



COMMUNITY
BROADCASTING
ASSOCIATION OF
AUSTRALIA

CBF Structure and Governance Review

CBAA Submission #3

DECEMBER 2015



COMMUNITY
RADIO
NETWORK



amrap
AUSTRALIAN MUSIC RADIO AIRPLAY PROJECT

Introduction

The Community Broadcasting Association of Australia (CBAA) welcomes the opportunity to further comment on the CBF Structure and Governance Review Consultation paper *Embracing change – a stronger future for Community Broadcasting* and assist in the development of a considered and well informed path forward.

The CBAA is the lead sector organisation with membership representing 86% of permanently licensed community radio stations in the sector, including Christian, Ethnic, Indigenous and Radio for the Print Handicapped licence holders. It is our core role to champion community broadcasting by building stations' capability and creating a healthy environment for the sector to thrive.

Our work falls into two key areas:

1. **Growing stations capability** - From webinars, conferences and events through to initiatives like the Australian Music Radio Airplay Project (Amrap), the Community Radio Network, the Digital Radio Project and resources like our online resource hub, the CBAA works with member and non-member radio stations to ensure they are capable and sustainable. The CBAA is the go-to source for information, knowledge and advice on how to run a community radio station.
2. **Building a Healthy Community Broadcasting Environment** - The CBAA leads the sector in building a healthy environment in which community broadcasting can thrive. We do this by raising public, community and social awareness of community broadcasting and by proactively working with influential stakeholders to strengthen their knowledge, understanding and support for the sector. We undertake significant research on the sector to ensure effective leadership.

This submission builds upon the CBAA's two earlier submissions to the CBF Structure and Governance Review and the positions outlined in those submissions remain consistent on many aspects of the Review.

CBAA Participation in the CBF Review

In its role in building a healthy sector environment, the CBAA undertakes rigorous consultation and evidence-based research on matters of interest guided by its [policy framework](#). This is used to form considered positions.

The CBAA's mechanisms for feedback and discussions were designed to give ample opportunity for interested stakeholders to contribute to and inform this and the CBAA's earlier submissions.

In participating in this review, the CBAA has consulted with members, non-members and the wider sector. Specifically we:

- Intervened in October 2014 to seek a more realistic timeframe for feedback, extending the CBF's initial consultation period by a month.
- Undertook consultation with stations via our discussion paper in October 2014 and an open forum at the 2014 CBAA Conference in November.
- Made a [submission](#) in response to the Nous report in November 2014. In this submission the CBAA provided a thorough break down of each of the 34 recommendations in the Nous Review report and the CBAA's position on each. In preparing this submission the CBAA sought feedback from stations and other stakeholders, to guide our response on the CBF Structure and Governance Review Discussion paper.
- Discussed the proposal amongst CBAA Board members, which includes representatives across a diverse range of stations in terms of both licence type and community of interest.

- Met and discussed the proposed changes with a number of stakeholders.
- The CBAA made a further [submission](#) to the CBF in July 2015 (see the CBF's [consultation paper](#)). CBAA members were encouraged to provide the CBAA [feedback](#) to contribute to this, and were also able to [engage directly with the CBF](#) in their consultation process.
- The CBAA convened a meeting of the Community Broadcasting Sector Roundtable in October 2015 to enable the member sector representative organisations and the CBF an opportunity to discuss the proposals.
- At the CBAA Conference in November 2015 the CBAA conducted an open forum to discuss the CBF proposals as well as providing an opportunity for the CBF to meet directly with interested parties to explain their proposals, give clarification and seek feedback.
- The CBAA sought feedback from stations to assist with the formulation of this submission.
- The CBAA is also convening a further meeting of the Community Broadcasting Sector Roundtable in January 2016 to further discuss the CBF Structure and Governance Review.

Strategic Intent of the CBF

The CBAA continues to understand from the CBF Structure and Governance Review Consultation Papers and discussions with the CBF that there is no intention to change its formal purpose to *'seek, secure, administer and distribute funding to support the development, creativity and sustainability of community broadcasting in Australia'*.

The CBAA continues to support this as the appropriate purpose for the CBF.

However, it is essential that the focus of the CBF must continue to be on funding and, while there are overlaps, the CBF role must not extend to initiating projects or project management, nor to commentary, analysis or recommendations about broader sector or industry strategy issues.

The CBAA notes there is a clear distinction between administering funds for a project, and project management. We are opposed to an approach where the CBF directs applicants on desired activities and outputs, which is clearly operational and the responsibility of the applicant to determine. The CBF must focus on overarching outcomes that their funding should achieve.

The CBAA sees the biggest risk arising when gaps are identified across the sector. For example, a number of stations may identify the need to better manage radio sponsorship play out. There are two approaches that can be taken here; either the CBF can source and administer funds that result in increased capacity for stations to manage radio sponsorship play out, or the CBF could source and administer funds for the development of software (for example) for stations to manage radio sponsorship play out. The former is considered an outcome; the latter would be considered an output, and would be seen as initiating a project and then managing said project.

The CBAA strongly believes it is the role of applicants to decide *how* to address their challenges; it is the role of the CBF to assess the need, allocate the funds, and ensure that the challenge has been addressed.

Further, the CBF must be consistent in how it distributes funds, regardless of the source of those funds.

By taking an outcomes based approach to funding, improving consultation and leaving management and design of initiatives and/or services to the funded entity, it is likely that the CBAA's concerns will be allayed.

