

**INDEPENDENT GRANTS ROUND ANALYSIS:  
ROUND 1 2020/21 and COVID-19 CRISIS GRANTS**

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February 2021

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# 1. Executive Summary

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This paper analyses the Community Broadcasting Foundation's (CBF) response to the COVID-19 pandemic. With no additional funding (to date), the CBF dispersed \$2.6 million to community broadcasting stations who applied for support related to the effects of the pandemic on their operations.

Both the CBF and industry identified anomalies that arose in relation to the CBF's response to the pandemic. Some organisations felt that the funding outcomes were inconsistent and inequitable. As a result of this the CBF initiated this independent analysis. In doing so, the CBF did not intend to review funding decisions – its purpose was to identify learnings for the future.

The CBF reacted quickly to the potential of existentially threatening circumstances for many stations. There were significant positive outcomes. However, with the best intentions, the CBF complicated a process that, with hindsight, called for simplicity.

While the pandemic exposed some weaknesses in the approach and processes, the CBF can learn from this independent analysis of the grant rounds and address any issues that are inconsistent with its own policies.

The pandemic will have a 'longtail' and it is crucial that the CBF and the sector secure specific additional Australian Government support so that community broadcasting stations can develop the role they play in rebuilding the communities they represent.

## Key findings

This paper identifies areas of improvement which include:

- using the Sector Roundtable rather than a Taskforce
- using established Grants Advisory Committees (GACs) rather than establishing new GACs
- using merit-based processes rather than formulaic approaches
- better linking and communication between Grants Advisory Committees in relation to the allocation of ethnic funding.

## Summary of Recommendations

1. For sector consultation in response to future emergencies, the CBF should resource the Sector Roundtable in the first instance.
2. For the dispersal of emergency funds for operational purposes, Development & Operations GAC should be used and resourced to make recommendations.
3. The CBF should use a merit-based process that emphasises criteria around station resilience for decision-making about emergency fund allocation to stations.
4. Review how the CBF communicates policies for full funding and multi-year funding and decision-making processes internally and to applicants.
5. Review and strengthen the links, communications and work processes between funding applications for Specialist Radio Programming and Development & Operations grants. Ensure CBF staff and volunteers are clear about the rules relating to specialist content funding.
6. Additional government funding for COVID-19 recovery purposes should be a priority over the next budget cycle. It is a test of the government's support for the sector.

### **About David Melzer: Independent consultant**

David is experienced in public media, particularly community radio. He is a former station manager of 3YYR in Geelong, 3MBS, 3ZZZ, and 6FX in Fitzroy Crossing, a former President of the CBAA and former Vice President of the CBF. He co-designed the national training framework for the sector and reviewed the operations of numerous community broadcast organisations. He has also worked for the ABC, SBS and NITV.

## 2. About this paper

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This paper is a report into the Community Broadcasting Foundation's (CBF) initial response to the effects of the COVID-19 pandemic on the Australian Community Broadcasting industry.

Throughout 2020, the COVID-19 pandemic severely impacted all aspects of Australian society, including the operations of the more than 450 community-owned radio and television stations across Australia. The CBF distributes almost \$20 million of government funding annually to support these stations.

This paper forms part of the CBF's deep dive analysis of the first 2020/21 grant round and COVID-19 Crisis Grant rounds.

The CBF initiated this process in response to feedback from stakeholders about better ways to manage grants within an emergency response framework. Some organisations felt that the funding outcomes were inconsistent and inequitable.

The process aims for an understanding of how funding decisions were made for grants to:

- identify the factors that impacted on the process
- identify key learnings for future rounds.

Over \$9.6 million was distributed in the CBF's Round 1 2020/21 grants to 275 community stations and community media organisations around Australia. This includes \$2.6 million in grants specifically aimed at supporting 224 stations to survive the threats of the COVID-19 pandemic.

### Method

In preparing this paper, a broad range of documents were examined, and conversations were held with key stakeholders – internal and external to the CBF – by an independent observer familiar with the community broadcasting sector and the CBF.

Close examination of the timelines, internal reports and supporting documentation, applicant and assessor surveys and other feedback, together with discussions with the CBF President, CEO, Support Team, Grants Advisory Committee Chairs and others helped to produce insights into the decision-making processes and assisted with the development of recommendations for potential improvement.

The materials considered and interviews conducted are summarised in the Appendices.

### 3. Background

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As an organisation, the CBF has more than 35 years' experience in allocating grants to support the production of content, the development and operations of stations, and major projects and organisations that support the sector. In recent years, the CBF has regularly provided stations with 'Quick Response grants' to help in times of emergency.

The CBF distributes funds provided by the Australian Government, some of which are provided for specific purposes including to support Indigenous and ethnic broadcasting, radio for print handicapped, transmission and training.

The CBF has an independent Board and Grants Advisory Committees (GACs) comprised of volunteers involved in, or interested in, the development of the community broadcasting industry. There is a Content GAC, a Development and Operations GAC and a Sector Investment Advisory Committee. The GACs are supported by the Grants Support Team and the CBF's professional staff.

There are 126 volunteer grant assessors who independently consider, score and provide advice on applications to the GACs. The grant assessors offer expertise in community media and other relevant knowledge to evaluate grant applications. Grant assessors collectively reviewed 240 applications in Round 1 2020/21. The CBF usually runs two major grant rounds per year, with most of the funding allocated in the first round.

#### Consideration of strategic intent

Analysis of the CBF's response to the COVID-19 pandemic starts with the CBF's purpose and the strategic planning process used to pursue it. The *CBF's Strategic Plan 2017-2021*<sup>1</sup> details the CBF's support for community media to promote:

*'access, diversity, inclusion, independence, localism, multiculturalism and social justice'*.

The CBF distributes government funds which:

*'resources and supports services to increase station sustainability so that diverse cultures continue to be reflected and served by freely accessible community media.'*

The CBF is explicit about the direction of its sector support. It wants to fund activities to build station resilience, self-reliance and sustainability – as opposed to supporting stations in what could be described as ongoing dependency on regular CBF funding. The CBF Strategic Plan's first goal is to advance community media in order to:

*'strengthen and develop Australian community media to be resilient, sustainable and integrated into the fabric of Australian communities.'*

The CBF has engaged consultants Think Impact to examine the nature of station resilience and how it can be achieved within the framework of CBF processes. The results of this work were not available at the time of this report. They will be available in 2021 and will feed into the CBF's planning process.

