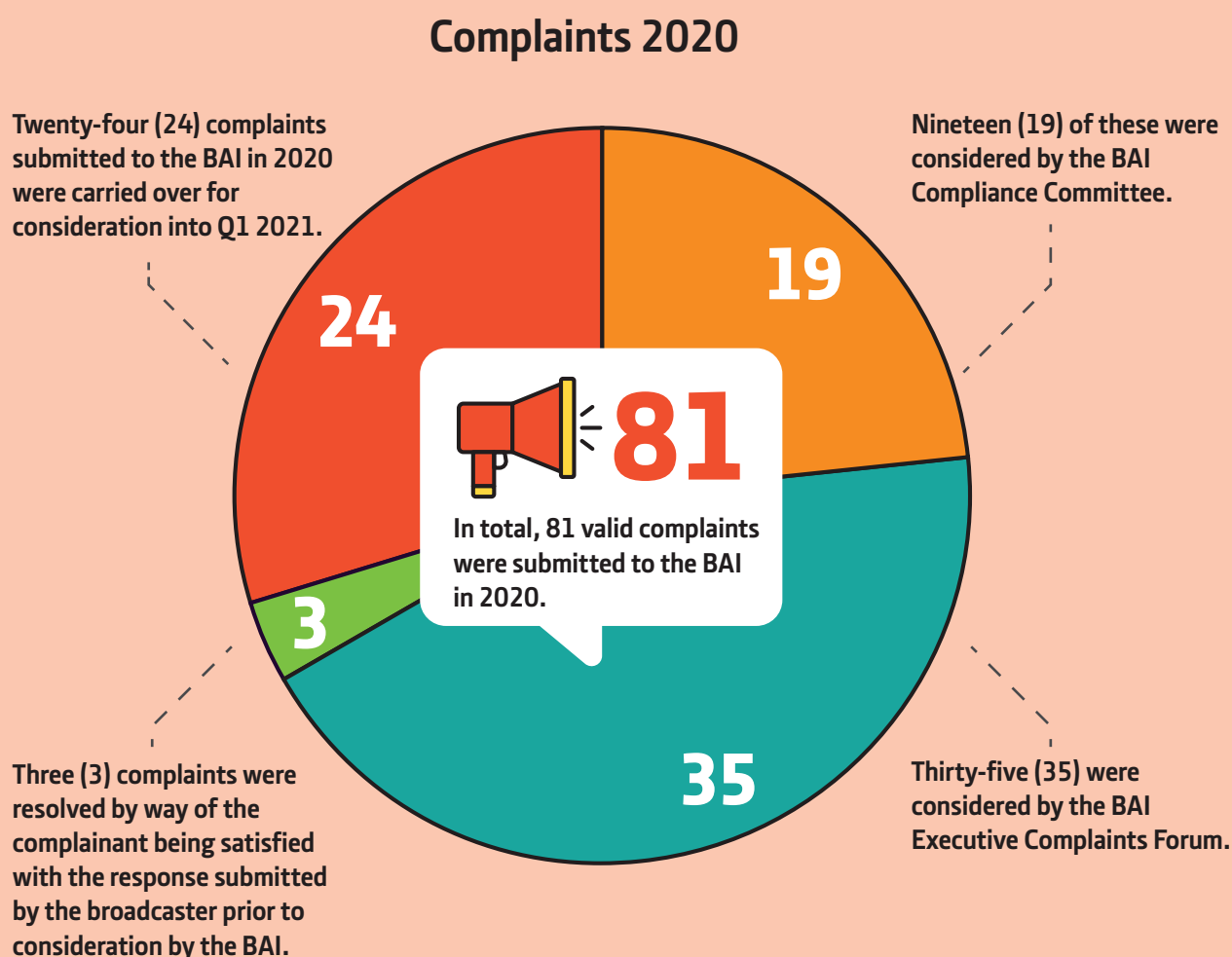
29 – Code of Fairness, Objectivity and Impartiality in News and Current Affairs

21 – Code of Programme Standards

3 – General Commercial Communications Code

1 – Children’s Commercial Communications Code

In 2020, the BAI also reviewed its complaints process and policies, gathering feedback from the Compliance Committee, broadcasters, complainants, and BAI complaints staff as well as responding to the findings of an internal audit. As a result, a revised complaints policy and complaints process was introduced in July 2020.



## Media Literacy

2020 saw significant engagement with stakeholders to promote media literacy and equip audiences to better understand the media they consume and share. While the Covid-19 pandemic curtailed the BAI's ability to organise and attend in-person events, the resulting shift to online activity broadened stakeholder engagement and highlighted the importance of media literacy issues. A lot of the BAI's work in this area is delivered in partnership with Media Literacy Ireland (MLI). The BAI continued to play an active role in the development of MLI as an informal alliance of volunteers, working to increase its profile and interaction across networks:

- **Be Media Smart 2**

Following on from the success of 2019's information and literacy campaign, Be Media Smart, the BAI worked with MLI to roll out a second campaign. Acknowledging the communication challenges arising from the pandemic, and misinformation concerns in this context, the 2020 campaign asked the public to 'Stop', 'Think' and 'Check' that the information they read, see, hear, or, indeed, share across platforms is accurate and reliable. A collaborative effort from various stakeholders saw the Be Media Smart message shared across radio, television and social media platforms, Twitter, and Facebook. Separately, the BAI facilitated the updating of both the Be Media Smart and MLI websites to support the public health guidelines with resources and tips to help the public combat misinformation in circulation regarding the pandemic.



- **Online Collaboration**

While the opportunity to contribute to Media Literacy Ireland's annual conference and to organise in-person events did not materialise due to Covid-19, a range of MLI webinars on media literacy-related topics took place instead. These webinars proved to be very popular with the online format facilitating greater accessibility. This succeeded in broadening MLI's reach and awareness of the BAI's remit and work concerning media literacy generally. The BAI worked closely with MLI both in terms of planning and participating in these webinars. Topics covered included challenges around communicating scientific data during a health crisis, news literacy, and media regulation across Europe.

- Making Sense of Science in Media
- Who's Influencing who? A look at social media influencing in Ireland
- Communications and Climate Change
- News Literacy Now
- MIL Without Borders
- MIL Evaluation: Test, Iterate, Improve
- The Next Chapter of MIL: AI Data and Ethics

## IFI Young Audience Award Panel 2020

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The BAI provided funding support to the Irish Film Institute (IFI) to help coordinate Ireland's participation in the European Film Academy Young Audience Awards. This annual event sees young people aged 12-14 years gather to vote on their favourite films from three shortlisted finalists. It also provides an opportunity for participants to discuss and critique film and to develop film and media literacy skills.

## European Fora

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The BAI also contributed actively to discussions and initiatives on media literacy issues at a European level throughout the year. Examples of such activity include the BAI's participation in the Media Literacy Action Group for ERGA, with BAI Senior Manager, Stephanie Comey, being invited to co-chair the group. In addition, the BAI contributed significantly to an EPRA publication entitled Reflections on Video-Sharing Platforms promotion of media literacy under the Audio-visual Media Services Directive.

The background is a solid green color. Overlaid on this are several concentric, slightly irregular circular lines in a lighter shade of green. These lines are more densely packed in some areas, creating a sense of depth and movement, similar to a stylized spiral or a series of overlapping rings.

Section 4:

# Enhancing Innovation & Sectoral Sustainability

## BAI Strategic Objectives

1. Encourage creativity and innovation as distinctive features of the Irish audio-visual sector
2. Ensure an increased focus on creativity and innovation across all BAI activities
3. Work with stakeholders to support the achievement of greater sustainability for the Irish audio-visual sector

## Outcomes of Strategic Objectives

1. Creativity and innovation are recognised hallmarks of the Irish audio-visual sector and BAI activities
2. Sustainable funding models are developed for the Irish audio-visual sector

Two key deliverables within the BAI work plan principally support the achievement of these strategic objectives. These cover the areas of creativity and innovation and sustainable sectoral funding models.

## Creativity and Innovation

The BAI continued to promote and support creativity and innovation in the Irish audio-visual sector and across all its activities. In 2020, a wide range of sectoral learning and development initiatives were delivered, some of which are highlighted below.

## Sectoral Learning and Development

Central to the BAI's work in Sectoral Development is funding various industry networks to support their diverse learning and development activities. In addition, the BAI offers support schemes for community broadcasters and temporary services and administers innovation schemes to support new training and learning initiatives in partnership with experts in the sector. 2020 presented unforeseen challenges to the broadcasting sector due to the Covid-19 pandemic. Despite the significant disruption, networks adapted admirably to meet their members' needs in innovative and impactful ways.

### Network Funding

The funding allocated to industry networks by the BAI helps to promote collaboration and the building of strategic partnerships for a sustainable approach to learning and development in the sector. Activities in 2020 focused on delivering training courses and workshops, hosting awards ceremonies, seminars, and conferences, undertaking research, running mentoring programmes and providing peer support and networking events.

In 2020, the BAI offered a total of €342k to 17 networks that serve diverse sectoral interests, including community and commercial broadcasters, independent producers and production companies, journalists, directors, animators, and gender equality advocates. Projects included:

- **CRAOL** moved its main activities online in response to Covid-19 restrictions. National Community Radio Day was held on June 19th and was hosted by Phoenix FM as a 4-hour 'sim-cast' across the CRAOL network stations. The CRAOL Féile was also held online on 13 November.

CRAOL delivered Skills and Experience workshops to member stations throughout the year and covered topics of relevance to stations operating in a Covid-19 environment, e.g., Zoom skills, virtual meetings training and virtual volunteering.

- **Learning Waves** hosted Radio Days Ireland 2020 in February. The event was a partnership between Learning Waves and the IBI and supported by the BAI, IMRO and Skillnet Ireland. There were over 200 attendees and over 50 speakers from Ireland, the UK, Denmark, and the USA. The event also marked 30 years of the Independent Commercial Radio Sector in Ireland.
- **The Community Television Association** ran its annual Community Television Festival as a virtual event from 25-27 November. Presentations covered Programme-making during Covid-19, and Creating International Links, with guest speaker Christian Jungwirth from Austrian Community TV. In addition, the BAI participated in sessions relating to AVMS Directive awareness, the Social Benefit Framework and Community TV, and Developing Community Media Policy for the sector.
- **Women in Film & Television Ireland (WFTI)** adapted to Covid-19 by hosting a series of webinars for and by industry professionals, where speakers from various fields provided advice directly to filmmakers, particularly those in the earlier stages of their careers. During the sessions, WFTI chatted with directors, actors, composers, and filmmakers and produced podcast recordings of all webinars. In December, Dr. Susan Liddy chaired an online international panel, Beyond 2020: The Road Ahead, highlighting the progress made in the global film industry concerning gender parity and diversity representation. Guest speakers included Anna Serner, CEO of the Swedish Film Institute, and renowned champion of gender equality globally.
- **Screen Producers Ireland** conducted its 2020 training activities online, and activities included a seminar on Parenting in the Screen Industry, a Screen-greening event, and webinars on International Commissioning opportunities. In addition, a workshop on Unconscious Bias was held in September, which investigated the need to understand the impacts of bias on decision-making and advised on actions for mitigating the potential adverse effects of bias within film and television production crews in Ireland.
- **The National Union of Journalists (NUJ)** exhibited flexibility to responding to pandemic circumstances by adapting its original plan for freelance forums and replacing it with a series of podcasts on similar subjects. Fourteen podcasts were completed.
- **BAI Community Broadcasting Support Scheme** The BAI Community Broadcasting Support Scheme (CBSS) is open to all BAI-licensed Community and Community of Interest radio and television broadcasters. The Scheme offers funding support to enable broadcasters to undertake projects that will advance the organisational development of their stations. For example, reviewing station policies and procedures, staff training, building links with the community, and sharing best practice. In 2020, Phoenix FM was awarded funding of €16,000 from the Scheme to conduct a full-scale review of its current business model and social purpose.
- **Learning and Development programme supports Innovation projects** The BAI's Sectoral Learning and Development Innovation fund is aligned to the BAI Strategic Theme of Enhancing Innovation & Sectoral Sustainability, with a strategic objective to "encourage creativity and innovation as distinctive features of the Irish audio-visual sector".



- In 2020, **ACE Producers** received funding to support the ACE Animation Special, a four-and-a-half-day workshop aimed at established live-action producers/production companies wishing to gain knowledge and experience in the animation field to diversify their activities and slate of projects. The Animation Special took place as part of the Animation Dingle Conference in March 2020. Due to the onset of Covid-19, the Animation Special went online. Participants gave positive feedback about ACE's ability to adapt the workshop to online delivery within tight timelines and expressed satisfaction with how well it worked and how much they had learned from it.

## Sustainable Sectoral Funding Models

- **Television Broadcasters of Ireland Group (TBIG)**  
In 2020, the BAI, in partnership with Ofcom NI, held two meetings of the Television Broadcasters of Ireland Group (TBIG). This group includes representatives for the main Public Service and commercial TV broadcasters on the Island of Ireland.

Issues covered during the meetings included: the widespread impact of Covid-19 on commercial and licence fee revenue, production, and audience consumption. Members considered the impact of Brexit and the updated AVMS Directive on the television sector in both jurisdictions. The group also discussed Ofcom UK's recent PSB Review and the work of the Irish Future of Media Commission, and explored the potential for future collaboration and partnerships between the broadcasters.

- **Commercial Radio Sector**  
In March 2020, in recognition of the significant impact of the Covid-19 pandemic on the advertising revenues of the independent broadcasting sector, the then Minister for Communications, Climate Action and Environment, Richard Bruton T.D., requested the Authority to consider waiving the levy on independent radio stations for the first six months of the year. The Authority considered this request and agreed to the waiver.

In conjunction with the levy waiver, the Minister also requested that the BAI carry out an urgent review of the financial impacts on independent commercial radio stations arising from the effect of the Covid-19 pandemic to provide an evidence base to inform decision making in the period ahead. The BAI submitted initially four such reviews to the Minister covering January to March, April, May, and June 2020. Following the transfer of Ministerial functions, the BAI continued to submit quarterly reports to Minister for Tourism, Culture, Arts, Gaeltacht, Sport and Media Catherine Martin T.D. covering the remainder of the year. These reports are a valuable tool to enable the BAI to continue to engage with the sector and generally explore how it can support initiatives that promote radio as a medium and enhance the sustainability of this sector.

- **Broadcasting Funding Scheme Funding initiative for independent commercial radio**  
A targeted funding round for independent commercial radio was implemented, as outlined in Section 1 of this report. All eligible independent commercial radio services engaged with the funding initiative. The support of 32 projects provided funding for programming that covered a wide range of sources of information and educational content on the Covid-19 pandemic, including several initiatives in the Irish language.
- **Community Media Sector**  
In March 2020, the BAI published an update on the implementation of its Community Media Action Plan. A new action was added, further to the BAI's strategic objective of enhancing sectoral sustainability and increasing public participation in community media.

The new action involved a full review of the policy structure for community broadcasting, reflecting the new definitional framework for social benefit developed under the Action Plan, as well as challenges experienced by the sector in recent years.



The review will provide a basis for the BAI's development of a new Community Media Policy. The contract for this review was awarded to Nexus Co-operative in June 2020. In June 2020, the BAI and CRAOL launched a new Social Benefit Framework that provides Irish community radio stations with a scientifically robust framework and related methodologies to assess and demonstrate the real and practical social benefit of stations. The Framework also supports stations in demonstrating their statutory obligation to deliver social benefit by providing them with a distinctive and robust methodology to determine the value created by their operations to other stakeholders and funders. The Social Benefit Framework was developed and piloted by Nexus Co-operative between June 2019 and April 2020 in a project funded by the BAI and managed jointly by a BAI/CRAOL Steering Group.