Allocations from Government

As per our previous submissions to the CBF Structure and Governance Review we note that whilst some simplification of funding categories seems advisable, the CBAA remains considerably concerned about the proposal to simplify funding lines. The CBAA is particularly concerned about:

- The role of political advocacy for specific funding purposes required in the sector;
- The capacity for flexibility within funding lines in terms of CBF mechanisms regarding priorities and distribution of funding (or scope to increase flexibility within funding deeds with DOC); and
- Longer term implications and impacts of reducing funding lines in terms of the risks of ending up with broad funding categories that compromise the sector's capacity to argue for maintaining funding or increased funding in specific areas (i.e. supporting a government position that allocates \$xxx to a specific area and any and all development priorities then become the CBF/sector responsibility).

The CBAA supports the proposed continuation of discrete funding lines for General, Ethnic, RPH and Indigenous funding. Within these funds, distinctions must be maintained in terms of a minimum allocation for development, transmission and content sub-categories.

Transmission funding is a particularly complex area with funds being allocated in the past to address particular market failures, for example to address the privatisation of transmission facilities. It was introduced on a specific rationale and advocacy position of the sector to ensure that access to transmission was affordable to community broadcasters. There continues to be a need to ensure that a level of subsidy is available to community broadcasters to support transmission costs.

Considerable advocacy in this area is being undertaken by the CBAA, particularly in relation to recent announcements by the ACMA regarding decisions on its long-term strategy for the 803-960 MHz band. Whilst detailed modelling is still being undertaken, costs to community radio stations may be as high \$2.5 million over the next few years, an expense particularly beyond the reach of many regional and rural stations. As such, to enable effective advocacy, the CBAA does not support the merging of transmission funding into the broader development category at this time.

In addition, prescribed allocations should be maintained for the Australian Music Radio Airplay Project due to it serving both community radio and music industry objectives.

The CBAA also reiterates that there must be a structured process for input from each relevant SRO that ensures a role in decision making rather than solely 'consultation', and the funding allocations must be prescribed in the funding deed so that advocacy can be maintained with government.

Without at least a basic distinction between station operational costs and content support, and given the scale and scarcity of resources in the sector, there is a risk that operational costs will eventually consume most available resources.

Grant Advisory Committees and Assessment

The CBAA has concerns regarding the practicalities of the operations of assessment panels, however, it is understood that change brings with it uncertainty. The CBAA encourages the CBF to monitor the implementation and operations of the assessment of the grant advisory committees on an ongoing basis and adjust where necessary.

The CBAA agrees with the CBF that a diverse assessor pool is essential. The CBAA particularly encourages the CBF to consider strategies to ensure that assessor pools have people with knowledge of remote Indigenous broadcasting.

Assessing is a skill and the CBAA encourages the CBF to ensure that all assessors undergo professional development in assessment and that a moderation process is put in place.

Grants

It is essential that the CBF has a key focus on investing in the organisational capacity of the community broadcasters that they fund and, therefore, the CBAA supports the CBF in seeking to strengthen sector sustainability and resilience.

Capacity building grants are a growing trend among grant-makers and recognise that organisations need to build management systems, as well as programs, to improve their sustainability and resilience. By helping community broadcasters improve their organisation's systems and operations, they are strengthening their ability to serve their community of interest. There are a number of obstacles facing stations undertaking capacity-building, as outlined in our July 2015 submission. We encourage the CBF to revisit this. We also encourage the CBF to continue to consider the points that we made in our comments to the proposed planning assistance grant category.

All too many not-for-profit organisations, including community broadcasters, focus on creating new programs and services and keeping administrative costs low instead of building the organisational capacity necessary to achieve their aspirations effectively and efficiently and maximise their impact on their community of interest. This is not surprising, given that donors and funders, including the CBF, have traditionally been more interested in supporting an exciting new idea than in building an organisation that can effectively carry out that idea. This must change to allow both station board and staff to dedicate themselves to raising capacity building to the same level of importance and attention as program development and management, and think early and often about strengthening the organisation in lockstep with implementing programs.

The CBF must distribute grants in a strategic manner and minimise ad-hoc changes which create confusion amongst the sector. During our discussions with stations we have received many concerns regarding such changes, particularly to content grants over the past few years. Whilst this is likely a result of the infancy of the content funding scheme we encourage the CBF to re-visit the Content Funding Review undertaken in 2014.

The new grant categories are designed for a single application from stations covering all applications in each grant category. While this streamlines some aspects of the application process in terms of station information required it will require an extremely complex expression of different initiatives or expenditure areas within a single application. The CBAA is concerned that many stations will struggle with. A thorough education and assistance program will be essential and some flexibility during the implementation phase.

Outcome-based funding

The CBAA strongly supports outcomes-based reporting. It is widely recognised as best practice for granting activities to have an outcome orientation so that grant recipients focus on outcomes and outputs for beneficiaries.

Government policy already requires measurement and reporting to be based on outcomes rather than the traditional output or activity based mechanisms of measurement and reporting – the CBF should also be making this change. Outcomes based measurement is simply a way of measuring effectiveness and results. While outputs still have an important role in outcomes-based reporting, the focus is not on an output as the final result, but on that output as a means to achieving an overall outcome. The CBF should leave management and design of initiatives and/or services to the funded entity.