The emphasis on station resilience is a useful lens to use when looking at decisions made about funding to support stations in the pandemic era.

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<sup>1</sup> CBF Strategic Plan <https://cbf.org.au/learn/how-we-help/strategic-plan-2/>

One of the deliverables under this goal is to:

*‘Support the development and further strengthening of the Community Broadcasting Sector Roundtable as a forum for national sector representative organisations to identify and advance issues of mutual interest.’*

This is relevant when looking at the CBF’s efforts to engage with national sector organisations to inform its decision making around this time. Another relevant strategy the CBF has been explicit about in its strategic plan is to:

*‘Streamline operations for greater efficiency.’*

## **An unfolding crisis**

On the back of Australia’s most far-reaching and destructive bushfire season in the summer of 2019/20 which directly impacted 80 community stations, the world faced the declaration of a global pandemic. Australian borders were closed to all non-residents on 20 March. Social distancing rules were imposed on 21 March, and state governments started to close ‘non-essential’ services. ‘Non-essential services’ included social gathering venues such as restaurants, pubs, and clubs. All live arts events ceased.

Schools closed with students working from home and all workers who could, worked from home. Institutions reduced services, and some completely closed. More than a third (35%) of Australian businesses expected to find it difficult or very difficult to meet financial commitments, according to the Australian Bureau of Statistics.<sup>2</sup>

There was an immediate effect on communities, businesses, and community radio stations.<sup>3</sup> Stations scrambled to quickly understand the requirements and restrictions, and introduce social distancing and hygiene protocols. Many supported broadcasters to produce programming from home for the first time. The financial impacts were significant, mitigated to some extent by government support packages such as Jobkeeper, which assisted many of the qualifying community stations that had paid staff (47%).

## **CBF response to the pandemic**

In many ways, the pandemic amplified existing structural and systemic weaknesses in the community broadcasting sector. For some, this was reliance on potentially volatile revenue streams, and for others, a dependency on grants. For the CBF, the pandemic exposed some weaknesses in its processes that can be learned from.

The consultation and analysis conducted as a part of this report included considering a detailed timeline (see Appendix 3) of how the CBF responded to the pandemic as it was unfolding.

In summary, the CBF responded by:

- consulting with the sector about how to best support community broadcasting organisations
- setting up a COVID-19 Crisis Fund and processes to distribute these funds to the sector

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<sup>2</sup> <https://www.abs.gov.au/media-centre/media-releases/third-businesses-will-face-challenges-paying-bills>

<sup>3</sup> [https://en.wikipedia.org/wiki/COVID-19\\_pandemic\\_in\\_Australia](https://en.wikipedia.org/wiki/COVID-19_pandemic_in_Australia)

- distributing \$2.6 million to 224 stations through the COVID-19 Quick Response and COVID-19 Crisis grants.

In considering the timeline and actions taken, it was clear that:

- the CBF acted immediately and with the best of intentions to respond to the pandemic and support stations in crisis
- the CBF consulted with sector representative organisations about how to proceed so that its actions were informed by the industry it serves
- hundreds of stations received funding support across the grant programs, but even with additional funding distributed from CBF reserves through the COVID-19 Crisis Fund, the high level of need for support far surpassed the level of funding available to distribute
- during this period, the CBF Support Team's wellbeing was significantly impacted, particularly as a result of some members of the team feeling disempowered, combined with the increased workload brought about by the desire to respond quickly and work-from-home restrictions
- internal organisational changes and challenges the CBF was working through in 2020, particularly in relation to leadership succession and staffing changes due to planned leave and retirement also impacted on the ability of the CBF Support Team to respond to the pandemic.

The CBF's response was quick, but imperfect. There are a number of learnings and improvements that can be made, which are detailed below. These relate to:

- crisis governance structures
- establishing a Crisis Fund
- decisions about funding options
- internal processes and policies
- ethnic funding
- unintended consequences.

## 4. Learnings from key decisions

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### 4.1 Crisis governance structures

When the Community Broadcasting Association of Australia (CBAA) approached the CBF Board to consider support for a sector under threat, one of the initial and critical decisions made by the CBF Board was to establish the COVID-19 Taskforce. It is understandable that the CBF Board wanted to be informed about how to best proceed, as well as consult with the industry in a crisis.

Available literature<sup>4</sup> covering grant making in a crisis supports the CBF's move to consult with the industry, emphasising the need to be as informed as possible. The literature talks about the benefits of collaboration. It stresses the need to keep structures and processes as simple as possible. The benefits of communication and transparency are the other themes recurrent in the literature.

The CBF Board established a Taskforce, consisting of CBF and CBAA Presidents, Vice Presidents, CEOs, and Chairs of the CBF committees.

It subsequently decided to establish a COVID-19 Response Grants Advisory Committee (CRGAC). The COVID-19 Response GAC was initially composed of the Chairs of the GACs and members of SIAC.<sup>5</sup>

The complications that arose from the creation of the Taskforce and CRGAC, as well as other factors, impacted on the CBF's internal and external communication. The flow of communication and information between all the different people involved – Board, GACs, Taskforce, Support Team, sector organisations and applicants – was complex. The CBF paid particular attention to communication during the period with an overall communications plan and detailed messaging. People working from home added to the complexity of communications, as did the uncertainties around the evolving processes which meant the challenges around communications were compounded. The way decisions were being made and remade, the sense of urgency and the fact there were numerous parties involved further added to the complexity.

Adding another GAC and the Taskforce also complicated communication between GACs, between GACs and staff, between GACs and the Board, and between staff and stations.

Advantages:

- The establishment of the Taskforce and CRGAC was an attempt to incorporate different perspectives into the decision-making environment to get the best outcome for the community broadcasting sector.
- The CBF's COVID-19 Taskforce brings together the Chairs of the other GACs which facilitated a level of communication.
- The Taskforce assisted the CBF to consider the options together with the sector and take action.

