

FEASIBILITY STUDY FOR COMMUNITY  
INTERNET RADIO IN STOCKTON

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# Is Stockton ready and ripe for community internet radio?

## Introduction:

In April 2013 **Catalyst**, Stockton Voluntary Sector Development Agency, commissioned Tees Valley Arts to research and present a feasibility study, exploring the viability of a potential community internet radio station in Stockton.

The study was carried out by **Rowena Sommerville** Director of Tees Valley Arts, and TVA affiliate **Maurice Dezou**.

**Rowena Sommerville** is an established arts practitioner, and has been Director of TVA, a participatory arts organisation based in Middlesbrough, working across the Tees Valley and beyond, since 2008.

**Maurice Dezou** is an established arts practitioner and cultural activist who has previously been involved in a number of radio initiatives, including the making and presenting of original broadcast content on a number of North East and Yorkshire radio stations, and the setting up of Community Voice FM Radio in Middlesbrough.

This report will consider the following key issues:

1. **An introduction to internet community radio**
2. **A light touch survey of existing examples across the North East, and the likely impact of such a service in Stockton**
3. **A review of current radio services/ providers in Stockton**
4. **Potential stakeholders**
5. **The business case**
6. **Conclusion and recommendations**

## Executive Summary

This report offers a very brief introduction to community radio broadcasting, and the three main formats in which it is currently done – terrestrial, digital and internet based streaming. All three formats require slightly different set ups, offer slightly different reach and accessibility, and cost different amounts to start and maintain. It is clear that internet radio (website-based streaming) is the cheapest and easiest place to start.

A light touch overview of current community broadcasters in the North East indicates the potential to be offered by such a station in Stockton, but also evidences some of the challenges that will be faced. This is reinforced by a look at current such broadcasters in Stockton.

Interviews with potential stakeholders, such as departments of Stockton Council, other civil agencies and community groups, indicate a welcome for such a platform of communication and a focus for skills acquisition, together with a recognition that delivery of messages via the radio would need to be paid for, but (hardly surprisingly) no immediate offers of capital for start-up.

The business case outlines the various items/ issues which would need to be identified in order to construct a realistic budget for start-up and initial running of the station. The variables are so many that it has not been possible to give simple indicative global sums, but indicative costs for each key item/ issue are given wherever possible.

Finally, the crucial next step recommended is that key stakeholders convene, go through this report, identify their various hopes/ issues/ contributions/ commitments/ problems and identify any actual and potential sources of funding, plus a lead work team, to enable the preparation of a schedule of actions towards the launch of the radio station.

The answer is that Stockton is ready and ripe for Community Internet Radio, and hopefully this report will be a useful first step on the way.

#### **Notes:**

Details of those agencies and individuals met with, interviewed and or communicated with are given at the end of the report. 22 in-person meetings were held and more interviews were conducted by phone or email. Inevitably, not all people were contactable or responsive within the time frame, and very few organisations were willing to share confidential details of their finances or possible spend/ support.

Furthermore, it must be borne in mind that most community radio stations do not have the means to count their audience, except those few listeners who actually click on and listen through the websites, which will be registered on the site. The stations assess their audience numbers through guesstimates based on their geographical coverage, percentages of likely population listening, anecdotal response and feedback received.

#### **Thanks:**

Rowena Sommerville and Maurice Dezou wish to thank Catalyst Stockton for the opportunity to carry out this interesting piece of research, and we thank everyone who gave their time to meet and/or talk with us.

## **I. An introduction to internet community radio**

What is community radio?

Community radio first emerged in the UK in the mid 70s, on the FM waveband, usually broadcasting to a small geographical area, usually with a radius of 3 miles or so; most such stations were run as 'not for profit' and staffed largely by volunteers and enthusiasts; stations were aiming to cater for any particular local population which felt itself to be uncatered for, thus were often aimed at reaching specific faith or cultural community groups; stations were niche broadcasters and were frequently owned and managed by charitable groups which represented the identified target audience.

Community radio stations were set up and recognised under the Communications Act of 2003, and were the distinct third tier of UK radio broadcasting, after BBC/ state broadcasting and commercial radio services.

Over the last ten years or so, roughly since the turn of the century, digital technological development has allowed mainstream, commercial and community radio stations to develop websites/ use the internet platform to strengthen their business models and to extend the actual geographical reach of their broadcasting, to go over the boundaries previously imposed by Ofcom licence restrictions.