Funding of specialist Ethnic programming based on actual content production and related service support costs

It is noted that neither the Nous Review report nor the Content Review report recommended a move away from the hourly rate to funding of specialist Ethnic programming based on actual content production and related service support costs. Whilst the CBAA supports transparency in funding allocations, the CBAA is yet to hear a solid argument for the proposed changes and believe that, in the absence of a separate, dedicated and extensive consultation process backed by sound reasoning, they should not go ahead at this time.

Funding support for ethnic programs often plays a critical role in station revenue and the CBAA is particularly concerned about the effects the proposed changes may have on general regional stations. The current process is a straightforward process, however, the revised approach to grant applications will represent a significant challenge to those stations and involves a very different way to think about resource allocation and how to express that in the grant application process. We are not satisfied that appropriate consideration has been given to this area.

Broadening eligibility to include independent, incorporated, not-for-profit organisations producing content for community broadcasters.

The purpose of community broadcasting funding distributed by the CBF is to support the community broadcasting sector and community broadcasting licensees. Only community broadcasters holding appropriate ACMA licences or Sector Representative Organisations should be eligible for CBF funding. Providing funds to a wider pool of NFP organisations will dilute the effectiveness of limited CBF funds and is totally unacceptable to the CBAA.

Opening up funding eligibility also disempowers licensed community broadcasters. This is an especially critical issue during this time of disruption to traditional media. Whilst the CBAA is excited by the challenges presented by the evolving digital environment for radio, it is vital to ensure all Australians continue to have access to a diverse range of free-to-air services.

The community broadcasting sector is unique by nature of the broadcasting licences our stations hold and the legislated requirement to abide by a code of practice. Opening up funding eligibility lessens this point of difference and will put at risk advocacy work being undertaken by the CBAA to ensure free-to-air services continue to be available through analogue and digital, as well as unmetered access to mobile. Please see our [submission to the Federal Governments Digital Radio Review](#) for more information on the CBAAs position.

The CBAA does, however, support the ability for licensed community broadcasters to commission content, whether that be radio, television or online, to be developed in collaboration with independent, incorporated not-for-profit organisations and other content makers. Such funding agreements should be with the licensed community broadcaster.

It is also noted that independent producers also have access to other funding sources that community broadcasting licensees are less able to access.

Board Structure

Nomination Arrangements

The CBAA has some concerns with the proposed structure of the nomination advisory committee. A committee of the proposed size may be unwieldy. We also note that by making it representative it may bring a political element to the appointment process. However, the CBAA is not opposed to the proposed structure of this group.

Such a group should be restricted to national Sector Representative Organisations that meet appropriate criteria.

Criteria for recognition as a Sector Representative Organisation

The CBAA believes it is essential that criteria be developed to formally recognise Sector Representative Organisations as such. These criteria would be used to determine which organisations are eligible to be represented on the CBF nomination advisory committee as well as eligibility for funding.

It is noted that the Nous Review report also opened up the possibility of additional organisations receiving sector coordination funding. Whilst from time to time there may be legitimate reasons for new Sector Representative Organisations to be formed, it is not in the best interests of the sector to have unnecessary proliferation of new organisations. Any new organisation should be incorporated, transparently report its membership and activities, have appropriate legitimacy and meet minimum governance requirements.

The CBAA recommends that criteria for SROs should include requirements that they:

1. Represent licensed broadcasting services or programs;
2. Transparently report their membership and activities. As a minimum they should publish details of member numbers etc, membership of their Board, their annual reports for at least the last three years on their website, and their constitution and governing documents should be made available online;
3. Have been incorporated for three years or more;
4. Have members in at least six (6) states if they are to be designated as a national SRO;
5. Must be incorporated;
6. Must have a diversity policy;
7. Must support the Community Broadcasting Codes of Practice, including constructively participating in the CBAA's Review of the Codes (and/or TV Codes for Community TV Organisations).
8. Must constructively support sector wide research programs, in particular the Community Broadcasting Sector Census and the National Listener Survey.

In addition, the CBAA believes that each SRO should be practising good governance and that criteria in this regard could be developed and applied in the future.

Draft Guidelines for Content Grants

The CBAA thanks the CBF for the opportunity to comment on the draft guidelines for Content Grants.

The CBAA views our response as an initial response to the draft criteria and believe that considerable work still needs to be undertaken in their development. We would be pleased to work closely with the CBF on this.

For ease of reference, in parts we have included extracted quotes from the exposure drafts alongside our comments.

Introduction

“There would be two opportunities to apply for Content Grants each year. Applications in the first grant round would detail activity for the coming financial year (i.e. for a full year of ongoing programming)....”

The CBAA notes that most national programs, and many local programs, currently function on a calendar year rather than a financial year schedule. While not opposed to the shift to financial year funding, it is requested that this is managed carefully to allow for continuity of programming, and that applicants or potential applicants are informed well in advance of the changes.

1. What is the objective of the Content grant category?

“To support the development, production and distribution of original content via Australian community radio and/or television broadcasting and related platforms. Original content is content that has never been broadcast before. This can include new episodes of existing programs.”

The CBAA supports the use of the term “original content”. This seems more appropriate than the current term “new radio content”, which has resulted in confusion for applicants.

2. Who is eligible to apply?

“You can apply for a Content Development grant if you are.... an incorporated non-profit organisation producing a program for broadcast by a community radio or television station”

As previously indicated in feedback regarding the CBF Structure and Governance Review, the CBAA does not support the proposal that independent, incorporated not-for-profit organisations may be able to apply for CBF funding to produce content for community broadcasting.

The purpose of community broadcasting funding distributed by the CBF is to support the community broadcasting sector and community broadcasting licensees.