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<sup>4</sup> <https://www.peakgrantmaking.org/assessingthehow/>

<sup>5</sup> A later appointment was made to the Committee following Round 1 to address the lack of cultural diversity on the CRGAC.

Disadvantages:

- The only external sector knowledge added to the crisis governance structure were three senior CBAA positions.
- Establishing two new groups added to the number of meetings, and to the complexity of decision-making, of communication and of the application process for stations seeking funds. While intended to be a quick response process, there may have been other governance mechanisms that would have enabled faster decision-making.
- The establishment of the CRGAC without time to refine its purpose left it exposed to the vulnerability of having no ethnic or Indigenous representation.

### **Considerations for the future**

With the benefit of hindsight, the decision to establish a new committee, the COVID-19 Taskforce, complicated the processes that the CBF tried to establish.

This additional complexity is not in line with best practice for grant making bodies in a crisis. There were simpler alternatives. As mentioned, the CBAA is recognised by the Australian Government as the peak national body for the sector distinct from the national bodies with specific interests such as the National Ethnic and Multicultural Broadcasters' Council (NEMBC), First Nations Media Australia (FNMA) and RPH Australia (RPHA). The CBAA auspices the Community Broadcasting Sector Roundtable, resourced by the CBF. It consists of the other Sector Representative Organisations which meet twice a year to discuss sector issues. An alternative arrangement could have been to resource the existing sector roundtable or a working group subset to recommend a plan to tackle the crisis. This would have lined up with the intentions in the CBF's Strategic Plan to support the Sector Roundtable.

However, each of the sector bodies spoken to in preparing this report were satisfied by the level of consultation through the CBF's response to the pandemic. There is no criticism of the CBF's efforts to be informed by the sector. Using the Sector Roundtable rather than the Taskforce may have been simpler and honoured the objectives of the CBF Strategic Plan.

The CBF is structured around three GACS. The Sector Investment Advisory Committee (SIAC) has the first go at recommending the distribution of funds. It focusses on national projects, national organisations and sector infrastructure. It then recommends global allocations for the Content GAC and the Development & Operations GAC. The creation of a separate COVID-19 Response GAC for the COVID-19 Crisis Fund added complexities to the CBF process.

One option initially proposed to the CBF Board by the Grants Support Team was to use the existing Development & Operations GAC rather than form a new special purpose COVID-19 Response GAC to consider the details and make recommendations to the Board on funding allocations. With the benefit of hindsight, this would have been a simpler option.

In learning from Round 1 2020/21, the CBF has instituted regular meetings of the Chairs of the CBF Advisory Committees to increase cross-committee communication. This practice would largely make a special crisis GAC redundant. The proposed Chairs liaison is a mechanism to address some of the inconsistent approaches across the GACs and to bring each in greater alignment with the Board.

**Recommendation 1:** For sector consultation in response to future emergencies, the CBF should resource the Sector Roundtable in the first instance.

**Recommendation 2:** For the dispersal of emergency funds for operational purposes, DOGAC should be used and resourced to make recommendations.

## 4.2 Establishing a Crisis Fund

To establish approximately \$2.6 million to disperse through the COVID-19 Crisis Fund, the CBF:

- shaved 10% funds from the Content and Development & Operations grants
- repurposed \$1 million of the \$1.4 million it had promoted as the Bright Futures Fund (made up of repurposed unexpended 800Mhz spectrum reorganisation funds)
- allocated \$300,000 from CBF company reserves.

The CBF's decision to establish a COVID-19 Crisis Fund is in line with analogous grant bodies operating in the community and cultural sectors such as Screen Australia and the Australia Council. Despite not adding to the total money that was available to disperse to the sector, apart from reserve funds, the CBF was able to dedicate over \$2 million to the effects of the pandemic on the sector.

The decision to use CBF reserves and to shave 10% from other grant categories is justifiable from the perspective of enabling stations to pivot to operations within a new pandemic environment. Despite the amount not being enough to guarantee the survival of all stations, it seems like a reasonable first step to dedicate to the task. The aim was to 'offset a reduction in station income such as through sponsorships, donations and fundraising events' and 'survive through the pandemic period'.

The limited level of funds available meant that there was always going to be 'winners' and 'losers' in the COVID-19 funding allocations.

How that money was subsequently distributed and the issues arising from the process is discussed later but the decision to take \$1 million from the Bright Futures Fund is questionable.

This Bright Futures Fund was established from money underspent from funds provided for 800Mhz spectrum reorganisation. The Fund was established to highlight the CBF's push for station resilience and aimed to fund projects aimed at financial sustainability. In promoting the opportunity, the CBF encouraged stations to think big. The Bright Futures Fund was established for stations and other organisations to pitch aspirational projects aimed at modelling independence and sustainability.

The draining of the Bright Futures Fund wasted efforts by stations which had geared up to apply for the fund. Removing the vast majority of money from that fund represented a significant change in direction: a focus on short term survival to accommodate immediate needs caused by the pandemic, rather than longer term development.

It is worth noting that apart from the Bright Futures money, ethnic funds provided the largest portion of the Crisis Response funding – over \$400,000, derived from the 10% shave of ethnic funds.

Advantages:

- The creation of the Fund allowed the CBF to respond to the emergency.
- The intention was to set up a structure that would facilitate additional government and philanthropic funds being added to the Crisis Fund.

Disadvantages:

- Establishing the COVID-19 Crisis Fund created unrealistic expectations that stations would be 'saved' by the CBF, particularly in a climate of government stimulus and largesse (such as the Jobkeeper scheme).
- The COVID-19 Crisis Fund effectively moved funds from one application process to another without significantly adding additional funds which had unintended consequences (more on that below).
- Ten percent of the ethnic 'pot' of money for Round 1 2020/21 was pooled into the COVID-19 Crisis Fund for the COVID-19 Crisis grants, thus not distributed to stations with significant levels of ethnic programming through the Development & Operations or Content grants.
- Funds added to the COVID-19 Crisis Fund were not repurposed entirely but were required to be allocated against the same purposes as in the CBF's funding deed with the Australian Government. This added complexity to the allocation process.