In essence there are three different mechanisms for 'broadcasting':

- There is terrestrial broadcasting, on the FM or AM waveband; this requires a licence from Ofcom (see more below), those licences are rationed (see more below) and

community radio stations have to make a case for their community benefit. The licences – when granted – have historically been free.

- There is DAB digital broadcasting: this also requires a licence from Ofcom, but there are more licences available than for terrestrial broadcasting. The Ofcom licence is not expensive, once awarded. However, before such a licence can be applied for/ awarded, the would-be broadcaster has to be registered with a 'multiplex' platform, and that can cost thousands of pounds, plus currently there is confusion as to the availability of multiplexes to support broadcasters in the North East, after this July 2013, as the NE multiplex is closing. It is possible that this situation may be resolved by the time of any Stockton community radio 'action'.
- There is internet streaming – this requires recipients to link to the broadcaster's website, via computers and mobile digital devices. No Ofcom licence is currently required to broadcast over the internet in the form of 'streaming', but this is only accessible through the broadcaster's website, so take up is comparatively limited.

Ofcom is the independent regulator and competition authority for the UK communications industries. Community radio licence applicants must demonstrate that the proposed station will meet the needs of the specified target community/ies, together with a demonstrable social gain, eg training for volunteers, bringing communities together, supporting the elderly and the isolated etc.

A target community may be geographic, or otherwise defined – a community of interest. A given geographic definition of community would be any local area, particularly one which could not sustain a fully commercial broadcaster. A community of interest could be eg faith, age, language, health, lifestyle, recreational, cultural etc.

A terrestrial radio station is usually limited to a 'reach'; as previously stated, the extent of this 'reach' is governed by the station's agreement with Ofcom, and will be complied with (as checked by Ofcom) by the capacity of the transmitters used.

Conversely, the reach of a digital station is theoretically infinite, but will in practice be governed by the recipients/ audience and the agreements between the broadcaster and the commercial platform access points, such as BT, Sky, Virgin Media etc, as relevant. The broadcast signal (ie not the website-based streaming) is a Digital Audio Broadcast (DAB), and thus can be accessed through any suitable engine. These reception 'engines' could be smart phones, or DAB radios, or digital televisions linked to the access point providers such as BT, Sky etc.

Thus the fear that eg elderly people who don't have 'fancy technology' could/ would not access digital radio is mistaken in all probability, certainly so as technology continues to advance, as it is accessible through home TV sets which are linked to Sky, BT etc. It would simply then be a case of informing/ supporting people to be aware that their radio station was available on eg Channel 257, and then they could switch their TV to Channel 257 whenever they wanted.

Internet radio (through streaming from the website) is accessible through home computers and mobile devices, and through digital TVs, providing that the TVs have internet access – which is more and more the way TV sets are being built.

Currently a sizeable number of radio stations are accessible through the television via a digital signal; some are available through DAB radio sets; and some are available through both. Any digital broadcaster will have to negotiate with the various platform providers, the multiplex provider and with Ofcom (the multiplex service and the Ofcom licence both being legal requirements).

Currently, most community radio stations broadcast on both the FM waveband (accessible through most ordinary household radio sets) but with geographical limitations as outlined above, and on an internet/ digital platform (accessible through computers and most portable digital devices, and increasingly through television sets). As outlined above, this latter broadcast mechanism may be as DAB or as website streaming.

### **Potential audience figures for Stockton:**

According to figures provided by Radio Stitch (thanks to them), the total number of radio listeners in Stockton, from age 5 to 75 plus, is c160,000, of which 30% listen via the internet on home computers, mobile phones, tablets and so on, giving current figures of over 50,000 people in Stockton already listening to internet radio through the various means of reception.

Given that this ease/ amount of digital access is likely to increase with the rapid development of technology, it seems a safe bet that it will become more and more common for people to access internet radio.

## **2. Current examples of community radio stations across the NE and the expected impact of such a station in Stockton**

NB: as stated in the introduction to this report, and as might be anticipated, current community broadcasters have not generally been willing to share details of their funding and financial arrangements. For example, for some stations actual (or at least realistic estimates of) audience figures are commercially sensitive, as stations may have an advert rate card based on reaching claimed audience figures somewhat in excess of reality. However, several have been happy to share outline information and experiences with us, and this is much appreciated.

According to Ofcom, there are currently (June 2013) eleven licensed community radio broadcasters operating across the North East, all of which broadcast on FM, and via the internet, in the form of streaming rather than DAB. According to Ofcom records, the only exception to this was Youth Voice Radio which did/ aimed to broadcast in the DAB format, but it has not proved possible to contact them and it may well be that they are in fact not broadcasting.