Only community broadcasters holding appropriate ACMA licences or Sector Representative Organisations should be eligible for CBF funding. Providing funds to a wider pool of NFP organisations will dilute the effectiveness of limited CBF funds. Instead, stations can commission content, whether that be radio, television or online, to be developed in collaboration with independent, incorporated not-for-profit organisations and other content makers. Such organisations also have access to other funding sources that community broadcasting licensees are less able to access.

Allowing other organisations to apply for grants with station support will also encourage the shopping around for stations that is undesirable.

“...an independent content provider auspiced by a community broadcasting organisation or station.”

The CBAA encourages some caution in allowing independent content providers to access community broadcasting funding, even if auspiced by a community broadcasting organisation or station.

The approach may have merit in some cases, where essential content needs to be produced by a non-community broadcasting organisation. For example, the CBAA's own collaboration with Charles Sturt University for the National Radio News. However, it may also open a door allowing for-profit organisations to access community broadcasting funding for less worthy content initiatives.

“Community broadcasting sector organisations provide services and resources for the sector.....”

The CBAA does not support this definition of “community broadcasting sector organisations” for the purposes of Content Grants, feeling it is too broad. On this basis, for example, for-profit entities could be defined as community broadcasting organisations. The CBAA prefers the definition employed in the current Content Development Guidelines which includes the stipulation “...and hold a representative membership of stations” and also meets the proposed criteria for the recognition of SRO's articulated earlier in this submission.

3. What types of activities can you apply for?

“Other Content Projects: dynamic ideas that support the development of content across multiple stations, multiplatform projects and content distribution support that wouldn't be described as a program project.”

The CBAA is supportive of this broad approach to content project eligibility.

In the interests of inspiring applicant stations it is suggested that associated information with specific project suggestions be made available in an FAQ or accompanying document, listing the likes of “program coordination, volunteer engagement, local programs and content repackaged for national distribution, digital content, development projects, and project concept development”.

“Multi-year funding: applicants have the option to apply for 3 year (triennial) funding for large projects and project budgets should demonstrate annual and three-year funding requirements. Applicants with project budgets totalling more than \$50,000 over a three-year period should complete the ‘More than \$50,000’ section of this application, but should be aware that the CBF may choose to offer short term funding only.”

The CBAA is supportive of the opportunity for applicants to have the option to apply for multi-year funding.

This will ensure greater stability for such projects and lessen the administrative burden, ensuring higher quality production as a result.

Consideration should be given as to whether an applicant seeking funding for, for example a 3 year project, with a cost less than \$90,000 over the 3 years would also be required to source additional financial support (as per the new \$30,000 “additional funding” rule below).

“Programs must be broadcast through a licensed community broadcasting station (or a service recognised as a community broadcasting service by the CBF) either radio, television or online (such as podcasting, streaming).”

The CBAA does not support distribution of funding to organisations other than licensed community broadcasters or Sector Representative Organisations. Giving wide discretion to the CBF to determine what services are recognised as a community broadcasting service is not supported.

4. How much can you apply for?

“There is no limit on how much you can apply for in Content project requests, but applicants should note that assessors will take the value represented by your proposal into account in their assessment scores.

For Program applications, there are three funding levels available for projects requesting:

- **Under \$10,000**
- **between \$10,000-\$50,000**
- **More than \$50,000**

You can submit multiple projects to each, choosing the most appropriate level for your project. Projects will be assessed against projects of the same funding level in this round.

The CBAA is concerned about this change from the current Content Development Funding application approach. We note that the current categories: Content Development grants - National Programs; Content Development grants - Programs; Content Development grants - OB & Program Specials; Content Development grants - Out of the Box; Indigenous Program grants; Remote Indigenous Program grants; RPH Program grants; Ethnic Program grants; Ethnic Development grants; and TV Content Production grants / Indigenous TV Content grants will be replaced with a competitive application process based on the three funding levels listed above.

More discussion and consultation is required on how the CBF plans to allocate the distribution of funds amongst the three funding levels, and amongst projects that would previously have been delineated into the categories listed above. Further consultation and discussion is essential to understand how the CBF will be aiming to ensure a balance between funding for locally-focused programs and programs primarily produced for national sector distribution.

All projects requesting \$30,000 or more are expected to demonstrate financial contributions from other funding sources such as other funding partners, sponsors, station financial contributions or crowdfunding.”

The CBAA is extremely concerned about the impact this requirement will have on applicant stations seeking funding (note: as opposed to sector representative organisations – the CBAA feels SROs would be better placed to seek additional financial contributions).

The CBAA acknowledges there is a limited funding pool and that it is a challenge to balance effective and fair distribution of these limited funds. We also acknowledge that there will be few initial and current projects that will be affected by this new requirement, and that the CBF has not set specific additional funding targets at this time. However, despite the best of intentions, this requirement will inevitably put undue pressure on applicant stations and have negative content production outcomes.