### 4.3 Decisions about funding options

The CBF Board considered a range of options for how it could support the sector through the pandemic with options modelled by the Support Team. One option considered creating a separate COVID-19 grant round, the other boosting existing operational funds. Neither of the scenarios was supported. The Board supported a Taskforce recommendation to implement a data-driven allocation and formulas for allocating funds.

Advantages:

- The adoption of a data-driven process was intended to be quick because it would cut out the time usually required for the assessment phase of the application process.

Disadvantages:

- The process was more protracted than intended.
- The creation of a separate grant process added complexities to the CBF process and added another application process for stations.
- By having two separate categories (Development & Operations grants and COVID-19 Crisis grants) addressing the needs in the sector at the same time created difficulties, with only 150 entities getting access to \$4 million through DOGAC and 240 trying to access \$2 million through CRGAC. The result was that some applicants received a lot of Development & Operations funding and COVID-19 funding, while others received none or little of either.
- The formula included responses from stations to a question about how many months they could keep trading. Using a data-driven process is flawed if responses are sought that are subjective, that is, the response was in the opinion of the responder and not necessarily directly related to a station's financial position.
- With the range of possible allocations determined to be from \$5,000 to \$25,000, the formula seems to have produced allocations grouped at each end of the extremes of the range. Some smaller stations got what seemed a disproportionately high grant compared to their annual

turnover. Expectations could have been better managed with many large stations expecting to receive the top amount and ending up with the lowest.

- Larger stations with significant turnovers and proportional pressures expressed frustration with what was regarded as an inadequate allocation of \$5,000. For example, 3KND, Melbourne's First Nations station, has been particularly affected by the pandemic. Indigenous communities that function best where social interaction is unhindered have been knocked around by the pandemic. Indigenous communities, historically and currently marginalised, do not thrive in isolation. Melbourne had the most severe lockdown for anywhere in the country. 3KND is in temporary accommodation waiting for new premises, trying to serve its community in difficult conditions. There was no apparent allowance in the CBF's COVID-19 response for different lockdown conditions around the country. Notwithstanding, 3KND expected to get the full COVID-19 Crisis amount of \$25,000 in Round 1. They received \$5,000.

### Considerations for the future

In theory, applying a formula reduces application time, assessment time and processing time. The alternative of applying a merit-based approach might have offered stations a more accurate response to their COVID-19-affected operations. A merit-based approach is the standard for the CBF where stations detail their needs and how funding will affect them. These applications take longer to assess and process. It has been acknowledged that any formula will be a blunt instrument. That is, there will be winners and losers and anomalies. A formulaic approach was used because of the time pressure.

The formula-based approach did not allow applicants to articulate their needs and led to them feeling like the CBF didn't value their circumstances. A merit-based approach underlines the degree to which stations have developed their resilience, their self-sufficiency, their capabilities. A merit-based approach is how the CBF can better meet the aims of its strategic plan.

**Recommendation 3:** The CBF should use a merit-based process that emphasises criteria around station resilience for decision-making about emergency fund allocation to stations.

## 4.4 Internal processes and policies

In what became a more competitive round, a number of internal processes and policies impacted this round. These relate to the intent to fully fund projects, to encourage multi-year funding and how ethnic funding is allocated (considered in more detail in section 4.5).

DOGAC has a policy, where appropriate, to fully fund specific projects on the premise that, for example, stations applying for funding to purchase a transmitter could not purchase it with less than full funding. This contrasted with the Content GACs decision to reduce recommended grant amounts by 2.5% so more stations would receive funding but with a smaller average grant amount. Both GACs also have a policy of encouraging multi-year funding to reduce application and processing time by applicants and the CBF.

Advantages:

- These policies are considered good grant making practice.

Disadvantages:

- These policies limited DOGAC's capacity to reduce allocations in the way that CGAC did to stretch funds across a larger number of applicants.

### Considerations for future

It is hard to say what effect the CGAC approach of reduced funding would have on its funding objectives. Similarly, it is hard to gauge the effect of DOGACs full funding approach to grants other than to say less stations receive funds but at a higher level. These decisions highlight a lack of consistency across the GACs. These policy positions should be considered and endorsed by the Board, so that inconsistency can, at the least, be acknowledged rather than be an 'accidental' difference. Consideration should also be given to improving how these policies are communicated to applicants.

**Recommendation 4:** Review how the CBF communicates policies for full funding and multi-year funding, and decision-making processes internally and to applicants.

### 4.5 Ethnic funding

As the formula was applied to the COVID-19 Crisis grant applicants, the amount of ethnic money available was disproportionate to the number of eligible applications from stations with ethnic content. This led to the situation of the CRGAC with money to allocate, but few eligible stations with ethnic programming.

The CRGAC seems to have recommended allocations of the ethnic funds to stations without significant levels of ethnic programming. Meanwhile, there were sixteen stations with ethnic programming that missed out on Development & Operations grant funding in Round 1 2020/21.

Instead of pushing the ethnic funds out to CRGAC applicants, it would have served ethnic programming and applicants more if the 'excess' ethnic money would have been moved back to DOGAC and allocated to the next ethnic stations in line in their application process.

The NEMBC have used CBF data to help identify the stations they consider to be at risk and in need of support. The NEMBC recommend that ethnic funds allocated via Development & Operations grants should relate to the number of hours of ethnic programming.

In 2018, DOGAC changed its policy relating to the level of ethnic programming at a station when allocating funds. The policy moved from funding being 'proportional' to the number of ethnic hours broadcast at a station to 'having regard to' the level of ethnic hours of programming. This led to funding decisions not necessarily being tied to the level of ethnic programming supported by the station. The CBF has specifically moved from funding being tied to the exact hours of ethnic programs broadcast to a position where ethnic funding is used more flexibly to support broader outcomes for stations that carry ethnic programs. This enables, for example, stations with ethnic programming to use ethnic funding allocated through a Development & Operations grant to support technical development that will support ethnic programming.

This policy shift segues into a central concern of the CBF, and the sector more broadly, about how Australian Government funds dedicated to supporting ethnic programming on community stations are allocated.