(Newcastle is the main centre of community radio in the North East, supporting approximately five such broadcasters.)

What follows below is a brief outline of some of those NE stations, as far as it has been possible to establish during the timescale of this enquiry.

**NEI Radio** is open to any particular cultural or common interest community group – BME, Asian, people with particular disabilities or life issues etc. NEI Radio shares its output across the various interest groups. It is a company limited by guarantee, working towards CIC status, housed in Benwell Community Centre, reaching West Newcastle. The station is funded by eg training contracts, and all personnel – managerial, technical, presenting etc are voluntary, managed by a Board of Directors. There is no overall editorial or ‘quality’ control on content or style of broadcast, although of course they have a code of conduct/ output which every broadcaster is required to conform to (regarding hate crime, language etc).

They have the bare minimum of equipment to run a 24 hour service, currently requiring updating, and rely on bought in play-lists to fill the gaps between original content. The heavy reliance on volunteers, rather than paid personnel, means that there is a persistent level of uncertainty as to the provision of original content.

They carry some messages from statutory services and similar bodies, and some adverts for local businesses, both of which sources do contribute a little revenue income.

Their audience estimate is c400 people.

**Spice FM** is also based in West Newcastle and is largely Asian identified, and also reaches c400 people. They are based in a newly refurbished community centre, formerly a fire station, and their equipment is limited but comparatively up to date. They are a CIC with all personnel volunteering, managed by a Board of Directors, and receiving some funding from adverts – mostly local businesses. They aspire to increase this income stream and to be able to pay some personnel, at least part time.

Content is generated through a mix of local people in the community debating topics of interest and specific presenters talking about different community issues, augmented by a bought-in Bollywood style play list.

**Radio Hartlepool** is a community radio station reaching across Hartlepool, with broadly commercial as well as communitaire aims; based on its reach across the town and its ability to promote itself as essentially ‘by, with and from Hartlepool’ the station has been able to generate approx half its income through advertisements from local businesses. It is run as a commercial enterprise, with a paid manager, secretary, presenters and marketing personnel, plus volunteers. It broadcasts 24 hours, with content generated by the presenters in collaboration with the manager. The content is largely local issues and interest, supported by a mainstream bought in playlist.

Their estimated audience is in the thousands, and they include bought in news, weather and travel updates, thus achieving a far greater level of ‘professionalism and sophistication’ as a broadcaster than most other comparable stations.

**Palace FM Redcar** is a very recently launched community radio station in Redcar. It hasn’t been possible to establish their exact remit, structure or intentions – though they call themselves ‘FM’ which presumably indicates a wish to secure an FM licence in the future. Currently they broadcast solely through streaming, as far as we can tell.

**Community Voice FM** in Middlesbrough was initially set up as a community venture in 2004, to include and reach diverse communities, with a mix of original local interest programmes, supported by a playlist geared towards world, soul and diverse music, lists often created by the presenters.

The funding model was/is grant funded project based, eg funding might be obtained specifically for training some volunteers or broadcasting to the elderly, and the manager/s and specific worker/s would be paid (part time) as supported by the various grants obtained. Presenters are not paid.

**Radio Ramadan** is linked to Community Voice FM, broadcasts on FM solely in the month of Ramadan (ie has a licence just for that period), and broadcasts Islamic-identified content.

**Youth Voice Radio** – as outlined above, it has not proved possible to speak to anyone at this station nor to establish whether it is actually currently broadcasting. From the name we can infer it was conceived with an intention to reach/ work with young people.

### **Likely impact/ benefit to Stockton**

The benefits arising from the presence of a community radio station are various, and it seems reasonable to state that those benefits will increase as the presence and audience of the station increases.

### **Social impact - audience:**

Individuals who listen to the station will (hopefully) enjoy the programming, will benefit from hearing local news, views and information; may receive important targeted information, eg in language/s other than English, or relevant to a particular health or disability group, or to a particular age group, or to a particular area or estate, or information for aspiring musicians etc.

Listeners are likely to feel more included in the 'doings' of the borough of Stockton, may be more likely to vote, or respond to initiatives, or get involved with local campaigns, events and activities. Particular programmes could be tied to particular concerns and activities, eg environmental volunteering, thus the radio (and associated websites) and the local activity would be mutually reinforcing.

The radio station would promote and support engaged citizenship.