In June 2020, two related reports were published by the BAI and CRAOL. The first report, *Assessing the Benefit of Community Radio, A Toolkit for Community Radio*, sets out a Social Benefit Framework and related indicators which identify a range of benefits that community stations can deliver to stakeholders. Qualitative and quantitative methodologies for measuring these benefits are also detailed, and the report is designed as a toolkit for stations to implement elements of the Framework based on their priorities and resources. The second report takes one of the new methodologies, explored as part of the initiative, and applies this across the community radio sector. This report, entitled *Introducing a Social Benefit Approach to Community Radio – A Compendium of Stories*, compiles stories from stations and assesses them against a Theory of Change Framework. This approach has both qualitative and quantitative dimensions and was welcomed by community radio activists as an important new evaluation tool for the sector. A short version of this report was also published on Community Radio Day 2020 by the BAI and CRAOL and is available on the BAI website.

The BAI also applied the Framework in operating the special Community Radio Sound & Vision round in 2020. The Community Radio sector benefited from the BAI's levy waiver introduced for the independent radio sector in recognition of the difficulties being faced by stations in generating revenue during the pandemic.

- **Round 36, Community Radio Funding initiative for independent community radio**

Further to a request from then Minister Richard Bruton, T.D. the Authority quickly devised and implemented a funding round targeted at independent community radio services in July 2020. This was the first funding initiative of this nature to be implemented by the Authority for the independent community radio sector. The round was open to all BAI-licensed community, community of interest and community of special interest sound broadcasting services, and the special interest Christian / religious sound broadcasting service only.

This was the first round of funding under Sound & Vision with which all the licensed stations within the community sound broadcasting sector engaged. In this context, a total of 22 community radio projects received funding under the round which provided for a diverse range of programming made by a diverse range of community stations, groups, and individuals across the community radio sector. This included city, town and rural community services that are embedded in their local communities, communities of interest and communities of special interest. There was a strong focus on social benefit and reaching out to new and minority communities with the aim of engaging, empowering, and affording them the opportunity for their voices to be heard.



Several projects involved making programmes with local minority groups using their native languages and engaging with people in direct provision. Training initiatives were implemented, involving the upskilling of members of local communities, both individuals and groups, in programme production. It is hoped that this will increase both the sources of programme content and the diversity of content broadcast across the community radio sector.

The initiative aims to derive additional social benefit for the community by providing financial support for developing the eligible stations that positively impact their capacity and sustainability.



Section 5:

# Achieving Excellence and Accountability



## BAI Strategic Objectives

1. Regulate to achieve a responsible and accountable broadcasting sector
2. Show leadership in sustainable development by modelling and promoting high standards of environmental, social and governance practice
3. Promote an innovative working environment that motivates, challenges, and develops the BAI

## Outcomes of Strategic Objectives

1. The BAI is a trusted regulator by all stakeholders
2. The BAI and the broadcasting sector are recognised as models of good governance and corporate responsibility
3. The BAI has a leadership and performance culture

There are three key deliverables within the BAI work plan which support the achievement of these strategic objectives. These cover the areas of Compliance; Environmental, Social and Governance Practice, and Organisational Structures and Culture. These are elaborated on further hereunder.

## Compliance

In 2020, the BAI Compliance Committee approved a compliance action plan supporting robust compliance and governance practices by all licensed broadcasters and funding contractors. Compliance activities in 2020 focused on – (1) statutory reporting and (2) monitoring and enforcement. Much of the outcomes are presented to the Compliance Committee, although the Authority will also consider some.

## Statutory Reporting

Work in this area in 2020 included the annual reviews of performance and public funding of Public Service Broadcasters (PSB), a report on Access Rules compliance, and reporting on compliance by non-Irish broadcasters with BAI broadcasting codes.

### • **Public Service Broadcasters**

Section 102 of the Broadcasting Act 2009 requires that each Public Service Broadcaster prepares an Annual Statement of Performance Commitments (ASPC). These statements outline the broadcaster's high-level performance commitments for the coming year and must be prepared in accordance with the broadcaster's statutory objects, statements of strategy and public service statements.

The BAI carries out an Annual Review of Performance and Public Funding of each PSB, which assesses performance against their commitments for the previous year and makes recommendations to the Minister on any adjustments in the level of public funding that the PSBs should receive.

### • **RTÉ's Annual Statement of Performance Commitments 2020**

The Authority assessed the commitments set out by RTÉ for 2020 and was satisfied that they were in line with the objectives of RTÉ's current Strategic Plan. The Authority was also satisfied that the commitments made by the broadcaster were sufficient to facilitate an annual review of performance for 2020 and assist the BAI in fulfilling its regulatory role.

### • **TG4's Annual Statement of Performance Commitments 2020**

The Authority assessed the commitments set out by TG4 for 2020 having regard to performance, audience targets, content and the promotions and development of the Irish language and culture. The Authority was satisfied that the commitments were in line with TG4's statutory objects, its statement of strategy and its Public Service Statement.

The Authority was satisfied that these commitments would serve the BAI in facilitating an assessment for 2020.

- **2019 Annual Review of Performance and Public Funding of RTÉ and TG4**

The BAI reviewed the performance of both RTÉ and TG4 against their commitments and considered the sufficiency of public funding available for both the PSBs to meet their objectives. The BAI expressed the view that in the current climate a stable and sustainable public service broadcaster is more necessary than ever and noted that the PSBs needed to be adequately funded to become modern, digitally connected, and accessible. The review was completed with the support of external consultants, Mediatique, who presented an overview of its findings and recommendations arising from the review. The Authority endorsed the recommendations set out by Mediatique as follows:

- The Authority was satisfied that both RTÉ and TG4 had broadly delivered on their performance commitments in respect of 2019.
- The Authority agreed that neither PSB had been in the position to implement fully their objectives due to lack of the required level of funding.
- The BAI recommendation that TG4 receive a funding increase of €3.557m per annum and that RTÉ should receive an increase of €10.5m per annum.

The BAI submitted its final report and associated recommendations to the Minister in October 2020.

- **Compliance by Non-Irish Broadcasters with BAI Broadcasting Codes**

Further to section 28(5) of the Broadcasting Act 2009, the Compliance Committee is required to review the extent to which television broadcasters, that are targeting wholly, or mainly, Irish audiences, comply with the BAI's

broadcasting codes specifically those related to commercial communications. The BAI is required to present a report in this regard to the Minister on the findings of such reviews which are undertaken annually. The BAI's review covering the 2019 period found that opt-out advertising broadcast on non-Irish licensed TV services was broadly compliant with the BAI's General and Children's Commercial Communications Codes. This finding was in line with the compliance trend over previous years.

- **Access Rules**

The BAI Access Rules require public service, commercial and community broadcasters to meet targets for subtitling, to consult with user groups and to promote access to their services for people who are deaf, hard of hearing, partially sighted or blind. In addition, RTÉ and Virgin Media are also required to provide Irish Sign Language and Audio Description on some of their channels, while Oireachtas TV is also required to provide Irish Sign Language.

The BAI assessed compliance of broadcasters with the Access Rules in 2020. This compliance activity included monitoring of broadcaster output, meetings with broadcasters and with the BAI User Consultative Panels to elicit their views on the quality and reliability of subtitles, Audio Description, and Irish Sign Language. While the Access Rules set quantitative targets for subtitling, ISL and Audio Description, and are assessed and reported on an annual basis, the User Consultative Panel continues to highlight issues of quality and reliability being experienced. Broadcasters continue to track these issues, some of which can arise due to technical reasons outside of the control of broadcasters.

In accordance with the Rules, a report was prepared for the Compliance Committee outlining the broadcasters' performance during the period, as well as their level of compliance with the Rules. While overall compliance with the targets set in the Rules was good in 2020, certain broadcasters experienced difficulties



and did not achieve these targets. Virgin Media Two and Virgin Media Three again did not meet the combined subtitling target in 2020. While this was partly due to the Covid-19 pandemic, the BAI was not satisfied that sufficient efforts were being made to meet the targets set down in the Rules. Accordingly, a Compliance Notice was issued to Virgin Media for failure to meet subtitling targets on these channels in 2019 and 2020.

While some broadcasters held virtual meetings with users during 2020, other broadcasters did not for various reasons. The BAI believes that engagement with user groups is essential, especially for public service broadcasters and those broadcasters who receive complaints about access service provision. Virgin Media did not meet with users in 2018, 2019 or 2020. Given the importance of such meetings and the large share of viewership which Virgin Media enjoys, a Warning Notice was also issued to Virgin Media in this regard.

- **Monitoring and Enforcement**

Compliance activities represent a core element of the BAI's work. The BAI's approach to monitoring and enforcement has developed over many years with the principle aim of monitoring broadcaster adherence to statutory codes and rules and contractual commitments outlined in contractors' respective Programme Policy Statements. The BAI also seeks to promote a culture of compliance within the broadcasting sector. The BAI Compliance and Enforcement Policy provides a clear framework for all BAI compliance activities.

- **Technical Audits**

All broadcasters must adhere to specific technical requirements further to their contractual obligations, and ComReg-issued licences. The BAI routinely monitors broadcasters for compliance with these requirements. Due to the Covid-19 pandemic, it was not possible to conduct on-site technical audits in 2020. However, the BAI liaised with ComReg, relevant transmission providers and

sound broadcasting contractors concerning any spectrum interference investigations. In such cases, all FM broadcasting transmitters were operating in compliance with their contractual and licensing requirements.

- **Contractual Variations**

The processing of contractual variation requests forms an integral part of the BAI's operational work. Such requests are submitted by licensed broadcasters wishing to amend particular elements of their contracts. Proposals of this nature generally concern potential changes to a broadcaster's ownership, management, operational structure, or the programming commitments set out in the contract.

As a result of challenges and restrictions arising from the Covid-19 pandemic during 2020, the BAI approved several temporary programming changes for stations. These temporary changes facilitated necessary revisions to programming schedules arising from restrictions in place to counter Covid-19.

Separately over the year, and following consideration of relevant contractual commitments and policies, the BAI processed and approved 20 contractual variation requests. Some of the requests considered and approved included:

- The appointment of Mr. Paul Farrell as the new Managing Director of Virgin Media Television.
- The assignment of content provision contracts for the eirSport Xtra services, from eircom Sport Limited to eircom Limited.
- The provision of some networked programming arrangements between the music-driven youth services, Spin 103.8 and Spin South West.

- Some programme schedule changes at Limerick's Live 95 FM and Cork's 96FM, including the provision of a networked programme on weekdays between the stations.
- The acquisition of Eurasian Broadcasting Enterprise Limited, which operates the services Setanta Sports Eurasia 1 & 2, by Temur Ugulava.

## Environmental, Social and Governance Practices

A key focus of the BAI throughout its strategy has been on modelling and showing leadership in terms of best practice in environmental, social, and governance areas. In 2020, the BAI continued its strong focus on good corporate governance across all aspects of its activities. It continues to ensure its duties are carried out having regard to the requirements of the 2016 Code of Practice for the Governance of State Bodies. As well as promoting good governance practices in the broadcasting sector, work in this area included the introduction of the Levy waiver for the independent radio stations and a revision to the Levy Order reflecting changes for the community broadcasting sector. Another particular focus during the year was on enhancing the BAI's commitments to the development of a Broadcasting Sustainability Network, funding for the Screen Greening initiative, and reductions in energy consumption and waste reduction.

- **Promotion of good governance practices to the broadcasting sector**

To support better governance the BAI has worked closely with a number of community stations on compliance matters over the past number of years. The BAI's Sectoral Learning and Development programme also offers funding to Community and Community of Interest radio and television broadcasters through the Community Broadcasters Support Scheme, to facilitate initiatives aimed at advancing organisational development, including governance

development, analysis of governance practices and adherence to good financial management practice.

- **Levy Waiver**

As outlined in Section 4 of this report, the Covid-19 pandemic has had a significant impact on the finances of the independent broadcasting sector since March 2020. In recognition of this, the then Minister for Communications, Climate Action and Environment Richard Bruton T.D., requested that the Authority consider waiving the levy on independent radio stations for the first six months of 2020. The Authority agreed to this waiver. The impact of the waiver reduced the BAI's 2020 income by €1m, approximately 20% of the Authority's annual levy income per its original 2020 approved budget. To bridge this shortfall, the Authority approved a revised budget and Work plan for 2020 at its May meeting, and it was subsequently agreed that Exchequer funding would also be made available.

- **Revision of the Levy Order for the Community Sector**

Section 33 of the Broadcasting Act 2009 requires the Authority to recoup the expenses properly incurred by the Authority and the statutory committees in the performance of their functions through the imposition of a levy or charge on public service broadcasters and broadcasting contractors. The terms of this Levy, including the calculation method, are set out in Statutory Instrument No.7 of 2010, Broadcasting Act 2009 (Section 33) Levy Order 2010 (the 'Levy Order'). In 2020, the Levy Order was revised and updated to reduce the administrative burden of some sections on the Community media sector. As a result, S.I.No. 521/2020 - Broadcasting Act 2009 (Section 33) Levy (Amendment) Order 2020 came into effect on 1st January 2021.

- **Broadcasting Sustainability Network**

The Broadcasting Sustainability Network consists of industry members who have signed up to the Sectoral Sustainability Roadmap for the Irish Broadcasting Sector. The network, launched in November 2020, is funded and supported by the BAI. A Steering Group, chaired by David Robbins, Assistant Professor at the DCU School of Communications, oversees the work of the network and the delivery of the roadmap. The roadmap has three 'pillars' representing the three dimensions of sustainability: environment (green), social (inclusive) and economic (resilient).

- **Screen Greening**

Throughout 2020, the BAI continued to support the work of the Screen Greening Coalition. This cross-industry body seeks to increase sustainable content-making practices, and support from the BAI funded the adoption and use of the BAFTA Albert Carbon Calculator in Ireland. The Calculator, already used by industry in the UK, allows producers to understand a productions' environmental impact. By providing some basic information about the studio, work, travel, accommodation, locations, materials use and disposal, and post-production activities, the Calculator reveals the extent of the carbon emissions on any given production.



Launch of Broadcasting Sustainability Network

- **Energy Consumption and Waste Reduction**

The BAI continues to implement actions that reduce energy usage and consumption. As a result, the BAI received a status of green from the SEAI in its Annual Report on Public Sector Energy and Efficiency Performance for 2019. In addition, the BAI is on track to achieve the energy efficiency target set for 2020, having recorded a reduction of 32.6% since the introduction of the targets for public sector organisations.

The BAI continued to apply its waste reduction measures via the absence of single-use plastic and other improvements in its waste reduction and recycling practices.

- **Broadcasting Funding Scheme Governance**

In managing and awarding 7% of the Television Licence Fee via its Broadcasting Funding Scheme, the BAI ensures high governance standards of the scheme to benefit all stakeholders.

Accordingly, particular emphasis is placed on compliance practices to ensure the successful delivery of projects by contractors in line with funding agreements.

Contractors are regularly monitored for compliance with the terms of their funding contracts by BAI staff and using independent audits. All television projects, and a proportion of radio projects that receive funding, are systematically and independently assessed, following completion, against the programme delivery requirements to ensure compliance with the original programme specification and treatment requirements as set down in the contract. In addition, reviews of final cost statements and the programme materials take place annually. Independent audit reports are submitted for consideration to the BAI Finance Audit and Risk Committee.

- **Irish Language Scheme III**

The BAI Irish Language Scheme standardises the approach for the organisation to fulfil its obligations concerning the Irish language. The BAI published a new 3-year Irish Language Scheme in 2020. The scheme seeks to build on and consolidate progress made by the BAI over the past number of years in delivering and enhancing the quality of its services through Irish. Some new commitments include increasing use of Irish at public events and in all BAI social media communication, commissioning of Irish language research, the development of an Irish language online complaints system, bespoke Irish language training for staff in Sound & Vision and the provision of Irish language digital resources and glossaries for all BAI staff members.