Also, there are some stations that end up getting specialist language content funding but no operational funding to support that content. In Round 1 it seemed that this was a more frequent occurrence than usual. However, in making recommendations for allocations from the ethnic funding pool, DOGAC did consider the levels of ethnic programming at stations.

DOGAC's policy shift from allocations to stations being 'proportional' to 'having regard to' their level of ethnic funding is significant. It is reasonable to assume this policy shift led to ethnic funding being less tied to a station's level of ethnic programming.

This policy shift is not necessarily responsible for anomalies arising from this funding round in relation to ethnic funding. For example, one station with no identified current ethnic programming was allocated \$40,000 Development & Operations grants from ethnic money.

The CBF has since conducted a mini audit on these mistakes. They broadly fell into two camps:

- stations that didn't apply for specialist funding this year, but it was assumed that ethnic programs were still operating and last year's ethnic hours data was used
- stations with no ethnic programming were allocated ethnic funds.

The CBF are working through a process to administratively address the mistakes by adjusting the source of funding to ensure that ethnic funds are allocated to stations supporting ethnic programming.

In relation to the difference between the terms 'having regard to' and 'proportional' in the allocation of ethnic funding through Development & Operations grants – regardless of the effect on funding during Round 1 – the purpose, history and identification of ethnic funding is significant enough for any policy shift relating to ethnic funding to be considered by the CBF Board. If there is good reason for a policy shift, it may be worth considering across all GACs.

If the CBF's function is to work towards a fairer society, as stated in its Strategic Plan, there should be sharp focus on supporting stations which give access to the marginalised in our communities. The strategic planning process scheduled for next year is an opportunity for the CBF to detail its role for the following period.

It is hard to gauge if DOGAC's change of policy towards ethnic programming was understood by applicants. When best practice literature talks about 'transparency' for grant makers it would be helpful to know if they mean this level of detail.

Regardless, the CBF has an obligation to ensure that ethnic funds are allocated appropriately. Consideration should be given to how the two GACs can better work together to enable the best outcomes for stations and ethnic programmers. This may include DOGAC considering the implications of not supporting an application for operational support where Specialist Radio Programming support is being recommended through Content grants.

**Recommendation 5:** Review and strengthen the links, communications and work processes between funding applications for Specialist Radio Programming and Development & Operations grants. Ensure CBF staff and volunteers are clear about the rules relating to specialist content funding.

## 4.6 Unintended consequences

There was a range of responses to the grant outcomes from Round 1 2020/21. Some stations were thrilled to receive support at the level provided, and others were left disappointed and distraught.

One station with significant levels of ethnic programming (40+ hours per week) receiving no DOGAC funds after three years of steadily increasing allocation is worth examining. That they did not apply for COVID-19 Funds compounds their situation.

Following the announcement of Development & Operations Round 1 allocations, the station communicated concerns about the allocations. They had received funding for the previous three rounds and in 2019/20 were allocated close to \$150,000.

The station chose not to apply for any COVID-19 Crisis allocation because they assumed they would get Development & Operations grants and did not want to be greedy.

Even if DOGAC's funds were not 'shaved' to create the COVID-19 Crisis Fund, their application is unlikely to have achieved a score near the level to have been granted funds but the changes the CBF made to the Development & Operations grant process mid-round contributed to significant distress at the station, much of which impacted volunteers already working through the challenges of broadcasting during a pandemic.

The station received specialist content funding, but no operational support. They launched a successful fundraising campaign highlighting their reduction in CBF funds and later applied and received Round 2 COVID-19 Crisis funding support.

## 4.7 Post Round 1

It is now clear that the effects of the COVID-19 pandemic are not short term. It may take two to three years for stations to return to their income levels prior to the pandemic.

Recent grant making literature suggests funding responses should take a longer-term perspective, viewing support for recovery over a three-year time span. The Foundation for Rural & Regional Renewal says that while early engagement with your industry is important, granting 12 months after a disaster is grant making's 'sweet spot'. The CBF has time to reassess its approach to the pandemic.

Discussions with the Support Team reveals morale has been dented by the experience so far, with the most significant challenges of the pandemic's effect still to come. The Grant Support Team has detailed sector knowledge and access to station data about operations and history. They worked hard to provide information in support of shifting approaches to responding to the pandemic. They worked hard to support stations. Their knowledge of the industry and their expertise can be better applied. They were asked to implement policies they didn't all agree with which is a common challenge for people undertaking administrative roles rather than policy and decision-making roles.

The Grant Support Team is a resource in which the sector invests. It would be sensible to further invest in efforts to support staff in future funding rounds. A relevant analogy from the 'best practice' grant making literature refers to funding organisations wearing 'their oxygen mask' first. The airplane reference is to check the 'health' of your staff and internal operations as a pre-condition of supporting your community.

The origins of community broadcasting supported the parts of the community not heard anywhere else in the media. The sector developed on the back of community support for voices of ethnic

communities, Indigenous communities, gender and sexually diverse communities, independent and specialist music fans and other groups absent from the broadcast airwaves before the advent of community broadcasting from the 1970s.

While the funding lines are still around for the support of ethnic and Indigenous programming, and there is mention of diversity through the sector's public messaging, the CBF have an opportunity to articulate that in their grant processes by being clear about the value of ethnic and Indigenous content in communities around Australia.

#### **4.8 An unfortunate confluence of events**

The early COVID-19 period was challenging in many ways for decision makers, particularly for people who were dealing with the direct effects of the pandemic on community broadcasters. If community broadcasters perform any sort of central communication function within their community of interest, be it a regional town as the only local media, or an ethnic community as the only receivable media that speaks in the first language or as the First Nations of people on that land, then maintaining that service would be a first level response.

To be able to communicate information about a deadly pandemic in your community relevant to a community is an important function.

People making decisions at the CBF were trying to sustain those operations in as many places as possible. Unfortunately, events out of the CBF's control all come together around this time.

It is relevant to acknowledge the context of the internal organisational changes and challenges the CBF was working through in 2020, particularly in relation to leadership succession and staffing changes due to planned leave and retirement.