### **Impact – content creators:**

Depending on the scale and capacity of the radio station, the programme content would be generated by local people for local people, with some 'lead' creators, but also with the audience being empowered to contribute to the broadcast content.

### **Impact – employment and training:**

Community radio stations directly offer employment to a small number of paid personnel (usually part time and sometimes not at all), but have a large part to play in supporting volunteering and in offering training in both radio technology and content creation. Following on from the points above, it will be seen that the potential for recruiting volunteers from the audience, and supporting those people towards making and broadcasting their own content, is significant, and over the last few years, specialist grants have been available to community radio stations for precisely this.

Community radio stations can offer rolling programmes of accredited training, and these can be effectively linked with other employment and skills initiatives locally, to help people acquire transferable skills, to support routes to employability.

### **Impact – stakeholders:**

This will be dealt with in greater depth in Question 4, but essentially, the existence of such a radio platform would allow statutory bodies, other civil institutions and commercial advertisers a platform of communication, with the potential to reach identified targeted groups, and the further potential to establish engagement/ response/ dialogue with those groups via the station website and the co-production of programme content.

## **3. The current broadcasting scene in Stockton**

Currently there is no community radio Ofcom licence to broadcast on the FM terrestrial waveband available in Stockton, and it is not possible to say exactly when one might become available. It would be possible, however, to apply for a community radio digital broadcasting licence, and internet streaming does not require a licence.

### **Cross Rhythms Radio**

The only community radio station with an Ofcom FM licence currently broadcasting and based in Stockton is Cross Rhythms Teesside. Cross Rhythms Radio is a national (possibly 'global' – that is how it describes itself) brand, with an explicit evangelical Christian identity and remit. The Teesside station is a branch of this bigger brand, and it has not been possible to establish its engagement with and/or response to the local situation, nor its particular funding, management or programming model. The station advertises its own training courses and routes to employability for volunteers.

Cross Rhythms Teesside would not appear to have any ambition to become a generalist Stockton community radio station, its religious purpose is its *raison d'être*. (NB: according to Radio Stitch – see below – Cross Rhythms Teesside's Ofcom licence has been granted on the basis that they should produce a certain amount of local content, and it is not clear that this requirement is being met, thus this could possibly be contested with a view to the re-allocation of the licence.)

**TFM Radio** is a purely commercial radio station which was based in Stockton until earlier this year. Now it exists as part of a media company based in Manchester/ Newcastle, broadcasting from those centres, with some 'Tees-identified' output, which in reality seems to mean that there are some Teesside/ NE located events advertised on its website.

**Radio Stitch** was set up nearly thirty years ago as North Tees Hospital radio station, and now broadcasts to Hartlepool Hospital as well. (This does not require an Ofcom licence, as its reach is restricted to those settings.) Radio Stitch is a registered charity and is essentially volunteer run and managed. The management team/ Board (all volunteers) have expressed a clear interest in developing into a community station, serving all of Stockton, offering training, and developing more original content and so on. The station is housed rent-free at North Tees Hospital and equipment, and any ongoing maintenance and other costs, have been bought with funds raised by the Radio Stitch charitable trust.

Any such development (to delivering a community radio station) would represent a big step up and it is likely that the current personnel would need support and guidance through this process – technical, organisational, creative, financial etc.

### **4. Views, hopes and intentions of potential stakeholders**

In the course of research for this report, MD met with senior personnel from Stockton Borough Council (from communications and marketing, public health, community engagement, and policy sectors), the Chair of Voice Forum/ Billingham Environmental Link Programme, the Commissioner of Cleveland Police and the Head of Communications from the force, the Chair of Catalyst, the Chief Executive of Tees Valley Rural Community Council and representatives from various community organisations.

Telephone conversations were also held with the Communications Officer for NHS Tees and the Communications Officer from Cleveland Fire Brigade. Additionally, there were some email exchanges with representatives of other agencies and organisations.

Universally, the idea of a Stockton community radio station was welcomed. All respondents could envisage a positive future for such a station, all said they would want to use it as a mechanism for getting out their messages, and all said that they would want to work with the station to identify their particular desired target audiences, and to contribute to creating



appropriate content to reach/ inform/ entertain those audiences once the opportunity existed.

All of these representatives indicated that they would consider/ be keen to support the station and its content creators through such actions as open access to archives and databases. However, none, at this juncture, would indicate any precise sums of money to be paid for the running of campaigns/ information on the station, although it seemed generally understood that some payment would be in order.