- **Freedom of Information**

The Freedom of Information Act 2014 allows public access, on request, to records held by the BAI, which are not routinely made available by the BAI or available through other sources. In 2020, the BAI received 17 Freedom of Information requests.

- **Section 42 Irish Human Rights and Equality Commission Act 2014**

The Irish Human Rights and Equality Commission Act 2014 introduces a positive duty on public bodies to have due regard to human rights and equality issues.

The objectives and functions of the BAI as set out in the Broadcasting Act, 2009 speak directly to equality and protection of human rights such as freedom of expression, protection of minors, accessibility, and disability equality, right to privacy, right to an effective remedy, right to education, and the right to protection from discrimination. The promotion of equality, the elimination of discrimination, and the protection of human rights are at the heart of our work and our values, including fairness, independence, expertise, and accountability. The BAI is committed to an inclusive culture of respect, dignity, equality, and fairness in how we engage with the public, our stakeholders, and our staff.

In 2020, the BAI established a cross-functional steering group to assess the human rights and equality issues relevant to the BAI's functions and purpose, and to report on the specific work areas and policies, plans, and initiatives to address these issues. These include, for example, the development of codes and rules that protect the human rights of Irish audiences, investigating the public's complaints under such codes and rules and ensuring access to the media by those who have a disability. We engage the public and our stakeholders directly in our regulatory processes through open, accessible written and online communications. Equality and promotion of diversity and inclusion are at the forefront of BAI Sectoral Development and Funding Schemes. These schemes support the implementation of specific diversity action plans, such as the BAI Gender and Irish Language Action Plans.

The BAI maintains a workplace environment that encourages and supports the right to dignity at work, equitable treatment and respect for our individuality and diversity. This inclusive culture is supported by policies and initiatives such as Dignity at Work, Grievance Procedure, Training & Development, and our Employee Wellness Programme.

The Assessment Report of the Steering Group will be published in 2021, and arising from this Assessment, the Steering Group will set out an Action Plan for implementation over the life of the following BAI Strategy Statement.

## Freedom of Information Stats 2020

**17**

FOI requests  
were received

In 2020, the BAI received 17  
Freedom of Information requests.

**1**

FOI Requests  
Granted in Full

**5**

FOI Requests  
Partially Granted

**1**

FOI Requests  
Refused

**9**

FOI Requests  
Withdrawn

**1**

FOI Requests  
Ongoing year-end

**8**



Journalist

**6**



Individual

**1**



Interest Group

**2**



Local Authority



- **Organisational Structures and Culture**

As well as maintaining and promoting robust governance practices, the BAI continues to strive to build organisational structures and culture that support its individuals in carrying out their work. At the onset of the pandemic, the BAI's Business Continuity Plan was activated. This resulted in a smooth transition to remote working, enabling BAI's key activities to continue while focusing on staff's safety and well-being during the process. The BAI operates a matrix structure whereby staff work flexibly across all areas of activity according to business needs. This matrix structure enables staff to gain valuable skills and exposure to new work areas on an ongoing basis, enhancing organisation knowledge and capacity.

A key challenge for the BAI in recent years has been staffing and resourcing. In 2020, the BAI recruited two new Higher Executive Officers in the roles of HR Manager and Sound & Vision Irish Language Manager. The BAI delivered tailored induction programmes to new entrants while working remotely, which included briefings, mentoring, on-the-job learning and attendance at external training courses and events.

Staff training and development continues to form an essential part of the BAI culture. The organisation's culture supports and encourages individuals to take on new challenges and to adopt a learning dimension to their overall work mix. This approach suits the matrix organisational structure as well as providing potential career pathways for individuals.

Staff wellbeing, while working remotely, was a strong focus of the BAI's annual training and development programme in 2020. In November 2020, the BAI revised its Training and Development Policy, introducing a new category of organisational training in addition to, and to complement, attendance at external courses and training for both essential skills and personal career development training. The BAI developed a Training and Development Plan for organisation-delivered training in 2021-2022 in consultation with staff.

This Plan aims to enhance organisational knowledge and capacity and to prepare staff for integration into the proposed new Media Commission. Organisation-wide training in 2020 included Senior Management Leadership training, HEO People Management training, Disability Awareness and Wellbeing training.

- **Implementation of Business Continuity Plan arising from Covid-19 pandemic**

The BAI's Business Continuity Plan (BCP) took effect at the commencement of the pandemic and introduced remote working. When the national lockdown was announced, the BCP team was activated, led by the Office of the CEO, and members representing key operational functions within the BAI. These included: Finance; Governance; Facilities; Health and Safety of staff on and off-site; Risk.

The BAI office was closed, and all staff were requested to work from home. The BAI quickly facilitated remote working and equipped all BAI staff with suitable IT equipment and full access to the BAI internal server, network, and exchange server. The BAI Staff promptly became adept with the use of new technology, including Microsoft Teams meetings etc.

The BCP team met weekly to monitor the evolving situation and meetings were moved to a fortnightly basis in the latter half of 2020. Reporting on all matters covered in the BCP Team meetings was included on the agendas of the Senior Management Team meetings. The SMT also met weekly in quarter two and then on a fortnightly basis for the remainder of 2020. The SMT and BCP teams operated within the BAI Business Continuity Plan, system of internal controls and risk management framework.

BCP updates were provided at every meeting of the Authority which continued to meet monthly. Other statutory Committees (Compliance and Contracts Awards), as well as the BAI's Finance Audit and Risk Committee continued to meet as scheduled for 2020. The FAR Committee continually monitored internal controls in the remote working environment.

- **Risk Management**

Risk management is a key aspect of the BAI's approach to implementing its Business Continuity Plan. Across the year from the beginning of the public health crisis, the BAI identified key corporate and operational risks arising from Covid-19 and put in place controls and actions to mitigate the risks. Risk reports were provided to the Finance, Audit and Risk Committee at their quarterly meetings and risk was considered at each Authority meeting.

The BAI Risk Management Policy highlights roles and responsibilities for risk management across the organisation and in that context, risk, including those relating to Covid-19, were also on the agenda of meetings held at Executive manager level, on the monthly operations team meetings agenda and on an ongoing basis at meetings of the BAI Business Continuity Team meetings.

- **Remote Working**

Remote working was monitored and managed by utilising structured line management, work management and communication processes. The BAI Human Resources team (HR) conducted two staff surveys during 2020 to assess staff wellbeing, health, and safety considerations. HR and the BCP Team were always guided by government, DPER, HSE and HSA guidance. Managers increased the number and nature of interactions with direct reports and reported any issues. In addition, the CEO and HR function communicated very frequently with staff to update them on developments and remind them of the availability of support services.

No Authority or Committee meetings were impacted (either in number or nature) because of Covid-19/remote working.

Additional IT security controls were also introduced, such as multi-factor authentication arrangements regarding access to the BAI's IT systems and facilities.

Weekly updates on the BAI's activities are provided by the CEO and HR communicates regularly with all staff on a range of issues. A staff communications meeting took place fortnightly with updates on return-to-work planning and other remote working related issues.

A virtual social committee was also established, and staff social events included a virtual bake-off, storytelling, a virtual tour of Dublin, and Irish language coffee mornings and activities for both staff and their children.

Paul Muldoon - Thiar agus Thall, produced by Below the Radar Limited, funded by the BAI Sound & Vision Scheme



- **Return to Work Planning and Health and Safety**

Within a few weeks of lockdown, the BCP team commenced planning for the reopening of the office and developing a Return-to-Work Plan, the purpose of which was to put measures in place to prevent the spread of Covid-19 in the workplace. The roadmap for the reopening of Society and Business and the Return to Work Safely Protocol prepared by the Department of Business, Enterprise and Innovation and the Department of Health, together with current government guidance are the primary drivers for the Return-to-Work Plan. The Department of Public Expenditure and Reform also issued regular Guidance and FAQs for Public Service Employers during Covid-19, informing the Return-to-Work Plan.

Throughout 2020, the BAI also actively engaged with other public and private bodies and networks, including Acesa, IBEC and OPW, and all relevant reference and guidance documents are reviewed, with any issues arising incorporated into the BAI Business Continuity Plan. BCP team members also attend any relevant webinars organised by legal firms, auditors, Office of Public Works (OPW), and IBEC to keep abreast of current best practices. In August 2020, the BAI office reopened, and a small number of staff (who could no longer work

from home), and the BAI Facilities and Health and Safety Officer returned to the office. The BAI ensured that all health and safety measures were implemented in line with the Return-to-Work Safety Protocol. Two lead worker representatives were appointed in line with the requirements of the Return to Work Safely Protocol, one of them being the BAI's Facilities and Health and Safety Officer who returned to the office on a full-time basis in August. The duties of the Lead Worker Representatives are to ensure the implementation of measures to prevent the spread of Covid-19 and to monitor adherence to the measures. As of 31 December 2020, most BAI staff continued to work fully remotely.



The Broadcasting Authority of Ireland

# **Financial Statements** **For the year ended** **31 December 2020**



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## Authority Information

### Authority Members

Alan McDonnell

Grace Smith

Denis Wolinski

Seán Ó Mordha

Rosemary Day

Maeve McDonagh

Mary Curtis

Vivien McKechnie

### Authority Secretary

Andrew Robinson

### Solicitors

Byrne Wallace  
88 Harcourt Street  
Dublin 2

Ivor Fitzpatrick & Company  
Solicitors  
44-45 St Stephen's Green  
Dublin 2

Philip Lee  
7/8 Wilton Terrace  
Dublin 2

### Bankers

Ulster Bank  
Baggot Street Lower  
Dublin 2

### Auditors

Comptroller and Auditor General  
3A Mayor Street Upper  
Dublin 1

# Governance Statement and Authority Members Report

## Governance

The Broadcasting Authority of Ireland (“BAI”) was established under the Broadcasting Act 2009 (“the Act”). The functions of the Authority are set out in section 26 of this Act. The Authority is accountable to the Minister for Tourism, Culture, Arts, Gaeltacht, Sport and Media and is responsible for ensuring good governance. It performs this task by setting strategic objectives and targets and taking strategic decisions on all key business issues. Day-to-Day management of the BAI is the responsibility of the Chief Executive who is appointed pursuant to section 14 of the Act. He/she is accountable to the Authority for the functions delegated to him/her by the Authority and for the efficient and effective management of the administration of the Authority and the BAI’s two statutory committees, the Contract Awards Committee and the Compliance Committee. The Chief Executive performs his/her functions subject to such policies as may be determined from time to time by the Authority and in line with the Authority’s Statement of Strategy, drawn up and adopted by the Authority pursuant to section 29 of the Act. The Chief Executive may delegate his/her functions to a member of staff of the Authority, subject to such conditions he considers appropriate.

The BAI is also responsible for the administration of the Broadcasting Fund and the authorisation of transactions on the Fund. The governance arrangements and control procedures within the BAI apply to the Broadcasting Fund.

## Authority Responsibilities

The functions and objectives of the Authority are set out in the Act. The specific and reserved decision-making responsibilities of the Authority and each statutory committee are set out in the BAI’s Schedule of Matters Reserved for Decision of the Authority and Statutory Committees. Standing items considered by the Authority include:

- Consideration and approval of the draft minutes of the previous meeting
- Declarations of Interest
- Matters concerning the functions and business of the BAI pursuant to the Act
- Matters relating to the achievement of the BAI’s strategic objectives
- Minutes of meetings of the Contract Awards Committee and the Compliance Committee
- Minutes of the Finance, Audit and Risk Committee
- Risk Updates
- Reserved matters

Section 37(2) of the Broadcasting Act 2009 (“the Act”) requires the Chief Executive, under the direction of the Authority, to keep all proper books and records of account of all income and expenditure of the Authority and of the sources of such income and the subject matter of such expenditure, and of the property, assets and liabilities of the Authority. He/she is also required to keep and to account to the Authority for all such special accounts as required by part 10 of the Act, and as the Authority, with the consent of the Minister, or the Minister may from time to time direct should be kept.

In preparing these financial statements, the Authority is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Authority will continue in operation; and
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Authority is responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time, its financial position and enables it to ensure that the financial statements of the BAI and the Broadcasting Fund comply with section 37(2) of the Act. The maintenance and integrity of the corporate and financial information on the BAI's website is the responsibility of the Authority.

The Authority is also responsible for safeguarding the assets of the BAI and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## Statement of Strategy

The Authority is responsible for approving the Statement of Strategy (including its strategic objectives) and a three-year work plan and three-year budgetary estimates. A full review of the 2017-2019 Strategy that commenced in 2019 was completed in 2020 and reviewed by the Authority at its July 2020 meeting. This review of the 2017-2019 Strategy Statement informed the Authority's proposals on the content of a draft Strategy Statement 2021-2023. In line with the requirements of the Broadcasting Act, 2009 the BAI invited the views of stakeholders and the public on the draft Strategy Statement 2021-2023.

Following consideration of this feedback, the Authority updated and approved a final version of the Strategy Statement 2021-2023 at its meeting in November 2020 for publication in 2021.

When the review of the 2017-2019 Strategy Statement commenced in 2019, it was anticipated that the new Statement of Strategy would be completed and come into effect during 2020. However, due to the restrictions imposed by the COVID-19 pandemic the timelines for the development of the new Strategy Statement were revised resulting in the new Strategy Statement covering the period 2021 – 2023. During 2020, the BAI operated under the vision, mission, values and strategic objectives articulated in the 2017-2019 Strategy Statement.

## Online Safety and Media Regulation Bill

On the 10th January 2020, the Minister for Communications, Climate Action and Environment published the General Scheme of the Online Safety and Media Regulation Bill 2019. This Bill outlines measures required to be transposed under the revised Audiovisual Media Services Directive and includes online safety proposals. The Bill envisages that the Broadcasting Authority of Ireland (BAI) and its Statutory Committees will be dissolved and replaced by a multi-person Media Commission. On the 9th December 2020 the Minister for Tourism, Culture, Arts, Gaeltacht, Sport and Media published the finalised details of the General Scheme of the Online Safety and Media Regulation Bill. In December 2020 the finalised General Scheme was forwarded to the Office of the Attorney General so that they may continue detailed drafting of the Bill. The finalised General Scheme was also referred to the relevant Joint Oireachtas Committee for pre-legislative scrutiny. The Financial Statements of the BAI and the Broadcasting Fund are prepared on a going concern basis and do not reflect any provisions relating to the proposed dissolution.

## Levy waiver for the independent radio sector

The COVID-19 pandemic has had a significant impact on the finances of the independent broadcasting sector since March 2020. In recognition of this, the then Minister requested the Authority to consider waiving the levy on independent radio stations for the first six months of 2020. The Authority considered this request at its March 2020 meeting and agreed to the waiver. This levy waiver reduced the BAI's 2020 income by €1M, approximately 20% of the Authority's levy income per its original 2020 approved budget. To bridge this shortfall, the Authority approved a Revised Budget and workplan for 2020 at its May 2020 meeting and it was subsequently agreed that Exchequer funding would also be made available.

To ensure adequate cashflow during 2020, the Authority approved a drawdown of €500k from its loan facility with the NTMA. This loan was repaid in February 2021. In October 2020, the Minister for Tourism, Culture, Arts, Gaeltacht, Sport and Media announced that the 2021 Exchequer Budget would make €839k available to the BAI in respect of the Q1/Q2 2020 waiver of the broadcasting levy for the independent radio sector. This funding was received by the BAI in February 2021 and will be redistributed as part of the levy reconciliation process for 2020 which will take place during Q3 2021.

The Authority considers that the financial statements of the Broadcasting Authority of Ireland give a true and fair view of the financial performance and the financial position of the Broadcasting Authority of Ireland at 31st December 2020.