While the CBF Board undertook detailed planning with regards to leadership succession as per its risk management plan, conducting a risk analysis of unforeseen factors at the start of 2020 would have led to the conclusion that the CBF might make it through the year unscathed, as long as something like a pandemic didn't happen.

It is popular to say that pandemics are not unprecedented, however in its 40-year history the community broadcasting sector has never had a challenge as broad and complex as this to manage and respond to. And given the staffing and leadership changes the CBF was working through, the timing of the pandemic was unfortunate.

## 5. Conclusion

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It is important to remember that an analysis of the CBF's decision-making is being undertaken with the benefit of more than six months of hindsight. Decisions were made when there was an enormous amount of uncertainty surrounding the effects of the pandemic. Borders were closed and closing, communities locked down and many activities and businesses shut.

To say there was a level of urgency does not understate the decision-making atmosphere for the CBF in March and April 2020. There was also an unfortunate confluence of events, including leadership and staff changes that added additional pressure and uncertainty to the CBF's environment.

The effects of the COVID-19 pandemic on the community broadcasting industry needs good consideration for at least another 18 to 24 months, and another couple of rounds of CBF funding. The pandemic effects have revealed areas of industry operations that can be improved.

Any analysis of the CBF's response to the COVID-19 pandemic should be explicit and clear about people involved with the process to date having good and worthy intentions. It is abundantly apparent that people involved in this pressured environment worked tirelessly, selflessly and to the best of their abilities towards the survival of community broadcasting stations under threat.

People volunteered on the Board and on committees, giving many hours at short notice, with frequent meetings, reading data, documents, modelling and projections to support a sector in stress. Staff worked long hours under isolated, stressful, and hectic conditions to identify a variety of approaches to the problem. Barbara Baxter came out of retirement!

The establishment of two new bodies, the Taskforce and the COVID-19 Response GAC complicated the process and decision-making, in an already stressful time. There were complications around authority and communications. A simpler structure would be to resource a working group of the Sector Roundtable and to issue COVID-19 Crisis Funds through DOGAC.

It is easier to analyse decision-making processes with hindsight. As the pandemic-related pressure eases, consideration should be given to staff and volunteers who worked through the distress across the industry while dealing with these events.

### **Improving the approach**

Money was given out. Some stations got more than they needed, some got what they needed - as grateful correspondence to the CBF attests - and some didn't get what they needed.

This paper identifies areas of improvement. This includes: using the Sector Roundtable rather than a Taskforce, using established GACs rather than establishing new GACs, using merit-based processes rather than formulaic approaches, and better linking and communication in relation to the allocation of ethnic funding.

The CBF will address these issues. But that does not mean all the stations that missed out on grants will get them.

The essence of merit-based processes should mean the best applicant is successful. Criteria should be established for COVID-19-related grant support. This paper recommends using a merit-based approach to allocate future emergency funds. If the CBF is focussed on developing resilience in

stations, funding criteria developed should be clear about the pathways to resilience. The work currently being undertaken on station resilience will inform this approach.

The depth and breadth of community participation and engagement and consequential good governance are foundational criteria for resilience for community broadcasters. It would also be worthwhile developing more nuanced cataloguing of stations other than by income. The NEMBC has produced some detailed data of the stations they view as being under threat. The CBF will continue to work with these stations so they can achieve or return to a state of self-sufficiency.

This exercise has revealed key learnings for the CBF. It could be worthwhile seeking further opportunities for assessors, the Grant Support Team and GACs to contribute to a lessons-learned reflection on the CBF response to the COVID-19 pandemic thus far.

It would be good to look at grants under a geographical lens, split stations into metro and regional and state by state for a more accurate picture of the sector and pressures on stations in terms of scale of communities and services and operations.

### **Additional government funding**

While the pandemic has been a blowtorch for the sector, it has also provided an opportunity for stations to demonstrate that in a crisis, they have value in a community as independent media, as local media, as community builders and as an antidote to social isolation.

The sector is lobbying the government for additional COVID-19 support funds to ensure all stations survive the next year or so. Ideally, the CBF should get a quick response from government about repurposing existing funds for COVID-19 related use.

The CBF has also made efforts to seek philanthropic support but has not seen much interest. In some instances, there has been significant pushback that shortfalls in funding for the community broadcasting sector should be met by Australian Government support.

Without additional funds to support the sector, despite the best efforts of all involved with the CBF, there was never going to be enough money to satisfy all stations' needs. Board, staff and volunteers worked tirelessly to construct a grants program to support as many stations as possible.

The CBAA is seeking additional funds from the Australian Government specifically for sector support to counter the effects of the pandemic. It is yet to secure any. The CBAA is spearheading the campaign on behalf of the sector. The CBF has provided supporting evidence to demonstrate the need for additional government support.

As well as the range of other pandemic-related support, on 26 September 2020 the Government announced \$22.9 million in 2020/21 to support Australia's national cultural institutions during COVID-19.<sup>6</sup>

If the Government values the role that community broadcasting plays in over 400 communities around the country, there should be some additional support for the sector that will enable all stations to survive the pandemic.

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<sup>6</sup> <https://www.arts.gov.au/covid-19-update>

**Recommendation 6:** Attracting additional government funding for COVID-19 recovery purposes should be a priority over the next budget cycle. It is a test of the government's support for the sector.