None of the organisations listed above said they would be prepared to contribute to the capital costs of the set up of the station (though we might hope that this could change if it became more of a reality).

Community organisations would wish to use the platform of the radio station to engage and continue regular links with their target members, and again recognised that costs would need to be met. Some of them would want to co-create appropriate content, and some – notably the Chair of the Billingham Forum group – would be interested in playing a part in the set up and governance of the initiative.

In sum, all the key stakeholders we spoke to welcome the possibility and would use the platform once it was there, recognising that this might need to be paid for, but none would commit to contributing to the capital set up, at this juncture.

The overall feeling is definitely that a community radio station in Stockton would enrich and strengthen the civil fabric.

## **5. Business case**

### **Benefit to Stockton**

A community radio station can contribute to the enrichment and strengthening of the civil fabric through:

- delivering public information
- promotion of civic participation and volunteering
- reaching communities including targeting hard to reach or disengaged groups
- empowering people to have a voice, engage in dialogue, get active
- cultural exchange and coherence
- supporting economic development and social enterprise
- providing training/ employability opportunities

### **Finance**

The budget required to set up and run a community radio station is made up of a variety of 'items', all with a variety of possible costs. The overall set up and ensuing running costs depend on choices for each item/ issue, and those choices will be governed by a multitude of factors, so it is not possible to arrive at a simple overall indicative cost for any given scenario. What follows is an outline guide to the costings of the main choices for each point to be considered, and eventual total costs for any actual undertaking will need to be arrived at taking each circumstance and agreed aim/ remit in turn.

We will then briefly outline the main possible sources of income, and identify some key risks.

**Key cost items are:**

- Premises
- Broadcasting equipment/ software
- Licences
- Website development
- Personnel
- Governance/ management/ support
- Promotion/ publicity
- Content creation
- (Optional media platform access)
- Ongoing running costs

**Premises:**

A radio station needs a minimum of two rooms – a sound-proofed broadcasting space, and an office/ editing room/ training room/ reception; obviously, these latter functions might be best achieved in separate spaces, subject to practicality/ availability.

If there is an ambition to secure a terrestrial licence in the future, then that reach is 5km radius from the broadcasting centre, which might need to be considered.

We will assume that the premises will provide/ include tables, chairs, computers, printers, filing, phones, stationery etc.

Premises and costs as above may be provided entirely or partially in kind, but there will at the very least be costs in making and keeping the premises suitable for purpose, and for ongoing utility and office costs.

**Broadcasting equipment/ software:**

The three basic formats of broadcasting (terrestrial, digital and streaming) all require slightly different equipment.

- Terrestrial radio broadcasting requires a terrestrial transmitter, a mixer, a computer with appropriate software for playlist etc, a server (could be yearly contracted), a storage computer, editing computer and software, broadband, a CD/ record player, microphones, cables, headphones, playback facilities, phones = c£12.5K
- Digital radio broadcasting requires everything as above, except that the transmitter must be digital, and this is likely to cost slightly more than the terrestrial version, thus overall costs are c£13.5K
- Streaming essentially requires everything as above, apart from the transmitter; thus costs are likely to be c£9.5K

**Licences:**

- Terrestrial broadcasting: the Ofcom licence to broadcast is free for community radio stations; however, stations will need to obtain PRS and PPL licences (Performing Rights Society and Public Performance Licence), likely to cost c£400 together annually.
- Digital broadcasting: the Ofcom licence (Digital Sound Programme Licence) for community stations will cost c£300; digital broadcasters need to register with/ be on the platform of a multiplex operator (before they can be awarded

a licence to broadcast), it is not possible to give an exact cost, but this is likely to be c£5000 (annually). PRS and PPL licences will apply as above.

- Website streaming broadcasting: no licence is required from Ofcom. PRS and PPL will apply as above.

### **Website development:**

The station will need a website which can support the access needs of the station users/ stakeholders, and will need pages for feedback, external photo uploads, possibly podcasting etc. Content will need to be managed, and where 'customers' can upload materials these will need to be monitored.

Set up is likely to begin at c£2500.

### **Personnel:**

The basic minimum personnel required would be two posts: technician and station manager. These could be part or full time. (Stations may broadcast varying proportions of original content and bought in playlist, requiring varying amounts of 'live staff' time. It may be practical to begin with a greater proportion of bought in playlist time, decreasing over time as more original content is created.)

The technician will run the mechanics of the station and the studio, and may create content/ support others to create content.