## Authority Structure

The Authority consists of nine members, one of whom is appointed as Chairperson. The Authority members are appointed by Government on the nomination of the Minister for Tourism, Culture, Arts, Gaeltacht, Sport and Media pursuant to Section 8 of the Act. Each member of the Authority holds office for such a term as the Minister specifies when making the appointment, subject to the provisions of Section 9 of the Act.

The term of Prof. Pauric Travers expired on the 1 December 2020, having been first appointed on 2 December 2014 and reappointed on the 2 December 2017. In line with Section 9 of the Act, Prof. Travers was not eligible to be reappointed as members are not permitted to serve more than 2 consecutive terms of office.

The table below details the appointment date for the current eight members of the Authority.

Authority Member	Role	First Appointed	Reappointed	Expiry Date
Alan McDonnell	Ordinary Member	02/12/2014	02/12/2019	01/12/2022
Grace Smith	Ordinary Member	02/12/2014	02/12/2019	01/12/2022
Denis Wolinski*	Ordinary Member	17/02/2015	22/12/2020	21/12/2023
Seán Ó Mordha*	Ordinary Member	17/02/2015	22/12/2020	21/12/2023
Rosemary Day*	Ordinary Member	17/02/2015	22/12/2020	21/12/2023
Maeve McDonagh*	Ordinary Member	17/02/2015	22/12/2020	21/12/2023
Mary Curtis	Ordinary Member	13/01/2017	02/12/2019	01/12/2022
Vivien McKechnie	Ordinary Member	20/03/2018		19/03/2023

\*Was not a member of the Authority between 16 February and 21 December 2020



Section 6 of the Act also established two statutory committees as follows:

1. **Contract Awards Committee:** this Committee comprises up to eight members. Pursuant to section 8 of the Act, four of the members are appointed by Government on the nomination of the Minister for Tourism, Culture, Arts, Gaeltacht, Sport and Media and four members are appointed by the Authority; being two members of the Authority and two members of the staff of the Authority. During 2020 there were seven members on the Committee as the vacancy that arose on the expiry of Rosemary Day's term on 16th February 2020 was not filled until 30th March 2021. The functions of the Contract Awards Committee are set out in Section 27 of the Act.
2. **Compliance Committee:** this Committee comprises eight members. Pursuant to section 8 of the Act, four of the members are appointed by Government on the nomination of the Minister for Tourism, Culture, Arts, Gaeltacht, Sport and Media and four members are appointed by the Authority; being two members of the Authority and two members of the staff of the Authority. The functions of the Compliance Committee are set out in Section 28 of the Act.

### **Finance, Audit and Risk Committee**

The Authority has also established a Finance, Audit and Risk (FAR) Committee which is comprised of three Authority members and one independent member with financial expertise. The role of the Finance, Audit and Risk Committee ("FAR") is set out in terms of reference approved by the Authority and its purpose is to assist the Authority in relation to its responsibilities pursuant to the Act and the Code of Practice for the Governance of State Bodies such as risk, internal control and associated assurance.

The FAR Committee, which is independent of the Chief Executive and management of the BAI, ensures that the BAI's internal control systems, including its risk and audit activities, are monitored actively and independently. The FAR Committee reports to the Authority after each meeting, and formally in writing annually.

In 2020, the members of the Finance Audit and Risk Committee were Alan McDonnell (Chairperson), Grace Smith and Vivien McKechnie. Dermot O'Riordan had been appointed as an independent member to serve from 1st September 2017 for a three-year term and was reappointed for a further three year term from September 2020.

## Schedule of Attendance, Fees and Expenses

A schedule of attendance at the Authority and Committee meetings for 2020 is set out below including the fees and expenses received by each member.

	Fees	Expenses	Attendance
	€	€	
<b>Authority Members</b>			
Pauric Travers	8,026*	-	10/10
Alan McDonnell	5,771*	-	10/10
Grace Smith	5,771*	-	10/10
Denis Wolinski	936	-	1/1
Seán Ó Mordha	936	-	1/1
Rosemary Day	-	390	1/1
Maeve McDonagh	-	-	0/1
Mary Curtis	5,771*	-	9/10
Vivien McKechnie	7,695	-	10/10
<b>Compliance Committee</b>			
Kevin Rafter	-	-	5/5
Nigel Heneghan	7,695	-	5/5
Orlaith Carmody	7,695	261	5/5
Rosemary Day	-	-	0/0
Grace Smith	-	-	0/0
Eileen Maher	7,695	-	5/5
Andrew Robinson	-	-	4/5
Stephanie Comey	-	-	5/5
<b>Contracts Awards Committee</b>			
Ercus Stewart	11,970	-	8/8
Eimer McGovern	1,459	-	2/2
John Hogan	7,695	258	8/8
Clodagh O'Donnell	7,695	-	8/8
Sean Ó Mordha	-	-	1/1
Anne Louise O'Donovan	-	-	8/8
Clare Diamond	-	-	7/8
<b>Finance, Audit and Risk Committee</b>			
Alan McDonnell	-	-	4/4
Dermot O'Riordan	-	-	4/4
Grace Smith	-	-	4/4
Vivien McKechnie	-	-	3/4
	86,810	909	

\*Member waived part of fee in first half of 2020 in recognition of the financial strain experienced by the BAI in light of the levy waiver for certain broadcasters approved by the Authority.

Two members of the current Authority (Rosemary Day and Maeve McDonagh) and one member of the Compliance Committee (Kevin Rafter) did not receive a Member Fee under the One Person One Salary (OPOS).

## Conflict of Interest

In the normal course of business, the BAI may approve the award of contracts and grants to undertakings in which Authority and/or Committee Members are employed or otherwise interested.

The Authority has adopted procedures in accordance with the provisions of the Broadcasting Act 2009 and the guidelines issued by the Department of Public Expenditure and Reform in relation to the disclosure of interests by Authority and/or Committee Members and those procedures were adhered to by the Authority and Committees during the year.

Members of the Authority who also serve as the Authority's nominees on the statutory Contract Awards Committee recuse themselves as a matter of course from all deliberations and decisions relating to recommendations for the award of contract, made by the Contract Awards Committee to the Authority.

The BAI complied with the provisions of the Broadcasting Act 2009 and the Department of Public Expenditure and Reform guidelines covering situations where interests are declared. In each case, the Member did not receive documentation on a licence application, complaint or issue arising, nor did the Member participate in, or attend decisions on, the matter, once the Member became aware of a conflict and/or had declared an interest in the matter.

In February 2020 the terms of office of four members expired and these vacancies remained unfilled until the 22 December 2020.

Up to the point these positions were filled, the Authority had five members. Section 13 (7) of the Act states that the quorum for meetings of the Authority shall be five, thereby requiring all members to be present for decision making purposes. In line with the BAI's Conflict of Interest procedures, members of the Authority who also serve as the Authority's nominees on the statutory Committees recuse themselves as a matter of course from all deliberations and decisions relating to recommendations from the statutory Committees. In order to ensure that all members were present for decision making purposes, the Authority agreed in January 2020 that it would not nominate any Authority members to the Compliance Committee and Contract Awards Committee until such time as the complement of members of the Authority is increased to allow for such nomination.

## Key Personnel Changes

**Contract Awards Committee:** Anne Louise O'Donovan and Clare Diamond were appointed to the Contracts Awards Committee from 23 January 2020. Sean Ó Mordha's term ended on the 16 February 2020.

**Finance Audit and Risk Committee:** Grace Smith was appointed to the Finance Audit and Risk Committee in February 2020.

### Disclosures Required by Code of Practice for the Governance of State Bodies

The Authority is responsible for ensuring that the BAI has complied with the requirements of the Code of Practice for the Governance of State Bodies ("the Code"), as published by the Department of Public Expenditure and Reform in August 2016. The following disclosures are required by the Code:

## Employee Short-Term Benefits Breakdown

Employees' short-term benefits in excess of €60,000 are categorised into the following bands:

Range of total employee benefits From To	2020	2019
€60,000 - €69,999	3	4
€70,000 - €79,999	4	3
€80,000 - €89,999	5	3
€90,000 - €99,999	-	-
€100,000 - €109,999	1	1
€110,000 - €119,999	-	-
€120,000 - €129,999	-	1
€130,000 - €139,999	1	-

For the purposes of this disclosure, short term employee benefits in relation to services rendered during the reporting period include salary, overtime, allowances and other payments made on behalf of the employee, but exclude employers PRSI.

## Consultancy costs

	2020	2019
	€ '000	€ '000
Auditing & Monitoring	21	33
Policy, Codes and Rules	177	244
General Consultancy	198	283
IT Consultancy	-	41
Total Consultancy	396	601

	€ '000	€ '000
Legal Advice (General in nature)	43	73
	43	73

## Travel and Subsistence Expenditure

Travel and subsistence expenditure is categorised as follows:

	2020	2019
	€ '000	€ '000
<b>Authority/Committee Members</b>		
Domestic	1	7
Foreign	-	1
	<u>1</u>	<u>8</u>
<b>Employees</b>		
Domestic	7	15
Foreign	1	49
	<u>8</u>	<u>64</u>

Note that in the Financial Statements Authority and Committee Member travel and subsistence expenditure paid directly to Authority/Committee members is recorded as an Authority/Committee Members' Fees & Expense (2020: €1k; 2019: €8k) and Employees travel and subsistence expenditure is recorded as an Administrative Cost (2020: €8k; 2019 €64k).

## Hospitality Expenditure

The Statement of Income and Expenditure includes hospitality expenditure of €9k (€14k in 2019). This included €9k for staff hospitality (€13K in 2019) and €Nil for client hospitality (€1k in 2019). The Code of Practice for the Governance of State Bodies requires costs relating to the Employee Wellbeing Programme to be included under this category.

## Statement of Compliance

The Authority has adopted the Code of Practice for the Governance of State Bodies (2016) and has put procedures in place to ensure compliance with the Code. The Broadcasting Authority of Ireland was in full compliance with the Code of Practice for the Governance of States Bodies during 2020.



Denis J Wolinski (Jun 30, 2021 10:15 GMT+1)

**Denis Wolinski**

Member of Authority  
Nominated Chairperson  
30th June 2021



**Vivien McKechnie**

Member of Authority  
30th June 2021



## Statement on Internal Control

### Scope of Responsibility

On behalf of the Broadcasting Authority of Ireland, we acknowledge the Authority's responsibility for ensuring that an effective system of internal control is maintained and operated in respect of the Broadcasting Authority of Ireland and the Broadcasting Fund. This responsibility takes account of the requirements of the Code of Practice for the Governance of State Bodies (2016).

### Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a tolerable level rather than to eliminate it. The system can therefore only provide reasonable and not absolute assurance that assets are safeguarded, transactions are authorised and properly recorded and that material errors or irregularities are either prevented or would be detected in a timely way.

The system of internal control, which accords with guidance issued by the Department of Public Expenditure and Reform has been in place in the Broadcasting Authority of Ireland for the year ended 31st December 2020 and up to the date of approval of the financial statements.

The Broadcasting Authority of Ireland has a Finance Audit and Risk Committee ("FAR") comprising three Authority members and one external member with financial and audit expertise. The FAR Committee met four times in 2020.

### Risk Management Framework

The Authority approved a new Risk Management Policy in January 2019 for the management of both organisation-wide and project/operational-specific risks at the BAI.

The Policy provides information on how the BAI defines and understands risk and details the roles, responsibilities, processes and procedures, standards, tools and documentation which give the Policy practical effect.

Specifically, the Policy:-

- Links risk to the organisation's strategic objectives;
- Provides a clear and explicit risk policy statement with appropriate risk management objectives;
- Articulates the manner in which risk will be identified and classified;
- Requires that risk assessment is completed by identifying, describing and estimating the various risks that will impact on the Authority and sets out the tools, processes and structures that will give this practical effect;
- Describes the risk reporting process to ensure full visibility of all identified risks and the actions planned to deal with the risks;
- Sets out roles and responsibilities of the Authority, BAI statutory committees and BAI staff with regard to risk management;
- Sets out an implementation and monitoring plan that ensures that BAI staff fulfil their responsibilities regarding risk and the agreed actions;
- Sets out what supports are in place to maintain a risk-aware culture (e.g. training).

The Policy has been issued to all staff and training on risk management is provided to all staff on an annual basis. In 2019, specific training on the development of a BAI Risk Appetite Statement was provided to members of the Authority and the FAR Committee and, separately, to the BAI senior management team.

In 2019, the BAI Authority also approved a new Risk Appetite Statement for the BAI. Previously, the Authority's Risk Appetite Statement was included in the BAI's Risk Management Framework/Policy. The Risk Appetite Statement sets out the methodology to be used by the BAI to establish and manage risk appetite. The Statement identifies five risk themes for the BAI which link to the BAI's Strategy Statement. A risk appetite level has been identified for each of the five themes. In addition, risk tolerances have been established, as have key risk indicators and related metrics. The Risk Appetite Statement incorporates risk management into the organisation's strategic planning process.

In its Terms of Reference, the FAR Committee commits to a review of the Policy on an annual basis and the Policy is then submitted to the Authority for approval.

## Risk and Control Framework

The BAI's Risk Management Policy provides a risk control framework for the BAI which ensures risk-based decision-making, having regard to the risk appetites and related tolerances identified in the Risk Appetite Statement. The policy outlines the processes in place to identify, assess and report key risks as well as the internal controls and ongoing actions being taken to manage and, to the extent possible, to mitigate those risks. The Risk Management Policy details the roles and responsibilities of staff as it relates to risk management and includes risk ownership and risk escalation criteria and procedures.

A Corporate Risk Register is in place which identifies the principal corporate and strategic risks and uncertainties facing the Broadcasting Authority of Ireland and these have been identified, evaluated

and graded according to their significance. In addition, the Operational Risk Register identifies risks for the BAI's project and operational areas. The registers detail the controls and additional actions considered necessary to mitigate and manage risks identified.

The risk management systems also include the BAI Risk Appetite Statement which was updated by the Authority in late 2019 and operationalised in 2020. This sets out the methodology to be used by the BAI to establish and manage risk appetite. The Statement identifies five risk themes for the BAI which link to the BAI's Strategy Statement. A risk appetite level has been identified for each of the five themes. In addition, risk tolerances have been established, as have key risk indicators and related metrics.

Risk is a standing agenda item at meetings of the Authority, the Finance, Audit and Risk Committee, the Senior Management Team, the Operations Team, and the Middle Management Team. The Corporate Risk Register and the Risk Appetite Statements are reviewed by the Finance, Audit and Risk Committee at each meeting. The Committee also reviews the Operational Risk Register bi-annually. The registers and Risk Appetite Statement are reviewed on a scheduled basis (as set out in the Risk Management Policy) by the Authority, the Senior Management Team and the BAI's Operational and Middle Management Teams.

In its Terms of Reference, the Finance, Audit and Risk Committee commits to a review of risk management systems on an annual basis.

## Control Framework

We confirm that a control environment containing the following elements is in place:

- Procedures for all key business processes have been documented,
- Financial responsibilities have been assigned at management level with corresponding accountability,

- There is an appropriate budgeting system with an annual budget which is kept under review by senior management,
- There are systems aimed at ensuring the security of the information and communication technology systems
- There are systems in place to safeguard the assets, and
- Control procedures over grant funding to outside agencies ensure adequate control over approval of grants and monitoring and review of grantees to ensure grant funding has been applied for the purpose intended.

## Ongoing Monitoring and Review

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Formal procedures have been established for monitoring control processes and control deficiencies are communicated to those responsible for taking corrective action and to management and the Authority, where relevant, in a timely way. We confirm that the following ongoing monitoring systems are in place:

- Key risks and related controls have been identified and processes have been put in place to monitor the operation of those key controls and report any identified deficiencies,
- Reporting arrangements have been established at all levels where responsibility for financial management has been assigned, and
- There are regular reviews by senior management of periodic and annual performance and financial reports which indicate performance against budgets.