The CBAA has sought comment from numerous producer stations, stakeholders and other relevant parties, including Kath Letch, co-author of the 2014 Content Development Funding Review Report. We feel this requirement is significant enough to merit its own standalone sector consultation process, where the strategy can be fleshed out in full. For the sake of brevity the CBAA will outline in dot points some issues raised during consultation:

- For the most part, it is only the existence of project-specific funding which makes the content development projects possible for stations to undertake. Stations will seek to maximise limited sponsorship opportunities to the general station operation rather than specific content projects. The CBAA does not feel this should detract from the worthiness of a project.
- Sponsorship of news and current affairs programming is likely to compromise editorial independence.
- Sponsorship of nationally-distributed content is subject to further complexity, which while not insurmountable requires significant additional work to organise: the difficulty of collating and providing audience numbers to sponsors; potential clashes between program sponsors and end-user station policy/existing sponsorship (reducing potential uptake); providing broadcast affidavits.
- The requirement will add to the resource burden facing applicant stations. We can envisage scenarios where applicant stations create budget lines to pay for staff to seek additional financial contributions, but find they are only able to attract enough financial support to pay for the time spent seeking funding (if that).
- There are limited grant funding opportunities (outside of CBF) for community broadcasters and grant funding is often directed to specific social outcome objectives under federal, state or local government objectives that often don't fit the content making purposes of community radio stations.
- Fewer opportunities exist in regional Australia to obtain additional funding.
- The requirement seems to have its originations in the 2014 Content Development Funding Review Report (Recommendations #5 and #6). This requirement was specifically intended to apply to a specific category suggested by that review, "Content Support and Development Projects", rather than all grant categories. It is specifically noted that National Program Grants were excluded.

The original recommendation also allowed for some non-financial contribution, stating: **"....including the internal resources of applicant stations"**. The allowance for such resourcing was also included in the CBF's response to the review's recommendations. The exclusion of this allowance has shifted the effect of the recommendation significantly. In seeking comment from the report co-author on the rationale behind the recommendation, the CBAA has been informed that the wording:

"...was intended to allow in-kind support to be more transparently recognised by the GAC in assessing applications - that was intended to include staff resources where applicable, studio and production resources, administrative resources, transmission and online infrastructure costs etc - so that the broader resources of operating a station, and their use in program / content making and broadcast, was clearly recognised in bringing content projects to fruition.

"The concept of 'internal resources of applicant stations' was also intended to enable smaller regional stations or sub-metro stations, usually without staff, to reflect other support they might receive to operate station facilities such as premises provided by local council that are not direct financial contributions but do represent significant support to the stations operation and therefore have a value."

The CBAA notes that the Content Development Funding Review Report also recommended limits on the amount of internal station resources or in-kind support within applications, to ensure a fair balance.

To take *The Wire* as an example, the CBAA notes that *The Wire* consortium's funding does not cover volunteer recruitment, training or management – just one highly resource-intensive aspect of the production of the program.

The CBAA appreciates that the CBF is looking to maximise the number of projects it is able to fund and that ideally content producers would be able to diversify funding sources and not rely entirely on the CBF for financial support. However, if the sector wishes to produce and broadcast high level, independent national flagship programming through a genuine community broadcasting approach, particularly news and current affairs content, the CBAA believes there will continue to be a reliance on Commonwealth Government funding in the foreseeable future.

The CBF must allow for the internal resources of applicant stations to be reflected in applications for projects exceeding \$30,000 per year, in accordance with the recommendation made in the 2014 Content Development Funding Review Report and remove this requirement for news and current affairs productions.

5. What are the priorities in this category?

The CBAA feels it would be of benefit to applicants to learn how addressing/not addressing specific priorities is applied in the assessment process, as opposed to the clearly articulated weighting system applied to applications from regional stations/stations with annual incomes under \$100,000.

Ahead of commenting on specific priorities as listed, the CBAA would like to note that the 2014 Content Development Funding Review Report suggested that guidelines/priorities include content that **“supports the role and profile of independent community media and development objectives”**. We recommend that this be reflected in the new draft content guidelines.

The CBAA supports multi-platform delivery and complementary online and broadcast hybrid digital delivery. We are developing service outcomes with integration and cohesion. We are active in industry development forums to that end. However, funding should not be made platform neutral, as the costs for television or online projects can be much greater than radio broadcasting. There is also no proven audience for these projects. Funding that is already allocated for community radio stations (including Ethnic and Indigenous funding) should remain allocated to radio licensees (including TCBLs) for them to use in multi-platform delivery.

It is noted that the CBAA has adopted a multi-platform approach to the digitisation of radio services. It does not see DAB+, or any digital radio broadcast platform, as being the only way users access radio content. From the outset, it has developed community digital radio infrastructure with the idea that content will be available on multiple digital platforms and in ways that suit audience access.

“Project priorities

Assessors will consider each individual project against the following priorities. Each priority is not required to be met but applications that do address one or more priority area will be looked on more favourably. Each program is not required to meet every priority. We will prioritise projects that:

- **Propose new programs or projects, rather than existing or previously funded programs or projects;”**

While the CBAA shares the CBF's desire to see new program and project ideas supported, the CBAA is extremely concerning to see these continually prioritised over existing or previously funded programs or projects.

Established content, both at individual station and national levels, must not be regarded as less valuable to a broadcast service. Established content forms the core of a broadcasting service,

serving to ensure continuity and ongoing audience engagement. It is around a strong foundation that new content programs and projects can be developed. An approach that fundamentally prefers new content over established content is likely to result in churn, and inconsistency for stations and audiences with the impact being decreasing community radio audience numbers.

The CBAA encourages further discussion so that we can understand the rationale behind this preference to be able to respond more constructively. For example, is the rationale based on feedback/data that new applicants are finding it difficult to have content projects funded, due to the highly competitive process? If this is the case, there may be other solutions that could be considered such as the allocation of specific funding levels specifically to new content. Further discussion and consultation is required in this area ahead of launching any new funding approach.

