
Community Radio Fund

End of year report: 2021-22

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

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1. Overview

This document reports on how the Community Radio Fund ("the Fund") was administered in 2021-22. Ofcom has been tasked by the Department for Digital, Culture, Media and Sport ("DCMS") with administering the Fund. DCMS provides a sum of money each year for the Fund and grants are awarded to Ofcom-licensed community radio stations.

In 2020-21 the Fund was used to provide emergency funding to support community radio stations through the COVID-19 pandemic, particularly where those stations may otherwise have been unable to continue their operations.

In 2021-22, the Fund returned to its usual format, providing grant funding for community radio stations to boost their financial sustainability and strengthen their provision of social gain.

2. Community Radio Fund End of Year Report 2021-22

- 2.1 The Fund exists to help community radio licensees and to support core costs incurred in the provision of community radio services. In 2021-22 the Fund returned to this purpose, as the previous year saw the Fund distribute emergency funding to help stations remain open through the financial difficulties of the coronavirus pandemic.
- 2.2 Ofcom administers the Fund on behalf of DCMS. The money allocated to the Fund is given out in the form of grants, following a formal application process.
- 2.3 The decisions on grant applications are made by the Community Radio Fund Panel (“the Panel”), which reports to the Ofcom Policy and Management Board.
- 2.4 DCMS allocated £400,000 to the Fund for the financial year 1 April 2021 to 31 March 2022. £5,432 of mis-spent or underspent funds from the previous year was also allocated to the Fund. In addition, DCMS allocated a further £200,000 to the Fund ahead of the second round of funding applications. As a result, £605,432 was available over the course of the year.
- 2.5 The Panel met twice during the year to consider applications for grant awards, in August 2021 and February 2022.

Summary of payments

- 2.6 In the first round, grants totalling £221,467 were awarded to 23 stations.
- 2.7 In the second round, grants totalling £390,689 were awarded to 26 stations.¹
- 2.8 Over the two funding rounds 141 applications were considered, requesting a total of £2,074,167 (£1,044,517 in the first round and £1,029,650 in the second round).
- 2.9 Grants ranged from £2,000 to £22,166, with an average payment of £12,493. 49 grants were awarded in total.

Panel priorities

- 2.10 Ofcom publishes a statement from the Panel following each funding round which sets out the awards made and explains the Panel’s funding priorities. As part of this statement, the Panel also provide general feedback on the applications received in order to provide some assistance for unsuccessful applicants in any future applications which they might submit.
- 2.11 In both rounds the Panel noted that the level of applications was significantly higher than the amount of money available for the Fund, which meant that the Panel had to decide

¹ Over the two rounds of funding in 2021-22, the Fund overspent compared to the amount of monies available. DCMS and Ofcom have agreed that the overspend will be drawn from the 2022/23 funding pot.

between a large number of applications which met the eligibility criteria. The Panel took all of the information provided by applicants into account, and considered a range of factors.

- 2.12 The Panel considered that, as much as possible, grants from the Fund should help to improve the financial sustainability of community radio stations. As such, proposals promoting financial security and posts which could become self-sustaining were favoured by the Panel.
- 2.13 The above notwithstanding, in the first round the Panel funded a number of short-term extensions to previously funded positions which had been affected by the pandemic. The Panel noted that generally, repeat funding is rarely awarded for the same role.
- 2.14 In the first round, the Panel awarded funding to networking groups, such as Radio Hub and the Community Radio Network. The Panel was pleased that the events established by these groups were successful and had allowed the networks to grow, as these had also received funding previously. The Panel expressed their hope that the funding provided in Round One would allow these networks to become self-sustaining and indicated that these would be unlikely to receive further funding in future rounds.
- 2.15 The summary award statements, and additional comments by the Panel, are available via the [Community Radio Fund page](#) on Ofcom's website.

Grant monitoring

- 2.16 The Panel has a reporting procedure in place to check that grant awards are spent as agreed. A grant agreement is put in place between Ofcom and each licensee awarded a grant, and this sets out the terms of the award, including an expenditure period. At the end of the grant expenditure period successful applicants are required to complete a report (the 'grant report') detailing how they spent their Fund grant. In addition, interim grant reports are requested halfway through the relevant expenditure period. The interim reports are to help identify any potential issues arising with the grant spending. If a satisfactory report is not made, the Panel may require repayment of the grant and may consider not making a further grant to a licensee.
- 2.17 To reduce the burden on licensees receiving emergency funding, it was agreed that no grant reports would be requested for grants awarded in 2020-21. Some grant reports were provided to Ofcom during the funding rounds and for other purposes, which were satisfactory. We have returned to collecting grant reports from all licensees receiving funding from 2021-22, and reports on these rounds of funding will be gathered and analysed in due course.
- 2.18 In the event that a licensee ceases to hold its broadcasting licence (e.g. by surrender or revocation) while a grant agreement is in place, any unspent grant monies will be required to be repaid in full.
- 2.19 One licensee who was awarded a grant in Round One later submitted a request to repurpose the funding which it was awarded. The Panel agreed to part of this request.

Community radio sector and future of the Fund

- 2.20 The community radio sector has continued to grow: there were 318 stations broadcasting at the end of the 2021-22 financial year, compared with 307 in 2020-21. We concluded the final round of analogue community radio licensing in March 2020, following our [update on our stated priorities for Community Radio](#) published in September 2019.
- 2.21 55 applications for community digital sound programme service (“C-DSP”) licences were received during the 2020-21 and 2021-22 financial years. Forty of these applications have subsequently been approved and issued. The first C-DSP licences are now broadcasting, following the launches of a number of small-scale multiplexes from Round One of the SSDAB licensing process. Holders of C-DSP licences are eligible to apply for the Fund if the service is broadcasting on the date of application.
- 2.22 Ofcom’s previous funding agreement with DCMS ended at the end of the 2021-22 financial year. A new agreement is now in place for the next three financial years, starting with 2022-23.

Panel members

- 2.23 The Panel is made up of three members appointed by Ofcom’s Policy and Management Board. For 2020-21 these were:
- Wendy Pilmer, the Chairman of the Panel, who is a consultant who works with the world’s leading broadcasters in implementing strategy and managing change;
 - Olu Bankole, an Ofcom employee, who has extensive experience in financial and funding matters; and
 - Mark Jones, a former BBC employee with extensive experience in radio reporting, production and management.