## 6. Appendices

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Appendix 1: Summary of documents considered

Appendix 2: Key stakeholders consulted

Appendix 3: Annotated timeline of events

## Appendix 1: Summary of documents considered

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### **CBF Board**

Board meeting draft minutes 2020 07 10  
Board meeting draft minutes 2020 07 16  
Final Covid-19 Crisis Round 1 allocation of funds 17 July 2020  
202021 Assessor Feedback Survey Analysis

### **CBF Content Grants Advisory Committee**

CGAC minutes June 27 2020  
CGAC Procedures & Precedents  
Decision making processes  
CGAC Report to the Board Round 10 July 2020  
Content R1 2020\_21 grant table  
CGAC Assessment Summary Rd1 2020\_21\_meeting

### **CBF COVID TASKFORCE**

CBF CBAA COVID-19 Taskforce TOR  
CBF COVID-19 Response Summary - final 28 04 20  
COVID-19 Taskforce report  
COVID-19 Taskforce Minutes 10 April 2020  
Presentation to Taskforce

### **CBF COVID-19 Response Grants Advisory Committee**

CRGAC report  
CRGAC HQ discussion July 2020 2  
CRGAC HQ discussion July 2020  
CRGAC Terms of Reference - APPROVED  
Final Covid-19 Crisis Round 1 allocation of funds 17 July 2020  
Memo about Covid Response grants - Jo Curtin

## **CBF Development & Operations Grants Advisory Committee**

Draft Minutes DOGAC Meeting July 2020

DOGAC Policy Register

DOGAC Report to the Board July 2020

DEVELOPMENT & OPERATIONS R1 2020\_21 grant table

DOGAC grant assessment summary R1 2020/21 - meeting

## **Other**

SIAC consideration of CBF support for COVID-19

CBF Board paper - CBF sector support in response to COVID-19 pandemic - final

CBF Committee Chairs meeting notes

Contact List

DRAFT Learnings from Round 1

Grant Applicant feedback Report

Thought provoking or better grant practice articles

COVID-19 Overarching Communications Action plan-draft

Covid grant announcements - key messages & audiences

Covid grant announcements plan - channels and tactics

Responses for conversations with applicants July 2020

## **NEMBC**

Deep Dive on Stations with no DEVELOPMENT & OPERATIONS funding 2020/21 Analysis CBF Funding Over Six Years 9 Dec 19

Email from Russell Anderson, CEO NEMBC

## **3 KIND**

Letter from 3KND 2020

CBF response to 3KND 2020 08 18

## **2 RSR**

2RSR Request to Repurpose 20-21 Funds

2RSR Request to Repurpose Unspent 19-20 Funds

2RSR email follow up

2RSR DEVELOPMENT & OPERATIONS-00932 Review Request

CBF letter to 2RSR 2020 09 04

## Appendix 2: Key stakeholders consulted

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### Internal

Ian Hamm	CBF President and Chair of the COVID-19 Taskforce
Jo Curtin	CEO
Ellie Rennie	Former SIAC Chair and Board Vice-President
Jurgen Schaub	Sector Investment Advisory Committee Chair, COVID-19 Response Grants Advisory Committee Chair and Board member
Meg Butler	Development & Operations Grants Advisory Committee Chair
Michelle Brown	Content Grants Advisory Committee Chair
Georgie Boucher	Grants Support Team members
Jon King	
Liz Landray	
Dean Linguey	
Anne Harrison	Finance Manager
Philippa Costigan	Strategic Communications Manager

### External

Jon Bisset	CEO Community Broadcasting Association of Australia, Taskforce Member
Russell Anderson	CEO National Ethnic & Multicultural Broadcasters' Council
Gerry Lyons	Station Manager, 3KND
Catherine Liddle	CEO First Nations Media Australia
Claire Stuchbery	Policy & Stakeholder Engagement, First Nations Media Australia
Nathan Brown	CEO Christian Media and Arts Australia
Steven O'Dougherty	Christian Media and Arts Australia Sector Roundtable representative
Nicola Joseph	CBF Volunteer, Content GAC, CR GAC (joined CBF as a Board Director in January 2021)
Huna Amweero	President 2RSR Radio Skid Row
David Turrell	CEO Life FM Adelaide
Jarrold Graetz	CEO Light FM Melbourne
Kelly Vincent	Project Manager, Production Investment, Screen Australia

## Appendix 3: Annotated timeline of events

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<b>10/3/2020</b>	<b>Round 1 2020/21 applications close</b> <p>Selection criteria for the Round 1 2020/21 Development &amp; Operations Grants encourage stations to pitch for projects aimed at big picture sustainability, for example converting to solar panels for station power.</p>
<b>18/3/2020</b>	<b>CBAA quarterly meeting</b> <p>At their quarterly strategy meeting, the CBAA advises the CBF that stations were under intense pressure because of the COVID-19 pandemic.</p> <p>The economic effect of the pandemic erodes income sources for stations, such as sponsorship and fundraising. Social distancing and isolation also impact station operations. The CBAA suggest the CBF consider special assistance to support station survival.</p>
<b>20/3/2020</b>	<b>Australian borders close</b>
<b>21/3/2020</b>	<b>National social distancing restrictions imposed. Non-essential services closed</b>
<b>25/3/2020</b>	<b>CBF Board meeting</b> <p>The Board agrees to establish a COVID-19 Crisis Taskforce with CBAA representatives and GAC Chairs and grant six-month extension to stations for reporting.</p>
<b>26/3/2020</b>	<b>Grant application assessments ‘paused’</b> <p>The decision to pause Round 1 funding to publicise the COVID-19 funds and allow stations to adjust their applications to reflect changed circumstances is in line with practices by other grant bodies during the pandemic. Stations and sector bodies were reporting loss of income. Social isolation meant organising for content makers to operate remotely from the station. This required new technical infrastructure. The community broadcast environment had changed from when the applications were submitted.</p> <p>The Board considered existing government support available to stations. Considering scarce resources, the Board did not want to duplicate other support. It wanted stations to access all other forms of support where relevant. Much early government support was geared to employment supplements through programs such as Jobkeeper. 53% of community radio stations employ no staff.</p> <p>Station turnover (2018 data) shows half the stations (180) have an annual turnover under \$80,000. Another 90 stations’ annual income is under \$223,000. Consideration was given to whether the CBF could provide support of any significance to larger stations. 17 of the sector’s 361 long-term licensees have annual turnover over \$1 million.</p>