The CBAA strongly encourages the CBF to introduce a pathway process where ongoing programs and projects may advance through several funding stages as they develop.

This would assist the development of new content, at stations both experienced and inexperienced in accessing content development funding. It also seeks to maintain the sector's goals in national content production and distribution, such as supporting less-resourced stations, facilitating intensive content such as news and current affairs, and maintaining a national profile for community radio content.

We note that this process needs further discussion, particularly to align with other aspects of Content Grants which we would like to explore with the CBF.

Skeleton structure:

Start-up program/project

- New programs/projects apply through this category, addressing criteria specifically tailored to encourage and assist first-timers through the application process, and encourage successful outcomes.
- Could be local or national content.
- Funded period: 12 months.
- After a program/project's first year, if a program/project was to continue the applicant station could apply to be funded from either the standard or national established categories.
- Minimum pool set.

Standard program/project

- Criteria includes demonstrating the need to sustain funding for additional year.
- Could be local or national content.
- Funded period: 12 months.
- Minimum funding pool set.

Established national content

- For programs/projects that are produced primarily for national distribution. Eligibility to apply in this category is based on the program/project meeting specific benchmarks and results attained through previous funded periods.
- Application criteria require demonstration of the program/project's national impact & outcomes.
- Funded period: 24 months, with a review at 12 months addressing benchmarks.
- Minimum funding pool set.

Flagship national content

- For larger-scale programs/projects requiring a larger production budget. Eligibility could include content produced with high frequency; high-level collaborative efforts; high uptake amongst stations; content initiatives regarded as critical to the sector.
- CBF confirms eligibility before application is made in this category.
- Funded period: 36 months, with annual review addressing benchmarks.
- Minimum funding pool set.

- **“demonstrate collaboration between multiple stations to produce programs for distribution to the broader sector;”**

While supportive of the CBF’s encouragement of multiple station collaboration, programs created for distribution to the broader sector by *individual* stations should not be disadvantaged when seeking funding.

Collaboration is not necessarily a reflection of a program’s quality, utility and importance. The CBAA Awards each year recognises high-quality sector-produced content; many winners are programs which, while benefiting from supportive station structures, rely on a specific individual for their flair, engagement and endurance.

It is also worth noting that successful multiple station collaboration is extremely difficult for community broadcasting licensees to undertake, due to stations’ unique operational approaches, ideologies and organisational structures.

The CBAA would like to see this priority split so that the efforts of a single station to produce a valuable program for distribution to the broader sector are able to be assessed on their own merits.

- **“are of national significance and are broadcast by many stations;”**

The terms “of national significance” and “broadcast by many stations” would be more appropriately listed as two separate priorities, and require further consideration and development.

The CBAA supports the CBF’s efforts to simplify the application process, but it is unclear how the priorities in their current form may impact on applications for programs and projects that are primarily produced for national distribution, particularly with the removal of the specific national programs funding category.

In its current form, this priority could be problematic for an application for a *new* program seeking funding and national distribution:

- It would be unlikely to have “many” stations broadcasting it from scratch. It would be very difficult for a worthy start-up project idea to be able to fulfil this priority.
- Similarly, the term “of national significance” may similarly be difficult for new project applications to full, as they would require time, sometimes many years, to become nationally significant.

The CBAA suggests the following priority be added: “Specialist content produced primarily for national distribution”.

The CBAA also feels that if the only reference to national distribution is in this priority list, it will tend to send a message to applicants that they have a better chance of receiving funding by simply “ticking the box”. It is important for applicants to articulate the suitability of the project idea for national distribution and uptake – which it could be assumed would be information grant assessors would be seeking. The CBAA requests that this at the minimum be made clear in an FAQ or accompanying document.

- **“have a high proportion of spoken word content, or musical content recorded by the station;”**

The CBAA supports this priority but is concerned it is restrictive in its current form and should be broadened to reflect “resource intensive content production” at applicant stations, which would allow for greater versatility of program production, such as complex soundscape-based content, and specialist programming about music.

- **“demonstrate strong engagement with community services such as local councils, cultural organisations, community groups, schools, emergency services, Indigenous groups, migrant and refugee services and sporting organisations;”**

The CBAA supports this priority, however notes that examples have been suggested here as opposed to other sections of the guidelines. We recommend the priority be edited to “demonstrate strong engagement with community services”, and the examples placed in a FAQ sheet or other accompanying document, along with other explanatory information.

- **“encourage multiple contributors, and diversity of gender and cultural background in the production and/or presentation of the content; and/or”**

The CBAA is supportive of aims to promote diversity in the production of community broadcasting content, which is also reflected in the sector’s guiding principles. However the CBAA is concerned that, as written, this priority, while of good intention, may give rise to prescriptive approaches, resulting in mediocre radio production.

Prioritising multiple contributors in a project is problematic: a program produced and presented by multiple people does not necessarily produce a better outcome or better radio content than a show produced by a single broadcaster.

The priority also includes “diversity of gender and cultural background”. This similarly may be an issue for the production of effective and engaging radio, if applied as a blanket rule. Applicant stations may seek to maximise their funding opportunity by once again “box-ticking”, in this case imposing ill-fitting production approaches to individual projects.

- **“utilise multimedia platforms such as digital radio, social media, live events, art forms and online distribution.”**

The CBAA supports this priority.