## Internal Audit

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The BAI has outsourced its internal audit function which is adequately resourced and conducts a risk-based programme of work agreed with the FAR Committee.

Internal Audit is responsible to the FAR for providing independent and objective evaluation of risk management, control and governance processes within BAI. Internal Audit examines the adequacy, efficiency and effectiveness of systems, people, and processes to identify potential risks and areas for improvement. During 2020, two operational audits were carried out by the Internal Auditor who reported their findings and recommendations to the Finance, Audit and Risk Committee. The operational areas reviewed included:

- Review of Sectoral Learning and Development Funding Scheme
- Review of Effectiveness of Internal Financial Controls

In 2019, during a routine ICT maintenance process a data breach resulting from the unauthorised access to two BAI email accounts from an unknown external source was identified. A series of additional ICT security measures were introduced in order to strengthen the existing ICT internal controls operating in the BAI. This breach impacted a relatively low number of data subjects, minimal personal data and did not include any special category of personal data. All affected data subjects were made aware of the nature of the breach and the actions taken by the BAI. The Data Protection Commission (DPC) was immediately notified of the breach (within the statutory limit of 72 hours). In August 2020, the DPC concluded their review of the breach and were satisfied with the information provided by the BAI and the actions taken by the BAI in response to the breach.

## Procurement

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We confirm that the Broadcasting Authority of Ireland has procedures in place to ensure compliance with current procurement rules and guidelines and that during 2020.

## Review of Effectiveness

We confirm that the BAI has procedures to monitor the effectiveness of its risk management and control procedures. The BAI's monitoring and review of the effectiveness of the system of internal controls is informed by the work of the internal and external auditors, the FAR Committee which oversees their work, and the senior management within the BAI responsible for the development and maintenance of the internal control framework.

We confirm that in February 2021 the Authority conducted an annual review of the effectiveness of the internal controls for 2020. This included an assessment of the wider impact of COVID-19 on BAI's financial control environment. This review was informed by work carried out by the BAI Executive, the internal auditor and the Finance, Audit and Risk Committee. The overall conclusion from the review was that there was an adequate system of internal control designed to manage the risks associated with the audited area to an acceptable level.

The BAI's Business Continuity Plan (BCP) took effect at the commencement of the pandemic and the introduction of remote working. A BCP team was activated, led by the Office of the CEO, and members representing key operational functions within the BAI including Finance, IT, Communications, Governance, Facilities, Health and Safety and Risk. The team met on a weekly basis initially and now is incorporated into monthly operations team meetings since the start of 2021. Reporting on all matters covered in BCP meetings has also been included on the agendas of all Senior Management Team meetings and regular updates are given at Authority, Finance Audit and Risk Committee and Statutory Committee meetings.

*Denis J Wolinski*

Denis J Wolinski (Jun 30, 2021 10:15 GMT+1)

**Denis Wolinski**

Member of Authority  
Nominated Chairperson  
30th June 2021

Key changes made to internal controls included the introduction of additional IT security measures such as multi-factor authentication in respect of access to BAI's IT systems. Cybersecurity continues to be closely monitored by BAI.

## Internal Control Issues

No weaknesses in internal control were identified in relation to 2020 that require disclosure in the financial statements.

*Vivien McKechnie*

**Vivien McKechnie**

Member of Authority  
30th June 2021



## Ard Reachtaire Cuntas agus Ciste Comptroller and Auditor General

### Report for presentation to the Houses of the Oireachtas

### Broadcasting Authority of Ireland

#### Opinion on the financial statements

I have audited the financial statements of the Broadcasting Authority of Ireland for the year ended 31 December 2020 as required under the provisions of section 37 of the Broadcasting Act 2009. The financial statements comprise

- the statement of income and expenditure and retained revenue reserves
- the statement of comprehensive income
- the statement of financial position
- the statement of cash flows and
- the related notes, including a summary of significant accounting policies.

In my opinion, the financial statements give a true and fair view of the assets, liabilities and financial position of the Broadcasting Authority of Ireland at 31 December 2020 and of its income and expenditure for 2020 in accordance with Financial Reporting Standard (FRS) 102 — *The Financial Reporting Standard applicable in the UK and the Republic of Ireland*.

#### *Basis of opinion*

I conducted my audit of the financial statements in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the appendix to this report. I am independent of the Broadcasting Authority of Ireland and have fulfilled my other ethical responsibilities in accordance with the standards.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Report on information other than the financial statements, and on other matters

The Broadcasting Authority of Ireland has presented certain other information together with the financial statements. This comprises the annual report (including the governance statement and Authority members' report) and the statement on internal control. My responsibilities to report in relation to such information, and on certain other matters upon which I report by exception, are described in the appendix to this report.

I have nothing to report in that regard.

**Mary Henry**  
For and on behalf of the  
Comptroller and Auditor General

30 June 2021



## Appendix to the report

### Responsibilities of Authority members

As detailed in the governance statement and Authority members' report, the Authority members are responsible for

- the preparation of financial statements in the form prescribed under section 37 of the Broadcasting Act 2009.
- ensuring that the financial statements give a true and fair view in accordance with FRS 102
- ensuring the regularity of transactions
- assessing whether the use of the going concern basis of accounting is appropriate, and
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Responsibilities of the Comptroller and Auditor General

I am required under section 37 of the Broadcasting Act 2009 to audit the financial statements of the Broadcasting Authority of Ireland and to report thereon to the Houses of the Oireachtas.

My objective in carrying out the audit is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement due to fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. In doing so,

- I identify and assess the risks of material misstatement of the financial statements whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- I obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.
- I evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures.

- I conclude on the appropriateness of the use of the going concern basis of accounting and, based on the audit evidence obtained, on whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Broadcasting Authority of Ireland's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause the Broadcasting Authority of Ireland to cease to continue as a going concern.
- I evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

### Information other than the financial statements

My opinion on the financial statements does not cover the other information presented with those statements, and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, I am required under the ISAs to read the other information presented and, in doing so, consider whether the other information is materially inconsistent with the financial statements or with knowledge obtained during the audit, or if it otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

### Reporting on other matters

My audit is conducted by reference to the special considerations which attach to State bodies in relation to their management and operation. I report if I identify material matters relating to the manner in which public business has been conducted.

I seek to obtain evidence about the regularity of financial transactions in the course of audit. I report if I identify any material instance where public money has not been applied for the purposes intended or where transactions did not conform to the authorities governing them.

I also report by exception if, in my opinion,

- I have not received all the information and explanations I required for my audit, or
- the accounting records were not sufficient to permit the financial statements to be readily and properly audited, or
- the financial statements are not in agreement with the accounting records.

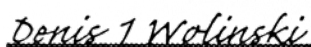
# Statement of Income and Expenditure and Retained Revenue Reserves

For the year ended 31 December 2020

	Note	2020 € '000	2019 € '000
<b>Income</b>			
Levy	2a	4,242	5,109
Exchequer Funding	2b	839	-
Licensing Fees	3	56	46
Other Income	4	711	723
<b>Gross Income</b>		5,848	5,878
<b>Expenditure</b>			
Staff Costs	5	2,557	2,373
Retirement Benefit Costs	17(c)	349	322
Authority/Committee Members' Fees & Expenses		88	119
Consultancy Fees	7	396	601
Legal Expenses		43	73
Advertising		44	41
Administrative Expenses	8	301	438
Auditors' Remuneration		14	13
Grant & Development Payments	9	398	555
Premises & Related Expenses	10	766	790
Depreciation		61	48
Bad Debts		-	4
Bank interest and charges		12	7
		5,029	5,384
<b>Surplus Income over Expenditure</b>		819	494
Refund of Levy	2	(794)	(377)
<b>Surplus after refund of Levy</b>		25	117
Transfer to/(from) Capital Account	15	33	(71)
<b>Retained Revenue Reserve</b>			
Balance at the beginning of the year		728	643
Surplus after refund of Levy and transfer to/(from) capital account		58	46
<b>Balance at the end of the year</b>		786	728

**The Statement of Cash Flows and Notes 1–21 form part of these Financial Statements.**

The Financial Statements were approved by the Authority on 24th June 2021 and signed on its behalf by:

  
 Denis J Wolinski (Jun 30, 2021 10:15 GMT+1)

**Denis Wolinski**  
 Member of Authority  
 Nominated Chairperson  
 30th June 2021



**Vivien McKechnie**  
 Member of Authority

  
 Celene Craig (Jun 30, 2021 09:17 GMT+1)

**Celene Craig**  
 Deputy Chief Executive

## Statement of Comprehensive Income

For the year ended 31 December 2020

	2020	2019
	€'000	€'000
Surplus after Refund of Levy & transfer to/from capital account	58	46
Experience gain/(loss) on retirement benefit scheme liabilities	(439)	(1,121)
Changes in assumptions underlying the present value of retirement benefit scheme obligations	(1,813)	(1,501)
Total actuarial (loss)/gain in the year	(2,252)	(2,622)
Adjustment to deferred Exchequer Retirement Benefit funding	2,252	2,622
<b>Other Comprehensive Income for the year</b>	<b>58</b>	<b>46</b>

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**Denis Wolinski**  
 Member of Authority  
 Nominated Chairperson  
 30th June 2021

Vivien McKechnie

**Vivien McKechnie**  
 Member of Authority

Celene Craig  
 Celene Craig (Jun 30, 2021 09:17 GMT+1)

**Celene Craig**  
 Deputy Chief Executive

# Statement of Financial Position

As at 31 December 2020

	Note	2020 € '000	2019 € '000
<b>Fixed Assets</b>			
Property, Plant and Equipment	11	79	112
<b>Current Assets</b>			
Receivables	12	2,002	861
Cash and cash equivalents	13	1,537	1,397
		3,539	2,258
<b>Current Liabilities</b>			
Payables (amounts falling due within one year)	14	(2,753)	(1,530)
		(2,753)	(1,530)
<b>Net Current Assets</b>		786	728
<b>Total Assets less Liabilities before Retirement Benefits</b>		865	840
Deferred retirement benefit asset	17	18,864	15,666
Retirement benefit liabilities	17	(18,864)	(15,666)
<b>Net Assets</b>		865	840
<b>Representing</b>			
Retained Revenue Reserves		786	728
Capital Account	15	79	112
		865	840

**The Statement of Cash Flows and Notes 1–21 form part of these Financial Statements.**

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30th June 2021

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**Vivien McKechnie**  
Member of Authority

Celene Craig  
Celene Craig (Jun 30, 2021 09:17 GMT+1)

**Celene Craig**  
Deputy Chief Executive

## Statement of Cash Flows

For the year ended 31 December 2020

	2020	2019
	€ '000	€ '000
<b>Net Cash Flows from Operating Activities</b>		
Surplus for the Year	58	46
Depreciation Charge	61	48
Transfer from Capital Account	(33)	71
Decrease/(Increase) in Receivables	(1,141)	137
Increase/(Decrease) in Payables	723	(52)
<b>Net Cash (Outflow)/Inflow from Operating Activities</b>	<b>(332)</b>	<b>250</b>
<b>Cash Flows from Financing Activities</b>		
Loan (Repayment)/Drawdown	500	0
<b>Cash Flows from Investing Activities</b>		
Payments to acquire Property, Plant and Equipment	(28)	(119)
<b>(Decrease)/Increase in Cash and Cash Equivalents</b>	<b>140</b>	<b>131</b>
Cash and Cash equivalents at beginning of year	1,397	1,266
<b>Cash and Cash equivalents at end of year</b>	<b>1,537</b>	<b>1,397</b>



# Notes to the Financial Statements

## 1. Accounting Policies

The basis of accounting and significant accounting policies adopted by the Broadcasting Authority of Ireland are set out below. They have all been applied consistently throughout the year and for the preceding year.

### a) General Information

The Broadcasting Authority of Ireland was established under the Broadcasting Act 2009, with a head office at 2-5 Warrington Place, Dublin 2. The Broadcasting Authority of Ireland's primary objectives, as set out in Section 25 of the Broadcasting Act 2009, are as follows:

1. The Authority and the statutory committees, in performing their functions, shall endeavour to ensure –
  - a. that the number and categories of broadcasting services made available in the State by virtue of this Act best serve the needs of the people of the island of Ireland, bearing in mind their languages and traditions and their religious, ethical and cultural diversity;
  - b. that the democratic values enshrined in the Constitution, especially those relating to rightful liberty of expression, are upheld, and
  - c. the provision of open and pluralistic broadcasting services.
2. Without prejudice to the generality of subsection (1), the Authority, and the statutory committees, shall –
  - a. stimulate the provision of high quality, diverse and innovative programming by commercial, community and public service broadcasters and independent producers;
  - b. facilitate public service broadcasters in the fulfilment of their public service objects as set out in this Act;
  - c. promote diversity in control of the more influential commercial and community broadcasting services;
  - d. provide a regulatory environment that will sustain independent and impartial journalism;
  - e. provide a regulatory environment that will sustain compliance with applicable employment law;
  - f. protect the interests of children taking into account the vulnerability of children and childhood to undue commercial exploitation;
  - g. provide a regulatory environment that will facilitate the development of a broadcasting sector in Ireland that is responsive to audience needs and in particular is accessible to people with disabilities and
  - h. promote and stimulate the development of Irish language programming and broadcasting services.
3. The Authority and the statutory committees, in performing their functions, shall seek to ensure that measures taken –
  - a. are proportionate having regard to the objectives set out in this section,
  - b. are applied across the range of broadcasting services taking account of the degree of influence that the different types of broadcasting services are able to exert in shaping audience views in the State,
  - c. are mindful of the objects, functions and duties set for public service broadcasters in Parts 7 and 8,

- d. will produce regulatory arrangements that are stable and predictable, and
- e. will readily accommodate and encourage technological development, and its application, by the broadcasting sector.

The Broadcasting Authority of Ireland is a Public Benefit Entity (PBE).

## b) Statement of Compliance

The financial statements of the Broadcasting Authority of Ireland for the year ended 31st December 2020 have been prepared in accordance with FRS 102, the financial reporting standard applicable in the UK and Ireland issued by the Financial Reporting Council (FRC).

## c) Basis of Preparation

The Financial Statements are prepared under the accruals method of accounting and under the historical cost convention in the form approved by the Minister for Tourism, Culture, Arts, Gaeltacht, Sport and Media with the concurrence of the Minister for Public Expenditure and Reform pursuant to section 37(4) of the Broadcasting Act 2009.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Broadcasting Authority of Ireland's financial statements.

## d) Income

### Levy Income

The Authority's main source of income is generated from a levy raised on public service broadcasters and broadcasting contractors as required under section 33 (1) of the Broadcasting Act 2009. The levy is used to fund the expenses of the operation of the Authority and the statutory committees and is based on budgeted expenditure for a given financial year.

Under Section 33(5) of the Broadcasting Act 2009, any surplus of levy income over the expenses incurred by the Authority in the discharge of its functions relevant to that levy in a particular financial year shall either be retained by the Authority to be offset against levy obligations for the subsequent year, or be refunded proportionately to the providers of broadcasting services on whom the levy is imposed.

The basis of the calculation of the levy is detailed in the Broadcasting Act 2009 (Section 33) Levy Order 2010 (S.I. no. 7/2010) and is accounted for on an accruals basis.

### Exchequer Funding

In October 2020, the Minister for Tourism, Culture, Arts, Gaeltacht, Sport and Media announced that the 2021 Exchequer Budget will make €839k available to the BAI in respect of the Q1/Q2 waiver of the broadcasting levy for the independent radio sector. This Exchequer Funding will be used by the BAI for the 2020 Levy Reconciliation Process to be carried out in 2021. Any Exchequer Funds not used for the 2020 Levy Reconciliation Process will be retained by the BAI for general expenditure and cash flow purposes and recognised as income in 2020.