- 31/3/2020**      **First Taskforce meeting**
- Terms of Reference approved, Round 1 to be re-opened, COVID-19 Crisis Fund to be created.
- The Taskforce considers the Grant Support Team paper suggesting that a single grant round be held through re-opening Round 1 to existing applicants and also allowing new Development & Operations applicants to either complete an application for competitive assessment alongside existing applicants or elect to receive support drawn from the COVID-19 Crisis Fund.
- 4/4/2020**      **Sector Investment Advisory Committee (SIAC) meeting**
- Agreed to recommendations for COVID-19 Crisis Fund with suggestions.
- 7/4/2020**      **Board meeting**
- Agreed to SIAC principles for COVID-19 Crisis Fund.
- 7/4/2020**      **Taskforce meeting**
- Did not agree to SIAC principles.
- Agreed Round 1 to be re-opened and separate COVID-19 grant round developed for COVID-19 Crisis Fund.
- 10/4/2020**      **Taskforce meeting**
- Principles for COVID-19 Quick Response grants and COVID-19 Crisis grants further developed.
- The Taskforce details principles for the response such as ‘achieving equity through providing assistance to as many stations as possible’. The CBF also publicises the COVID-19 Quick Response Grant. All stations without paid staff can apply for a grant of up to \$2000 to assist with maintaining operations under COVID-19 social distancing requirements.
- 13/4/2020**      **Board meeting**
- Agree to COVID-19 Quick Response Grant principles, developed COVID-19 Crisis Fund.
- When announcing its response to the pandemic - the COVID-19 Crisis Fund and the Quick Response Grant - the CBF postpones its deadline for applications for its first round of funding for 3 weeks from 28/4/2020 to 18/5/2020. It invites applicants to adjust their applications, if stations want to reflect any changed needs because of the pandemic.
- 21/4/2020**      **COVID-19 Quick Response Grant round opens**
- COVID-19 Quick Response grants allocated - \$167k to 106 applicants.
- 23/4/2020**      **Grant Support Team starts phone campaign to contact every station nationally**

The Grant Support Team embarks on a campaign to contact every station in the country to alert them to the new deadlines and funds available. The Grant Support Team is working from home. The Grant Support Team is simultaneously developing various option papers with modelling for the effects of how funds can be applied – on top of usual workloads. Enquiries are escalating with new grant categories unfolding. Standard workload is compacted with telephone campaign to contact every station.

**28/4/2020 COVID-19 Crisis Grant opens and 2020/21 grant Round 1 re-opens for modification of applications**

The early COVID-19 period is strange and difficult for all concerned. It is a tense and uncertain environment for decision making and processes. Time pressures are a factor – or at least it seemed so at the time. This was impacted by the CBF decision to delay grant processes which made sense at the time. The delay did have the effect of compacting processes after the altered deadlines.

Re-opening grants for modification and running additional concurrent grant rounds escalate the number of enquiries to the Grant Support Team. Some stations may not have the capacity to modify applications or choose not to.

**1/5/2020 Phone campaign completed – every station has been contacted**

Staff report that they didn't feel confident they had clear information when talking to stations. Clear information is still being developed. Feedback from applicants suggests that the elevated competitiveness of Round 1 isn't understood by some applicants. Regardless of how well the increased competitiveness of Round 1 was understood, no additional funds are available.

**5/5/2020 COVID-19 Quick Response grant round closes**

With staff workloads beyond capacity, Barbara Baxter, retired CBF staff member, is enticed back to process COVID-19 Quick Response grant applications. There is no GAC or assessor involvement in the process.

**11/5/2020 Board decision**

COVID-19 Quick Response Grant approved out-of-session.

The CBF activates the Quick Response Grant to 'provide financial support to community media organisations during the COVID-19 pandemic' and 'to assist with maintaining operations under the COVID-19 social distancing requirements'.

The CBF received applications from over 100 stations. Of the \$200,000 allocated for the quick response, \$167,000 was applied for. A total of \$167,000 was distributed. All eligible applicants received a grant. The grants of up to \$2,000 were available to any community stations without paid staff that applied. Applications were simple.

**18/5/2020 Revised Round 1 applications and COVID-19 Crisis Grant closes**

**22/5/2020 Board meeting**

Agreed COVID-19 Response Grants Advisory Committee (CRGAC) be established.

- 18/6/2020 Taskforce meeting**
- COVID-19 Response grant data presentation.
- Taskforce papers note that states and territories have varying responses to the pandemic, particularly the length of the shutdown has been critical. This indicates, for example, that Victorian stations may have needed more support because of the extended shut down there in comparison to the rest of the country. Neither of the COVID-19 response formulas allowed for state-based differences.
- 27/6/2020 Content GAC meeting**
- Recommendations for Round 1 content grants.
- The reduction in GAC funding pools by 10% necessarily made the grant round more competitive than previously. Following the shaving of 10% from grant categories to bolster the COVID-19 Crisis Fund, CGAC reduces its allocations by 2.5% to stretch their funds in consideration of the lower amount available.
- 1- 3/7/2020 DOGAC meetings**
- Recommendations for Round 1 Development & Operations grants.
- For the 2020/21 Round 1 of the CBF's Development and Operations Grant, approximately \$9million was requested, about \$4 million allocated (44%). This compares to previous years:
- 2018/19 – Development & Operations funds requested \$14.5m, allocated \$6.5m (45%)
  - 2019/20 – Development & Operations funds requested \$16.9m, allocated \$6.2m (36%).
- 5/7/2020 CRGAC meeting**
- Recommendations for Round 1 COVID-19 Crisis grants.
- For the COVID-19 Crisis Fund, \$5.5 million was requested and \$2.3 million allocated.
- 10/7/2020 Board meeting**
- CRGAC Terms of Reference approved
  - Decisions on Round 2 approved
  - Round 1 Development & Operations grants approved
  - CRGAC decisions held over until Taskforce meet.
- 15/7/2020 Taskforce meeting**
- Discuss two formula options for COVID-19 Crisis grants.
- 16/7/2020 Board meeting**
- COVID-19 Crisis grants approved using 'Impact' formula.

<b>5/8/2020</b>	<b>Taskforce meeting</b>
	Agreed on principles for Round 2 of COVID-19 Crisis Grants.
<b>7/8/2020</b>	<b>Victorian COVID-19 wave peaks</b>
	Three months before restrictions ease.
<b>7/9/2020</b>	<b>Round 2 COVID-19 Crisis grants open</b>
<b>28/9/2020</b>	<b>Round 2 COVID-19 Crisis grants close</b>
<b>28/10/2020</b>	<b>Board meeting</b>
	Approved Round 2 COVID-19 Crisis grants.