“Station priorities

We will prioritise applications (including all project funding requests provided within them) from regional stations and stations with an annual income less than \$100,000. These applicants will receive a weighting on their assessment score as described in section 8 below. An applicant may qualify for both weightings.”

Further discussion of weighting is required to ensure that the balance is right. In the current guidelines the CBF refers to “small” stations with an annual income less than \$85,000, and “volunteer-run” stations. For example, should regional stations with annual incomes over \$100,000 still receive the weighting? What of stations that have higher incomes but at the same time higher running costs?

6. What can you use the grant for?

The CBAA supports the use of grant funding as listed in the guidelines. We note, however, the 2014 Content Development Funding Review Report additionally recommended funding for “production support and facilities” and “content development and distribution”, and seek to have these uses of funding included.

7. What can’t you use the grant for?

The CBAA supports the restrictions listed in the guidelines.

8. How will this application be assessed?

The CBAA supports the proposed assessment matrix as fitting with the underlying application guidelines and methodology, however believes it would be of benefit to applicants to have an

associated FAQ or accompanying document available which provides specific guidelines, tips, and case studies.

The CBAA notes applicants have in recent years lost the chance to prioritise content projects (when applying for more than one). It is important to reintroduce this measure.

It is noted that we were unable to make full use of this opportunity to provide feedback to the CBF on the draft guidelines without being able to access the accompanying GAC Terms of Reference for context.

9. What should you include in the application?

- **A program pilot or previous production.**

The CBAA supports this requirement.

- **A letter of support from any external partners supporting your program, including national distribution platforms.**

From the CBAA's perspective, requiring applicants to include a letter of support from national distribution platforms is a return to an approach that was found to be problematic.

At that time, applicants seeking CRN distribution, particularly first-timers, would tend to contact the CBAA for a support letter very close to the CBF application deadline. The CBAA would then need to assess the application's merit for CRN distribution in an inadequate period of time. The effect resulted, in effect, in a "double deadline" on applicants and was in general a disincentive to apply for funding and/or wider distribution. It also had unsustainable resource implications for the CBAA.

In recent times GGAC and the CBAA have worked together to modify this approach to the benefit of all parties. The present the approach is for GGAC to receive feedback from the CBAA on applications seeking CRN distribution in a batch, which is supplied after the CBF application process has closed.

The CBAA has appreciated GGAC's willingness to work together in this way and overall still prefers this approach. Despite this, we do acknowledge that it is preferable for first-time applicants to contact the CBAA prior to submitting an application, for an initial discussion about the viability of national distribution through CRN. A suggestion of this approach could be made to applicants in a FAQ section.

- **A clear Project Budget for each project.**

The CBAA supports this requirement.

10. How will you report on the grant if the application is successful?

The CBAA supports the requirements listed in the guidelines.

Draft Guidelines for Development Grants

The CBAA thanks the CBF for the opportunity to comment on the draft guidelines for Development Grants.

The CBAA views our response as an initial response to the draft criteria and believe that considerable work still needs to be undertaken in their development. We would be pleased to work closely with the CBF on this.

It is essential that 'development' funding covers areas of station operation that are core ongoing cost areas, some of which are eligible under development grants. The CBAA recommends that the category should be more accurately titled 'sustainability & development'.

For ease of reference, in parts we have included extracted quotes from the exposure drafts alongside our comments.

1. What is the objective of the Development grant category?

"To assist the ongoing development of community broadcasting throughout Australia. Development grants aim to expand the operations and broadcast capabilities of community broadcasting stations through support for development projects and necessary infrastructure".

The CBAA notes that expansion is only one indicator of development, and may create a barrier for applicants who wish to strengthen, rather than expand. We also note that in section 2, the guidelines state that eligibility goes beyond community broadcasting stations.

Further, the term 'projects' conveys discrete, isolated undertakings that are misaligned with the nature of development as an ongoing process.

In line with this, we suggest amending the aim to:

"To assist the ongoing development and sustainability of community broadcasting throughout Australia. Development grants aim to expand and/or strengthen the operations and broadcast capability of community broadcasting through support for development initiatives and necessary infrastructure".

'Projects' are referred to throughout the exposure draft, and should be amended in line with the above changes.

2. Who is eligible to apply?

"Community broadcasting sector organisations provide services and resources for the sector....."

The CBAA does not support this definition of "community broadcasting sector organisations" for the purposes of Development Grants, feeling it is too broad. On this basis, for example, for-profit entities could be defined as community broadcasting organisations. The CBAA prefers the definition employed in the current Content Development Guidelines which includes the stipulation "...and hold a representative membership of stations" and also meets the proposed criteria for the recognition of SRO's articulated earlier in this submission.

"A station with a temporary licence must have been on air for at least two years cumulatively prior to applying"

The best time to fund, support and invest in an organisation is in start-up. The outcomes outlined in this grant category are clearly relevant to stations in the foundational stage of their development; therefore we strongly encourage the CBF to open this category to stations who have been broadcasting for less than two years.

3. What types of activities can you apply for?

The CBAA is generally supportive of the four types of activities applicants apply for in Infrastructure, Service Support, Organisation-based projects and Multi-organisation projects, noting again the term 'projects' should be changed.

In the interests of inspiring applicant stations it is suggested that associated information with specific activity suggestions be made available in a FAQ or accompanying document, providing examples of other stations' strategic plans, marketing campaigns, and other case studies that clearly articulate the scope and quality of the outcome expected by the CBF.

The CBAA requests further discussions with the CBF regarding how they determine if activities are complimentary to activities already undertaken by CBAA.