### Licensing Fee Income

Further to the provisions of the Broadcasting Act 2009, the Authority is responsible for the awarding of contracts for television and radio services on a variety of platforms. In general, the Authority enters into two kinds of contracts with broadcasting operators as follows:

- Broadcasting Contracts; and
- Content Provision Contracts

Licensing fees may be payable by applicants for contracts and by contractors to the BAI pursuant to the statutory provisions. Such fees may vary from time to time in line with the Authority's policies and strategies.

### Other Income

Other Income is recognised on an accruals basis.

## Interest Income

Interest Income is recognised on an accruals basis using the effective interest method.

## e) Property Plant and Equipment and Depreciation

Property, plant and equipment are stated at cost less accumulated depreciation, adjusted for any provision for impairment. Depreciation is provided on all property, plant and equipment, at rates estimated to write off the cost less the estimated residual value of each asset on a straight-line basis over their estimated useful lives, as follows:

Computer Software & Equipment	33% per annum
Office Equipment	20% per annum
Fixtures and Fittings	10% per annum
Leasehold Improvements	10% per annum
Audio/Technical Equipment	33% per annum
Motor Vehicles	25% per annum

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of an age and in the condition expected at the end of its useful life. If there is objective evidence of impairment of the value of an asset, an impairment loss is recognised in the Statement of Income and Expenditure and Retained Revenue Reserves in the year.

## f) Receivables

Receivables are recognised at fair value, less a provision for doubtful debts. The provision for doubtful debts is a specific provision, and is established when there is objective evidence that the Authority will not be able to collect all amounts owed to it. All movements in the provision for doubtful debts are recognised in the Statement of Income and Expenditure and Retained Revenue Reserves.

## g) Operating Leases

Rental expenditure under operating leases is recognised in the Statement of Income and Expenditure and Retained Revenue Reserves over the life of the lease. Expenditure is recognised on a straight-line basis over the lease period, except where there are rental increases linked to the expected rate of inflation, in which case these increases are recognised when incurred. Any lease incentives received are recognised over the life of the lease.

## h) Employee Benefits

### i. Short-term Benefits

Short term benefits such as holiday pay are recognised as an expense in the year, and benefits that are accrued at year-end are included in the payables figure in the Statement of Financial Position.

### ii. Retirement Benefits

#### Nature of Schemes

The Broadcasting Authority of Ireland operates the following defined pension schemes in respect of employees:

- Employees appointed before 1st January 2013 are members of the BAI Superannuation Scheme and its Spouses and Children's' Pension Scheme. These scheme structures are based on the Public Service Model (the "Model Scheme").
- Employees appointed after 1st January 2013 are members of the Single Public Service Pension Scheme, which provides consumer price index-linked defined benefit pensions based on career-average pay (the "Single Scheme").

The schemes are unfunded by the Authority, with pension benefits payable by the Exchequer. The Authority's arrangements have a number of specific characteristics:

- The Authority makes agreed contributions to the Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media (for the Model Scheme) and to the Department of Public Expenditure and Reform (for the Single Scheme)

- The contributions for both schemes comprise an employee element along with an employer element. The employer contributions, paid by the Authority, for the Model Scheme amount to 16.66% of gross pay. The employer contribution paid by the Authority to the Single Scheme amount to three times the employee contribution
- There is a commitment from the Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media, with the agreement of the Department of Public Expenditure and Reform, that the Exchequer will meet the cost of benefits as they fall due
- An asset corresponding to the unfunded deferred liability for retirement benefit on the Single Public Service Pension Scheme is recognised on the basis of the provisions of Section 44 of the Public Service Pensions (Single Scheme and other provisions) Act 2012

In substance, the Authority considers that the obligation to pay pension benefits remains with the Authority, but that the Exchequer will provide the Authority with sufficient funds to settle any such obligations as they fall due, on the basis that the Authority pays over employees' and the employer's contributions at rates specified by the Minister for Public Expenditure and Reform.

Accordingly, the financial statements recognise both a deferred pension benefit obligation and a deferred exchequer pension funding receivable and full details of Superannuation benefit payments are included in the financial statements as an expenditure item and there is a corresponding income representing Exchequer Retirement Benefit.

### **Schemes actuarial gains or losses**

Actuarial gains or losses arising from changes in actuarial assumptions and from experience surpluses and deficits are recognised for the year in which they occur and a corresponding adjustment is recognised to the balance for deferred exchequer retirement benefit funding. Pension costs in the statement of income and expenditure and retained revenue reserves comprise the employer's contribution in the year.

### **Schemes liabilities**

Scheme liabilities represented by the present value of future payments earned by Authority employees to date are measured on an actuarial basis using the projected unit method. Pension costs reflect pension benefits earned by employees. The amount to be included in the financial statements for the deferred exchequer benefit funding amount is estimated at an amount equal to the estimate of the obligation for the pension scheme liabilities.

Further information on the schemes is provided in note 17.

## **i) Capital Account**

The Capital Account represents the unamortised amount of income used to purchase fixed assets.

## **j) Foreign Currencies**

Transactions denominated in foreign currencies are translated into euro and recorded at the rate of exchange ruling at the dates of transactions. Monetary assets and liabilities denominated in foreign currencies are translated into euro at rates of exchange ruling at the reporting date.

## **k) Taxation**

The Authority is not liable for Corporation Tax. Income raised by the Authority is subject to VAT.

## I) Critical Accounting Judgements and Estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the reporting date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements have had the most significant effect on amounts recognised in the financial statements.

### Going Concern

There is no material uncertainty regarding the Broadcasting Authority of Ireland's ability to meet its liabilities as they fall due, and to continue as a going concern. On this basis, the Broadcasting Authority of Ireland considers it appropriate to prepare financial statements on a going concern basis. Accordingly, these financial statements do not include any adjustments to the carrying amounts and classification of assets and liabilities that may arise if the Broadcasting Authority of Ireland was unable to continue as a going concern.

In making this assessment, the Authority has considered the impact of COVID-19 and do not consider that the impact will be so significant as to cast doubt on BAI's ability to continue in operational existence.

### Impairment of Property, Plant and Equipment

Tangible Fixed Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use.

For the purpose of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

### Depreciation and Residual Values

The Authority has reviewed the asset lives and associated residual values of all fixed asset classes, and, in particular, the useful economic life and residual values of fixtures and fittings, and have concluded that asset lives and residual values are appropriate.

### Provision for Doubtful Debts

The Authority makes an estimate of the recoverable value of debtors and other receivables. The Authority uses estimates based on historical experience in determining the level of debts which may not be collected. These estimates include such factors as the current rating of the debtor, the ageing profile of debtors and historical experience. The level of provision required is reviewed on an on-going basis. The fair value of debtors in the financial statements approximate to their carrying amounts.

### Provisions

The Authority makes provisions for legal and constructive obligations, which it knows to be outstanding at the period end date. These provisions are generally made based on historical or other pertinent information, adjusted for recent trends where relevant. However, they are estimates of the financial costs of events that may not occur for some years. As a result of this and the level of uncertainty attaching to the final outcomes, the actual out-turn may differ significantly from that estimated.



## Retirement Benefit Obligation

The assumptions underlying the actuarial valuations for which the amounts recognised in the financial statements are determined (including discount rates, rates of increase in future compensation levels, mortality rates and healthcare cost trend rates) are updated annually based on current economic conditions, and for any relevant changes to the terms and conditions of the pension and post-retirement plans.

The assumptions can be affected by:

- i. the discount rate, changes in the rate of return on high-quality corporate bonds;
- ii. future compensation levels, future labour market conditions; and
- iii. health care cost trend rates, the rate of medical cost inflation in the relevant regions.

## Deferred pension funding

The Authority recognises amounts owing from the State for the unfunded deferred liability for pensions on the basis of a number of past events. These events include the statutory backing for the superannuation schemes, and the policy and practice in relation to funding public service pensions including the annual estimates process. While there is no formal agreement and therefore no guarantee regarding these specific amounts with the Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media or the Department of Public Expenditure and Reform, the Authority has no evidence that this funding policy will not continue to progressively meet this amount in accordance with current practice.

## 2. Levy

### a) Industry Levy

Section 33 of the Broadcasting Act 2009 requires the Authority to recoup the expenses properly incurred by the Authority and the statutory committees in the performance of their functions through the imposition of a levy or charge on public service broadcasters and broadcasting contractors.

The terms of this Levy, including the method of calculation, are set out in Statutory Instrument No. 7 of 2010, Broadcasting Act 2009 (Section 33) Levy Order 2010 (the 'Levy Order').

On 22 January 2010, in exercise of the powers conferred on it by Section 33 of the Broadcasting Act 2009, the Authority published the Levy Order. The Levy Order came into operation on the 17th January 2010.

The amount levied on broadcasters in 2020 was €4.242M which included interest of €1k. The levy amount was based on the Authority's budgeted expenditure for levy purposes for 2020 and broadcasters' qualifying income for 2019. The Authority's budgeted expenditure for levy purposes in 2020 was originally estimated to be €5.240M. Due to the levy waiver (€1M) for independent radio stations for the first six months of 2020 the amount levied during 2020 was €4.242M.

Each year, the Authority conducts a levy reconciliation to compare the amount levied on broadcasters against the actual levy charge. This reconciliation will be carried out when the 2020 Authority expenditure for levy purposes has been approved and broadcasters have provided their actual qualifying income for 2019. Broadcasters will be subsequently issued with an invoice or a credit note for this adjustment.

The levy reconciliation processes for 2019 was carried out during 2020; the total levy refunded to broadcasters was €376,309. This amount was recognised in the 2019 Financial Statements. A refund of €794,406 is due to broadcasters in respect of the 2020 levy year and has been recognised in the 2020 Statement of Income and Expenditure and Retained Revenue Reserves. In light of the Q1 and Q2 levy Waiver for independent radio broadcasters, the final amount to be refunded to each broadcaster will be confirmed as part of the Levy Reconciliation Process to be carried out in Q3 2021. At this stage the BAI will have the Actual Qualifying Income of all Broadcasters and will be in a position to make a final determination with regard to the levy refund or additional charge due to individual broadcasters in light of the levy waiver.

It is anticipated that due to the BAI's lower levy costs for 2020, broadcasters not in receipt of the levy waiver will be the main beneficiaries of the levy refund.

### b) Levy Waiver

The COVID-19 pandemic has had a significant impact on the finances of the independent broadcasting sector since March 2020. In recognition of this, the then Minister requested the Authority to consider waiving the levy on independent radio stations for the first six months of 2020. The Authority considered this request at its March 2020 meeting and agreed to the waiver. This levy waiver reduced the BAI's 2020 income by €1M, approximately 20% of the Authority's levy income per its original 2020 approved budget.

To bridge this shortfall, the Authority approved a Revised Budget and workplan for 2020 at its May 2020 meeting and it was subsequently agreed that Exchequer funding would also be made available.

To ensure adequate cashflow during 2020, the Authority approved a drawdown of €500k from its loan facility with the NTMA. This loan was repaid in February 2021. In October 2020, the Minister for Tourism, Culture, Arts, Gaeltacht, Sport and Media announced that the 2021 Exchequer Budget will make €839k available to the BAI in respect of the Q1/Q2 waiver of the broadcasting levy for the independent radio sector.

## 3. Licensing Fees

	2020	2019
	€'000	€'000
Television	56	46
	<b>56</b>	<b>46</b>

## 4. Other Income

	2020	2019
	€'000	€'000
Other	-	1
Broadcasting Fund Income	711	722
	<b>711</b>	<b>723</b>

Other income includes expenditure incurred by the Broadcasting Authority of Ireland and which is recharged to the Broadcasting Fund. This includes salaries of €494k (2019: €494k), general overheads of €164k (2019: €160k), BFS sponsorship contribution of €40k (2019: €56k) and investment advice €13k (2019: €13k).

## 5. Remuneration

### a) Aggregate Employee Benefits

	2020	2019
	€ '000	€ '000
Staff short-term benefits	2,356	2,191
Employer's contribution to social welfare	201	183
	<b>2,557</b>	<b>2,374</b>

In 2020, Staff Costs include €494k (2019: €494k) which is recharged to the Broadcasting Fund and is recognised in Other Income. There were three people (2019: 4) working in the BAI during 2020 employed via an agency. The gross cost to the BAI in respect of agency personnel in 2020 was €90k (2019: €64k). The average number of persons employed by the Authority (excluding Agency personnel) during the year was as follows:

	2020	2019
Senior Management	10	10
Other Staff	28	27
Actual Full-time Equivalent	<b>38</b>	<b>37</b>
Actual Full-time Equivalent at 31 December	37*	37*
Employment Control Framework (ECF) at 31 December	<b>35</b>	<b>35</b>

\*includes additional staff sanction received on a temporary basis to carry out additional AVMSD work

### b) Additional Superannuation Contribution

From 1 January 2019 onwards, members of public services defined benefit pension schemes pay an Additional Superannuation Contribution (ASC) arising from the Public Stability Agreement (2018 – 2020) and the Public Pay and Pensions Act 2017. ASC has replaced the Pension-Related Deduction (PRD) which ceased at the end of 2018. While PRD was a temporary emergency measure, ASC is a permanent contribution. ASC deductions of €77,430 (2019: €82,824) were made from staff salaries during the year and were submitted to the Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media.

### c) Staff Short-Term Benefits

	2020	2019
	€ '000	€ '000
Basic pay	2,356	2,191
Overtime	-	-
	<b>2,356</b>	<b>2,191</b>

No termination payments were paid in 2020.

### d) Single Public Service Pension Scheme (Single Scheme)

Pensionable public servants appointed on or after 1 January 2013 join the Single Scheme, which is an average salary, defined benefit scheme. In 2020, staff contributions to the Single Scheme totalled €26,529 (2019: €26,967). The BAI's liability for employer contributions to the Single Scheme was €85,586 (2019: €80,903).

### e) Key Management Personnel

Current key management personnel in the Broadcasting Authority of Ireland consists of the Chief Executive, the Deputy Chief Executive and the eight members of the Senior Management Team. The total value of employee benefits for key management personnel is set out below:

	2020	2019
	€ '000	€ '000
Salary	862	758
	<b>862</b>	<b>758</b>

This does not include the value of retirement benefits earned in the period. The key management personnel are members of the Broadcasting Authority of Ireland pension scheme and their entitlements in that regard do not extend beyond the terms of the Single Scheme or the Model Scheme.

## 6. Chief Executive's Remuneration

The total value of remuneration of the Chief Executive in the year ended 31st December 2020 was €132,768 (2019: €129,774) and an employer's superannuation contribution was made of €22,129 (2019: €21,629). The Chief Executive's pension entitlements do not extend beyond those standard entitlements of the Public Sector Model Scheme. No bonus was paid to the Chief Executive in 2020.

## 7. Consultancy Fees

	2020	2019
	€ '000	€ '000
Auditing & Monitoring	21	33
Policy, Codes and Rules	177	244
General Consultancy	198	283
IT Consultancy	-	41
	<b>396</b>	<b>601</b>

## 8. Administrative Expenses

	2020	2019
	€ '000	€ '000
Travel & Subsistence	8	66
Human Resources	58	58
Telephone & Postage	35	41
Office Expenses	31	114
Professional Affiliations & Subscriptions	40	20
Information Technology	129	139
	<b>301</b>	<b>438</b>

In 2020, staff foreign travel of €1k (2019: €49k); staff domestic travel of €7k (2019: €15k) and non-staff travel costs of €Nil (2019: €2k) are included in Travel & Subsistence costs. Costs of €9k (2019: €19k) relating to staff and other BAI catering are included in Office Expenses.