4. How much can you apply for?

It is noted that multi-year funding is not available in this category, and the CBAA urges the CBF to reconsider this. By nature, development is an ongoing process and therefore requires more than one year for outcomes to be realised. The CBAA encourages the CBF to adopt a similar clause as listed in Content Grants:

“Multi-year funding: applicants have the option to apply for 3 year (triennial) funding for large projects and project budgets should demonstrate annual and three-year funding requirements. Applicants with project budgets totalling more than \$50,000 over a three-year period should complete the ‘More than \$50,000’ section of this application, but should be aware that the CBF may choose to offer short term funding only.”

As noted in the CBAA's response to the Content Grants exposure draft, multi-year funding will likely ensure greater stability for stations and lessen the administrative burden, ensuring higher quality outcomes as a result. The CBAA has also suggested the introduction of a pathway process whereby applicants may advance through various funding stages, which could also be applicable for this grant category. For example:

STARTUP

- Brand new applicants must go through this category first, with criteria specifically designed for first-time-funded activities
- Single year funding
- After year 1 can apply for standard category
- Minimum funding pool set

STANDARD

- Single year funding
- Criteria includes demonstrating the need to sustain funding for additional year
- Minimum funding pool set

FLAGSHIP

- 3 years funding with annual review
- Minimum funding pool set

“There is no limit on how much you can apply for in Development project requests, but applicants should note that assessors will take the value represented by your proposal into account in their assessment scores.

All projects requesting \$30,000 or more are expected to demonstrate financial contributions from other funding sources such as other funding partners, sponsors, station financial contributions or crowdfunding.”

The CBAA is concerned about the impact this requirement will have on applicant stations seeking funding (note: as opposed to sector representative organisations – the CBAA feels station representative organisations would be better-placed to seek additional financial contributions).

The CBAA acknowledges there is a limited funding pool and that it is a challenge to balance effective and fair distribution of these limited funds. We also acknowledge that there will be few initial and current projects that will be affected by this new requirement, and that the CBF has not set specific additional funding targets at this time. However, despite the best of intentions, this requirement will inevitably put undue pressure on applicants.

The CBAA appreciates that the CBF is looking to maximise the number of projects it is able to fund and that ideally applicants would be able to diversify funding sources and not rely entirely on the CBF for financial support. The CBAA is on board with this trajectory, but acknowledges that it is a shift that must occur over a number of years as applicants develop the skill and knowledge base required to respond to these new requirements. In particular, the CBAA is concerned about small stations with limited resources that already face challenges in submitting grant applications.

To ensure the CBF does not create unnecessary barriers for applicants seeking funding, we request the CBF allow for the internal resources of applicant stations to be reflected in applications for projects exceeding \$30,000 per year.

5. What are the priorities in this category?

The CBAA broadly supports the priorities, though notes the language used is very specifically tied to community broadcasting stations, and would be less relevant to other eligible applicants.

Similarly, the heading ‘Station Priorities’ and ensuing paragraph details a set of rules for community broadcasting stations, which implies another set of rules for other applicants. The rules as they apply for other applicants are not listed, so the CBAA can therefore not provide adequate feedback on this section at this time.

Accredited Vs Pathways Training

The CBAA continues to be concerned with the emphasis on accredited training. Whilst accredited training is important, and some may say there is an unmet need, the delivery of pathway training should be the focus.

Pathways training is significantly more cost effective, provides flexibility and tuition without the formal and bureaucratic requirements of accredited training and provides a greater return on investment from the limited training funds provided by the Federal Government.

In addition, pathways training allows the sector to act quickly to address skills gaps in the sector, to better tailor training to specific groups and to widen access to training, all of which might be more complicated with accredited training courses. Our member research supports this position.

Further, the current provision for training partners is only Registered Training Organisations (RTO), excluding schools, universities and other higher education providers. The CBAA in our response to the Training Review recommended exploring that this be expanded for pathways training. This would allow stations for which it was appropriate to partner with their local school, or organisations like AFTRS and University of Technology, Sydney to provide training opportunities

6. What can you use the grant for?

The CBAA supports the use of grant funding as listed in this section of the exposure draft, and is pleased with the introduction of administration of grant costs which rightly recognise the additional overhead costs incurred by applicants to deliver on funded activities.

7. What can't you use the grant for?

The CBAA supports the restrictions listed in this section.

8. How will this application be assessed?

The CBAA supports the proposed assessment matrix as fitting with the underlying application guidelines and methodology, however believes it would be of benefit to applicants to have an associated FAQ or accompanying document available which provides specific guidelines, tips, and case studies.

Further, the CBAA feels it would be worthwhile to reintroduce a requirement for stations to list their activities in order of priority for funding.

It is noted that the Development GAC Terms of Reference needs to be discussed and refined to better reflect the diversity of the sector.

9. What should you include in the application?

The CBAA supports the inclusions listed in the exposure draft, however would like to clarify whether the submission of Strategic and Operational plans are a requirement, or simply encouraged.

The CBAA is very supportive of applicants having strategic and operational plans, however notes that the CBF has only just introduced the Planning Assistance Grant category, and the outcomes of that round may take some time to be realised.

We suggest the CBF strongly encourage applicants to provide strategic and/or operational plans, and that this receive priority weighting in the assessment criteria, rather than initially have this listed as a requirement.

10. How will you report on the grant if the application is successful?

The CBAA supports the requirements listed in the guidelines.