## 9. Grant & Development Payments

	2020	2019
	€ '000	€ '000
Network Funding	243	331
Broadcasting Innovation Scheme	26	49
Community Broadcasting Support Scheme	16	11
Media Research Funding Scheme	33	56
Sponsorship	80	107
	<b>398</b>	<b>554</b>

## 10. Premises & Related Expenses

	2020	2019
	€ '000	€ '000
Rent, Rates, Service Charges & Building Maintenance	667	687
Security & Cleaning	84	86
Light & Heat	15	17
	<b>766</b>	<b>790</b>

## 11. Property, Plant and Equipment

	Total	Computer Software & Equipment	Office Equipment	Fixtures & Fittings	Leasehold Improvements	Audio/ Technical Equipment	Motor Vehicle
	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000	€ '000
<b>Cost</b>							
<b>At 01.01.2020</b>	<b>3,852</b>	<b>373</b>	<b>52</b>	<b>633</b>	<b>2,630</b>	<b>164</b>	<b>0</b>
Additions	28	24	4	-	-	-	-
Disposals	-	-	-	-	-	-	-
<b>At 31.12.2020</b>	<b>3,880</b>	<b>397</b>	<b>56</b>	<b>633</b>	<b>2,630</b>	<b>164</b>	<b>0</b>
<b>Depreciation</b>							
<b>At 01.01.2020</b>	<b>3,740</b>	<b>288</b>	<b>44</b>	<b>631</b>	<b>2,614</b>	<b>163</b>	<b>0</b>
Charge for Year	61	54	4	0	3	0	-
Disposals	-	-	-	-	-	-	-
<b>At 31.12.2020</b>	<b>3,801</b>	<b>342</b>	<b>48</b>	<b>631</b>	<b>2,617</b>	<b>163</b>	<b>0</b>
<b>Net Book Value</b>							
<b>At 01.01.2020</b>	<b>112</b>	<b>85</b>	<b>8</b>	<b>2</b>	<b>16</b>	<b>1</b>	<b>0</b>
<b>At 31.12.2020</b>	<b>79</b>	<b>55</b>	<b>8</b>	<b>2</b>	<b>13</b>	<b>1</b>	<b>0</b>

## 12. Receivables

	2020	2019
	€ '000	€ '000
Debtors	595	472
Department of TCAGSM	839	-
Prepayments	208	189
Broadcasting Fund	360	194
Others	-	5
	<b>2,002</b>	<b>860</b>

The fair values of debtors and prepayments approximate to their carrying amounts. All debtors are due within one year. Debtors are shown net of impairment in respect of doubtful debts.

## 13. Cash and cash equivalents

	2020	2019
	€ '000	€ '000
Short Term Deposits	279	279
Cash at Bank	1,258	1,118
<b>Total</b>	<b>1,537</b>	<b>1,397</b>

Short term deposits have maturities of less than 3 months and are rolled over on maturity.



## 14. Payables (amounts falling due within one year)

	2020	2019
	€ '000	€ '000
Trade Creditors	37	76
Levy Refundable to Broadcasters	794	377
Superannuation Contributions	161	85
Accruals	526	484
Revenue Commissioners	510	275
Deferred Income	225	229
NTMA Loan	500	-
Other	-	4
	<b>2,753</b>	<b>1,530</b>

Tax and social insurance are subject to the normal terms of the relevant legislation. No interest was due at the financial year end. The terms of accruals are based on underlying contracts. Other amounts included within creditors not covered by specific note disclosures are unsecured, interest-free and repayable on demand.

## 15. Capital Account

	2020	2019
	€ '000	€ '000
Balance as at 1 January	112	41
Transfer (to)/from Income and Expenditure Account:		
Funding of Asset Additions	28	119
Amortisation in line with Asset Depreciation	(61)	(44)
Disposal	-	(2)
Reclassification	-	(2)
<b>Transfer (to)/from Income and Expenditure Account</b>	<b>(33)</b>	<b>71</b>
<b>Balance as at 31 December</b>	<b>79</b>	<b>112</b>

## 16. Operating Leases

The Authority occupies premises at 2-5 Warrington Place, Dublin 2, on which it holds a lease entered into in 2001 for 20 years. Under this lease, rent payments amounting to €530,000 were made in 2020 (2019: €530,000).

## Lease Commitments

	2020	2019
	€	€
Under 1 Year	530,000	530,000
Between 2-5 Years	-	530,000
Over 5 Years	-	-
	<b>530,000</b>	<b>1,060,000</b>

## 17. Retirement Benefit Costs

### a) Retirement Benefits

The Broadcasting Authority of Ireland operates the following defined pension schemes in respect of employees:

- Employees appointed before 1st January 2013 are members of the BAI Superannuation Scheme and its Spouses and Children's Pension Scheme. These scheme structures are based on the Public Service Model (the Model Scheme).
- Employees appointed after 1st January 2013 are members of the Single Public Service Pension Scheme, which provides consumer price index-linked defined benefit pensions based on career-average pay (the "Single Scheme").

The Broadcasting Authority of Ireland is a statutory body, established under the Broadcasting Act 2009. Section 16 of the Act provides that the Authority shall make a scheme or schemes for granting of superannuation benefits to, and in respect of, its staff members subject to Ministerial approval. The Broadcasting Authority of Ireland's Superannuation Scheme and its Spouses & Children's Pension Scheme (compulsory with membership of the main scheme) were operated on an administrative basis until 15 June 2017. The Scheme was sanctioned by the Minister for Communications, Climate Action and Environment with the consent of the Minister for Public Expenditure and Reform and formally came into operation on the 16 June 2017. The former scheme provides retirement benefits (lump sum and pension) to staff members, and death gratuity benefits in respect of death in service.

The latter scheme provides pension benefits for the surviving spouses and dependent children of deceased members. Both schemes are unfunded, defined benefit, superannuation schemes.

The Single Public Service Pension Scheme (Single Scheme) is the defined benefit pension scheme for pensionable public servants appointed on or after 1 January 2013 in accordance with the Public Service Pension (Single Scheme and Other Provisions) Act 2012. The scheme provides for a pension and retirement lump sum based on career-average pensionable remuneration, and spouse's and children's pensions. The minimum pension age is 66 years (rising in line with State pension age changes). It includes an actuarially-reduced early retirement facility from age 55. Pensions in payment increase in line with the consumer price index.

As described in the accounting policy, the Broadcasting Authority of Ireland makes an annual contribution to the Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media, which has undertaken to provide funding to the Authority to pay retirement benefits as they fall due. The Authority has adapted the treatment and disclosures required by FRS 102 to reflect the arrangements in operation.

The pension liability at 31 December 2020 is €18,864k (2019: €15,666k). Under the arrangement in place, the Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media will reimburse in full the pension liability of the Authority, as and when those liabilities fall due for payment. The Authority recognises its right to the reimbursement as a separate asset.

The results are set out below on an actuarial valuation of the pension liabilities in respect of Authority staff as at 31 December 2020. This valuation was carried out by a qualified independent actuary.

## b) Principal Actuarial Assumptions

The principal actuarial assumptions were as follows:	2020	2019
Rate of increase in salaries	2.50%	2.50%
Rate of increase in pensions in payment	2.00%	2.00%
Discount Rate	0.80%	1.20%
Inflation Rate	1.50%	1.50%

The mortality basis adopted allows for improvements in life expectancy over time, so that life expectancy at retirement will depend on the year in which a member attains retirement age (age 65). The table below shows the life expectancy for members attaining 65 in 2020 and 2040.

Year of attaining age 65	2020	2040
Life expectancy – male	21.70	24.00
Life expectancy - female	24.10	26.10

## c) Analysis of Total Retirement Benefit Costs

Total retirement benefit costs charged to the Statement of Income and Expenditure and Retained Revenue Reserves in respect of retirement benefit costs consist of the following:

	2020	2019
	€'000	€'000
Employer contribution paid to DTCAGSM/DPER	349	322
Current service cost	766	727
Interest on retirement benefit scheme liabilities	186	230
Adjustment to deferred retirement benefit funding	(952)	(957)
	<b>349</b>	<b>322</b>

## d) Movement in net retirement benefit obligations during the financial year

	2020	2019
	€'000	€'000
Opening balance	15,666	12,092
Current service cost	766	727
Interest on retirement benefit scheme liabilities	186	230
Actuarial Loss/(Gain)	2,252	2,622
Benefits paid	(6)	(5)
Net retirement benefit obligation at 31st December	<b>18,864</b>	<b>15,666</b>

## e) History of scheme liabilities and experience (gains)/losses

	Financial year ending in				
	2020	2019	2018	2017	2016
	€'000	€'000	€'000	€'000	€'000
Defined benefit obligation	18,864	15,666	12,092	11,491	10,476
Deficit	18,864	(15,666)	(12,092)	(11,491)	(10,476)
Experience loss/(gains) on plan liabilities	(439)	(1,501)	(216)	358	59
Experience gains as percentage of plan liabilities	(2%)	(10%)	(1.8%)	3.4%	(0.6%)

## 18. Capital Commitments

There were no capital commitments at 31 December 2020.

## 19. Related party disclosure

The Authority has adopted procedures in accordance with the provisions of the Broadcasting Act 2009 and the guidelines issued by the Department of Public Expenditure and Reform in relation to the disclosure of interests by Authority and/or Committee Members and those procedures were adhered to by the Authority and Committees during the year.

There were no transactions in the year in relation to the Authority's activities in which any Authority members had any beneficial interest. Please refer to Note 6 for the Chief Executive details and to the Governance Statement and Authority Members Report for Authority Members fees and expenses.

## 20. Going Concern

In March 2020, in line with Government advice, the BAI moved to a remote working model as a result of the Covid-19 pandemic. The Authority assesses this event to be a non-adjusting post balance sheet event in relation to its 2020 financial statements and has factored the Covid-19 pandemic into its overall risk management processes and operations in 2020 and for estimates into 2021.

The Houses of the Oireachtas are currently considering the Online Safety and Media Regulation Bill which proposes the establishment of a Media Commission to regulate linear broadcasters, on demand audiovisual media services and online platforms in Ireland.

Part 3 of the Bill proposes the dissolution of the BAI and the transfer of its current functions and the staff of the BAI to the Media Commission. The draft legislation also provides for the orderly winding up of the BAI's operations and the transfer of its assets and liabilities to the proposed Media Commission. Head 48 of the Bill makes provision for the final accounts and annual report of the BAI.

Until the final legislation is enacted and the relevant provisions of the new legislation commenced, the BAI continues to budget and raise income for its continuation in its current format and, as such, has not included any provision for such dissolution in its accounts for the year ended 31/12/2020.

Having regard to the above, the Authority is satisfied that these Financial Statements should be prepared on a going concern basis.

## 21. Approval of Financial Statements

The financial statements were approved by the Authority at its meeting on 24th June 2021.



The Broadcasting Fund

# **Financial Statements For the year ended 31 December 2020**

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## Authority Information

### Authority Members

Alan McDonnell

Grace Smith

Denis Wolinski

Seán Ó Mordha

Rosemary Day

Maeve McDonagh

Mary Curtis

Vivien McKechnie

### Authority Secretary

Andrew Robinson

### Solicitors

Byrne Wallace  
88 Harcourt Street  
Dublin 2

Ivor Fitzpatrick & Company  
Solicitors  
44-45 St Stephen's Green  
Dublin 2

Philip Lee  
7/8 Wilton Terrace  
Dublin 2

### Bankers

Ulster Bank  
Baggot Street Lower  
Dublin 2

### Auditors

Comptroller and Auditor General  
3A Mayor Street Upper  
Dublin 1

## Statement of Responsibilities

Pursuant to the terms of the Broadcasting Act 2009, the Broadcasting Authority of Ireland is responsible for the control and management of the Broadcasting Fund. The Authority manages and controls a current account and an investment account as per Section 157 (2) of the Act. The Authority manages the current account for the day to day running of the Broadcasting Fund, including the receipt of income under Section 156 (2)/(3) of the 2009 Act, payment of Grants and Awards under schemes of the Broadcasting Fund and any expenditure incurred by the Authority for the operation of the Broadcasting Fund.

Monies not required to meet the current liabilities of the Broadcasting Fund are paid into the investment account. These monies are invested in line with the Authority's Investment Policy.

The Broadcasting Authority of Ireland is also responsible for preparing financial statements of the Broadcasting Fund for the year 1st January to 31st December 2020, so as to give a true and fair view of the financial performance and financial position of the Fund.

Details of the Broadcasting Authority of Ireland's governance and control systems and procedures are set out in the Broadcasting Authority of Ireland's statement on internal control and governance statement.

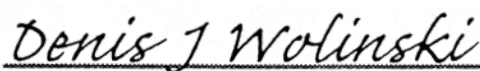
In preparing the financial statements, the Authority is required to:

- Select suitable accounting policies and then apply them consistently;

- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Fund will continue in operation; and
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The Broadcasting Authority of Ireland is responsible for:

- Keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the Fund and enabling it to ensure that the financial statements comply with section 157(8) of the Schedule to the Broadcasting Act 2009 and are in a form approved by the Minister for Tourism, Culture, Arts, Gaeltacht, Sport and Media after consultation with the Minister for Public Expenditure and Reform.
- Safeguarding the assets of the Fund and taking reasonable steps for the prevention and detection of fraud and other irregularities.



Denis J Wolinski (Jun 30, 2021 10:11 GMT+1)

**Denis Wolinski**

Member of Authority  
Nominated Chairperson  
30th June 2021



**Vivien McKechnie**

Member of Authority  
30th June 2021



## Ard Reachtaire Cuntas agus Ciste Comptroller and Auditor General

### Report for presentation to the Houses of the Oireachtas Broadcasting Fund

#### Opinion on the financial statements

I have audited the financial statements of the Broadcasting Fund for the year ended 31 December 2020 as required under the provisions of section 157 of the Broadcasting Act 2009. The financial statements comprise

- the statement of income and expenditure and retained revenue reserves
- the statement of financial position
- the statement of cash flows and
- the related notes, including a summary of significant accounting policies.

In my opinion, the financial statements give a true and fair view of the assets, liabilities and financial position of the Broadcasting Fund at 31 December 2020 and of its income and expenditure for 2020 in accordance with Financial Reporting Standard (FRS) 102 — *The Financial Reporting Standard applicable in the UK and the Republic of Ireland*.

#### *Basis of opinion*

I conducted my audit of the financial statements in accordance with the International Standards on Auditing (ISAs) as promulgated by the International Organisation of Supreme Audit Institutions. My responsibilities under those standards are described in the appendix to this report. I am independent of the Broadcasting Authority of Ireland and have fulfilled my other ethical responsibilities in accordance with the standards.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

#### Report on information other than the financial statements, and on other matters

The Broadcasting Authority of Ireland has presented certain other information together with the financial statements of the Broadcasting Fund. This comprises the annual report (including the governance statement and the Authority members' report) and the statement on internal control. My responsibilities to report in relation to such information, and on certain other matters upon which I report by exception, are described in the appendix to this report.

I have nothing to report in that regard.

**Mary Henry**  
For and on behalf of the  
Comptroller and Auditor General

30 June 2021

## Appendix to the report

### Responsibilities of Authority members

As detailed in the statement of responsibilities, the Authority members are responsible for

- the preparation of financial statements in the form prescribed under section 157 of the Broadcasting Act 2009
- ensuring that the financial statements give a true and fair view in accordance with FRS 102
- ensuring the regularity of transactions
- assessing whether the use of the going concern basis of accounting is appropriate, and
- such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Responsibilities of the Comptroller and Auditor General

I am required under 157 of the Broadcasting Act 2009 to audit the financial statements of the Broadcasting Fund and to report thereon to the Houses of the Oireachtas.

My objective in carrying out the audit is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement due to fraud or error. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the ISAs, I exercise professional judgment and maintain professional scepticism throughout the audit. In doing so,

- I identify and assess the risks of material misstatement of the financial statements whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- I obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal controls.
- I evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures.

- I conclude on the appropriateness of the use of the going concern basis of accounting and, based on the audit evidence obtained, on whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Broadcasting Fund's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my report. However, future events or conditions may cause the Broadcasting Fund to cease to continue as a going concern.
- I evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

### Information other than the financial statements

My opinion on the financial statements does not cover the other information presented with those statements, and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, I am required under the ISAs to read the other information presented and, in doing so, consider whether the other information is materially inconsistent with the financial statements or with knowledge obtained during the audit, or if it otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

### Reporting on other matters

My audit is conducted by reference to the special considerations which attach to State bodies in relation to their management and operation. I report if I identify material matters relating to the manner in which public business has been conducted.

I seek to obtain evidence about the regularity of financial transactions in the course of audit. I report if I identify any material instance where public money has not been applied for the purposes intended or where transactions did not conform to the authorities governing them.

I also report by exception if, in my opinion,

- I have not received all the information and explanations I required for my audit, or
- the accounting records were not sufficient to permit the financial statements to be readily and properly audited, or
- the financial statements are not in agreement with the accounting records.

# Statement of Income and Expenditure and Retained Revenue Reserves

For the year ended 31 December 2020

	Note	2020 € '000	2019 € '000
<b>Income</b>			
Oireachtas Grant	3 (a)	14,877	14,793
Exchequer Funding	3 (b)	3,000	-
Recoupment of Income from Funded Projects	2	158	42
Interest Receivable		-	6
<b>Total</b>		18,035	14,841
<b>Expenditure</b>			
Grants and Awards	3 (d)	11,591	12,089
Staff Costs	5	494	497
Legal Fees		12	0
Administration Costs	6	413	398
Interest Payable		3	-
Audit Fee		8	8
Assessment Costs		63	71
Consultancy Costs	7	28	146
<b>Total</b>		12,612	13,209
<b>Surplus of Income over Expenditure</b>		5,423	1,632
<b>Balance at beginning of year</b>		22,841	21,209
<b>Balance at end of year</b>		28,264	22,841

**The Statement of Cash Flows and Notes 1–12 form part of these Financial Statements.**

The Financial Statements were approved Authority on the 24th June 2021 and signed on its behalf by:

*Denis J Wolinski*  
 Denis J Wolinski (Jun 30, 2021 10:11 GMT+1)

**Denis Wolinski**  
 Member of Authority  
 Nominated Chairperson  
 30th June 2021

*Vivien McKechnie*

**Vivien McKechnie**  
 Member of Authority

*Celene Craig*  
 Celene Craig (Jun 30, 2021 09:10 GMT+1)

**Celene Craig**  
 Deputy Chief Executive

## Statement of Financial Position

As at 31 December 2020

	Note	2020 € '000	2019 € '000
<b>Current Assets</b>			
Receivables	9	70	28
Cash and cash equivalents	8	13,704	10,758
Other short term deposits	8	18,750	12,250
		32,524	23,036
<b>Current Liabilities</b>			
Payables (amounts due within one year)	10	(4,260)	(195)
<b>Net Assets</b>			
		28,264	22,841
<b>Representing</b>			
Retained Revenue Reserves		28,264	22,841
		28,264	22,841

**The Statement of Cash Flows and Notes 1–12 form part of these Financial Statements.**

The Financial Statements were approved Authority on the 24th June 2021 and signed on its behalf by:

*Denis J Wolinski*  
 Denis J Wolinski (Jun 30, 2021 10:11 GMT+1)

**Denis Wolinski**  
 Member of Authority  
 Nominated Chairperson  
 30th June 2021

*Vivien McKechnie*

**Vivien McKechnie**  
 Member of Authority

*Celene Craig*  
 Celene Craig (Jun 30, 2021 09:10 GMT+1)

**Celene Craig**  
 Deputy Chief Executive



## Statement of Cash Flows

For the year ended 31 December 2020

	2020	2019
	€ '000	€ '000
<b>Net Cash Flows from Operating Activities</b>		
Surplus for Year	5,423	1,632
Returns on Investments	3	(6)
Decrease in Receivables	(42)	(13)
Increase in Payables	4,065	145
<b>Net Cash Inflow /(Outflow) from Operating Activities</b>	<b>9,449</b>	<b>1,758</b>
<b>Cash Flows from Investing Activities</b>		
Interest (Paid)/Received	(3)	6
Invested in Short-term Deposits	(6,500)	2,050
<b>Net Cash Flows for Investing Activities</b>	<b>(6,503)</b>	<b>2,056</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>2,946</b>	<b>3,814</b>
<b>Cash/Cash Equivalents at 1 January</b>	<b>10,758</b>	<b>6,944</b>
<b>Cash/Cash Equivalents at 31 December</b>	<b>13,704</b>	<b>10,758</b>

# Notes to the Financial Statements

## 1. Accounting Policies

The basis of accounting and significant accounting policies adopted by the Broadcasting Authority of Ireland (BAI) in respect of the Broadcasting Fund are set out below. They have all been applied consistently throughout the year and for the preceding year.

### a) General Information

The Broadcasting Fund was set up under the Broadcasting Funding Act 2003, and it was previously managed by the Broadcasting Commission of Ireland. Under the Broadcasting Act 2009, management of the Fund transferred to the Broadcasting Authority of Ireland.

The BAI is responsible for the administration of the Broadcasting Fund and the authorisation of transactions on the Fund. The governance arrangements and control procedures within the BAI apply to the Fund.

### b) Statement of Compliance

The financial statements of the Broadcasting Fund for the year ended 31 December 2020 have been prepared in accordance with FRS 102, the financial reporting standard applicable in the UK and Ireland issued by the Financial Reporting Council (FRC), as promulgated by Chartered Accountants Ireland.

### c) Basis of Preparation

The Financial Statements are prepared under the accruals method of accounting and under the historical cost convention in the form approved by the Minister for Tourism, Culture, Arts, Gaeltacht, Sport and Media with the concurrence of the Minister for Public Expenditure and Reform, in accordance with Section 157 of the Broadcasting Act 2009.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Broadcasting Fund's financial statements.

### d) Income (television licence fee)

Pursuant to Section 156 of the Broadcasting Act 2009, the Minister for Tourism, Culture, Arts, Gaeltacht, Sport & Media, with the approval of the Minister for Public Expenditure and Reform, may pay to the Authority out of monies provided by the Oireachtas for the purposes of grants under a scheme and any administration of, or reasonable expenses relating to, a scheme, in respect of each financial year, an amount being equal to 7 per cent of net receipts in that year in respect of television licence fees.

Net receipts, in relation to the receipt of television licence fees, means the total receipts less any expenses in respect of those receipts certified by the Minister as having been incurred by him or her in that year in relation to the collection of the fees.

This income is accounted for on a cash receipts basis.

### e) Grants

Grants under the Broadcasting Funding Scheme impose specific future performance-related conditions on the recipients. These are recognised as an expense only when the grantee has fulfilled all performance-related conditions attaching to the award of the grant. Grant commitments represent funding approvals where the grantee has yet to fulfil the conditions attached to the grant.

Performance-related conditions include a provision for the recoupment of a grant from revenues generated by the grantee until such a time as the Authority has recouped its grant investment. Recoupment of Income from Funded Projects is outlined in Note 2.

In certain circumstances, grant amounts paid in previous years are repaid by the grantee as the grantee is unable to fulfil the grant conditions. The grant expenditure recognised in the Statement of Income and Expenditure and Retained Revenue Reserves is net of grant amounts repaid in the year.

## f) Critical Accounting Judgements and Estimates

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the reporting date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements have had the most significant effect on amounts recognised in the financial statements.

### Going concern

There is no material uncertainty regarding the Broadcasting Fund's ability to meet its liabilities as they fall due, and to continue as a going concern. On this basis, the Broadcasting Fund considers it appropriate to prepare financial statements on a going concern basis.

In March 2020, in line with Government advice, the BAI moved to a remote working model as a result of the Covid-19 pandemic. The Authority assesses this event to be a non-adjusting post balance sheet event in relation to its 2020 financial statements and has factored the Covid-19 pandemic into its overall risk management processes and operations in 2020 and into 2021.

## 2. Recoupment of Income from Funded Projects

	2020	2019
	€ '000	€ '000
Recoupment of Income from Funded Projects	158	42

## 3. Broadcasting Funding Scheme

- a. Under the Broadcasting Act 2009, the Authority is required to prepare a scheme or schemes for the payment of grants to support, inter alia, certain television and radio programmes and the development of archiving of programme material produced in the State. These grants are funded out of an amount of 7% of net receipts of television licence fees. The 2020 Oireachtas Grant was included in subhead B6 of Vote 29 for the Department of Communications, Climate Action and Environment and transferred to Vote 33 of the Department of Tourism, Culture, Arts, Gaeltacht, Sport and Media.
- b. The BAI allocated €2.5M to independent commercial radio stations to support public awareness and understanding of COVID-19. This special COVID-19 funding initiative was operated under the Sound & Vision Scheme, following a request from the then Minister.

The Minister for Tourism, Culture, Arts, Gaeltacht, Sport & Media also made an additional €3M available in exchequer funding for Round 37 of Sound and Vision.

### 3. Broadcasting Funding Scheme (cont.)

The funding received from the Exchequer is separate and in addition to the 7% of net receipts of the television licence.

- c. The BAI currently operates two approved Schemes.

The first of these is the **Sound & Vision 4 Scheme ("the Scheme")**. The Scheme was originally approved by the European Commission, initially from 2005-2009 and then from 2009-2012. The current Scheme falls under section 54 of the General Block Exemption Regulation (GBER) and does not require European Commission approval. The Regulation covers aid to schemes for audio-visual works below the threshold of €50M per scheme per year.

The Authority submitted the draft Sound & Vision 4 Scheme to the then Minister for approval on the 11th December 2019 and on the 6th March 2020 the new scheme was approved for a three year period.

The second scheme operated by the BAI is the **Funding Scheme for the Archiving of Programme Material ("Archiving Scheme")**. It is designed to provide funding support for the development of an archiving culture in the Irish broadcasting sector which contributes to the preservation of Ireland's broadcasting heritage. It is concerned with programme material only broadcast in whole or in part, or recorded for broadcast, on radio and/or television, and includes programmes and advertisements. The first Archiving Scheme came into effect in 2012 and expired in April 2016. A review of the operation, effectiveness and impact of this first scheme was conducted in 2016 and the subsequent report was submitted to the Minister in September 2017. The Archiving Scheme 2 was approved by the Minister in March 2018 and is effective for a five-year period (2018-2022).

- d. Broadcasting Fund Commitments

#### Sound & Vision Scheme

	2020	2019
	€ '000	€ '000
<b>Opening Commitment Figure</b>	12,751	12,630
Awards made	15,769	11,685
Grants paid	(11,169)*	(11,409)*
Grants repaid	-	58
Grants de-committed	(290)	(213)
<b>Closing Commitment Figure</b>	<b>17,061</b>	<b>12,751</b>

#### Archiving Awards Scheme

	2020	2019
	€ '000	€ '000
<b>Opening Commitment Figure</b>	4,040	3,439
Awards made	-	1,338
Grants paid	(422)*	(737)*
Grants de-committed	-	-
<b>Closing Commitment Figure</b>	<b>3,618</b>	<b>4,040</b>

<b>Total Closing Commitments</b>	<b>20,679</b>	<b>16,791</b>
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Total grants paid were €11,591 (2019: €12,146)

The COVID-19 pandemic developed rapidly in 2020 and its impact on grants awarded under the Broadcasting Fund is being assessed by the Authority on an ongoing basis. Grants under the Broadcasting Fund impose specific future performance-related conditions on the recipients. Due to the COVID-19 pandemic the Authority is considering on a case by case basis any requests by grant recipients to update these specific future performance related conditions.

## 4. Broadcasting Fund Recharge

The Broadcasting Fund recharge relates to expenditure incurred by the Broadcasting Authority of Ireland and which is recharged to the Broadcasting Fund. This includes salaries of €494k (2019: €494k), general overheads of €164k (2019: €160k), BFS sponsorship contribution of €40k (2019: €56k) and investment advice expenditure of €13k (2019: €13k). The Broadcasting Fund recharge is detailed further in Notes 5 and 6 below.

## 5. Staff Costs

	2020	2019
	€ '000	€ '000
Wages and Salaries	397	397
Social Welfare Costs	31	31
Pension Costs	66	66
<b>Staff Costs Recharged to BAI</b>	<b>494</b>	<b>494</b>
Temporary Staff	-	3
<b>Total Staff Costs</b>	<b>494</b>	<b>497</b>

There are no employees directly employed by the Broadcasting Fund.

A number of Broadcasting Authority of Ireland employees spend a proportion of their time working on Fund-related matters. In 2020, this equated to 7 (2019: 7) full-time equivalents.

## 6. Administration Costs

	2020	2019
	€ '000	€ '000
Overheads:		
Rent & Rates	113	102
Premises costs	27	27
Office expenses	20	22
Staff training	4	9
<b>Subtotal overhead costs</b>	<b>164</b>	<b>160</b>
<b>Sponsorship</b>	<b>40</b>	<b>56</b>
Direct costs:		
Sound & Vision /Archiving Schemes	131	99
Professional fees	13	13
Public Awareness	7	4
IT licence and support costs	45	48
Translation	12	4
Other	1	14
<b>Subtotal direct costs</b>	<b>209</b>	<b>182</b>
<b>Total Administration Costs</b>	<b>413</b>	<b>398</b>

The overhead costs charged to the Fund are based on the full-time equivalent of staff numbers working on the Fund as a percentage (in 2020 19%; in 2019, 17%) of the total staff complement of the BAI in the period. During 2020, €177k (2019: €174k) was recharged by the Broadcasting Authority of Ireland to the Broadcasting Fund for administration expenditure relating to the Broadcasting Fund.



## 7. Consultancy

	2020	2019
	€ '000	€ '000
General	-	92
Auditing and Monitoring	28	54
	<b>28</b>	<b>146</b>

## 8. Deposits and Cash/cash equivalents

	2020	2019
	€ '000	€ '000
<b>a.</b> Short Term (maturity less than 3 months)	7,500	8,000
Other (maturity between 3 and 12 months)	18,750	12,250
Cash at bank and on hand	6,205	2,758
	<b>32,455</b>	<b>23,008</b>
<b>Cash/cash equivalents</b>		
Movement in Short Term Deposits		
Balance at 1 January	8,000	5,600
Additions	-	2,700
Withdrawals	(500)	(300)
Cash at bank and on hand at 31 December	6,205	2,758
<b>Cash and cash equivalents at 31 December</b>	<b>13,705</b>	<b>10,758</b>
<b>b.</b> Movement in Other Short Term Deposits		
Balance at 1 January	12,250	14,300
Additions	6,500	-
Withdrawals	-	(2,050)
<b>Balance at 31 December</b>	<b>18,750</b>	<b>12,250</b>

- c. As required under Section 157(4) and (6) of the Broadcasting Act 2009, monies standing to the credit of the current account and not required to meet current liabilities shall be paid into the investment account of the Fund.

Monies in the investment account of the Fund that are not required to meet current and prospective liabilities of that account shall be invested and the investments shall be realised or varied from time to time as occasion requires and the proceeds of any such realisation, and any income received in respect of monies invested, shall be paid into the investment account of the Fund.

In the period of account, the Authority retained the surplus funds on deposit with commercial banks.

## 9. Receivables

	2020	2019
	€ '000	€ '000
Accrued Interest	6	11
Other	64	17
	<b>70</b>	<b>28</b>

## 10. Payables

	2020	2019
(Amounts falling due within one year)	€ '000	€ '000
Broadcasting Authority of Ireland	360	195
Deferred Income Department of TCAGSM	3,900	-
	<b>4,260</b>	<b>195</b>

## 11. Capital Commitments

There were no capital commitments at 31 December 2020.


## 12. Approval of financial statements

The financial statements were approved by the Authority at its meeting on the 24th June 2021.




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