The manager will oversee/ support this, will manage timetabling, licence and finance arrangements, external relations and promotion, community engagement, seeking and securing funding, development and adoption of relevant policies and procedures, codes of conduct, etc.

Station personnel may need appropriate training, which may need to be paid for.

Subject to available funding, more personnel may be contracted, especially if there is an intent to work with the community/ies to generate original content.

If volunteers are to be recruited and managed then personnel/ time will need to be allocated to this.

If grants are secured to deliver eg training in broadcast media then personnel/ time will be required to deliver this, and to ensure compliance with any accreditation body and so on.

Personnel will be needed to supervise/ support/ line manage station staff – this could be sourced from any hosting organisation, either as in kind support, or a particular external individual or role could be identified as appropriate to do this and then costed in to any start up and running budgets. Frequently stations are hosted within eg a community centre/ organisation, and supervision may be provided by their senior personnel.

There will need to be an element of day to day financial management systems, wage and HR support, accounting, insurance and external finance scrutiny etc, again this might be provided by a hosting organisation, if appropriate.

Once in post, station personnel will/ may be expected to raise revenue funding for the station through a potential mix of securing grant funding for particular activities, broadcasting public service and similar messages from agencies for a fee, and potentially carrying adverts (which might be for local businesses who pay direct to the station, or might be from a major media provider who uses – and pays to use – the station as one of its outreach arms).

Staff can't do this until they are appointed and in position, so any realistic start up, might need to include eg (1 x 0.6FTE Officer technician = c£15K) and (1 x 0.6FTE Station manager = £18K) = £33K for one year (or longer) to give the possibility of the best start. This is based on the notion of both personnel working a 3 day week; stakeholders might

wish to start with both personnel full time, in which case the salaries for the first year would be £55K.

Thus 'personnel' start up costs would vary with all the elements above.

Many community radio stations are run entirely by volunteers (and all offer great opportunities for volunteers, variously including accredited and non-accredited training, and helping people to develop transferable skills), but where all key personnel are volunteers there are risks: people can lose interest, small coteries who do keep up their interest can develop unhelpful attitudes of ownership and control, which may in turn exclude or demotivate others and can narrow the spectrum of original content created and so on.

### **Governance, management, support:**

Besides the supervision/ support personnel elements cited above, the station is likely to require a Board. The exact remit of this will depend on the status and structure of the radio station – business, CIC, charity, company limited by guarantee etc. Clearly it will make sense to have key stakeholders and representatives of local interest groups involved.

Members of the Board may be completely unpaid and not receive expenses for attending, but there will be some (minimal) costs to servicing Board activity, and it might be desirable to include an allocation for training for Board members (could be technical/ radio based, could be support for eg community members new to Board membership).

### **Promotion and publicity:**

Naturally, a station can only work if people know it's there, and programmes aimed at any particular group can only reach them if they know that the programme is there.

Thus there would need to be an allocation of personnel, resources and external spend for publicity at the station launch, and for ongoing outreach subsequently. Particular campaigns aiming to target particular sections of the community, would need to put time and effort (and hence some staffing/ resource) into contacting key agencies, community leaders etc in order to involve and alert the right audience.

### **Content creation:**

It would be useful for the Board of the station (possibly supported by external consultancy) to set achievable milestones for proportion of station output to consist of original content, for, say, the first year of broadcasting.

Playlists can be bought in from a variety of providers, and can be aligned to audience segments, eg mainstream pop, world music, Bollywood, light classical etc. Radio stations would register with a company and for a fee of c£50 per month, would have access to their library of playlist types. Original playlists can also be compiled by station affiliates with particular musical expertise and knowledge.

Programmes can be bought in also, from different sources, through negotiation with other stations and so on, prices will vary, and some will be free of charge.

Original programming can be made by station personnel, by trained/ supported volunteers, and by affiliates supported by either of the foregoing. Grant funding might be secured to work with particular sections of the community, eg the over 70s, and creating content with and for them would be an identified grant outcome.

The station Board should maintain an overview of the mix of station output, to ensure compliance with any licence conditions, any funding granted, and the stated station aims.

Thus a year's subscription to a playlist service would cost c£600.

There will need to be an allocation for buying in and for creating content at start up, so the station has something to broadcast! This sum is subject to vision, intention and hard reality all combined, so c£15K may be a guesstimate to begin with.

**(Optional media platform access):**

Digital (ie not terrestrial or website streaming based) broadcasters may choose to affiliate themselves with a satellite or cable based programme provider such as Virgin, Sky, BT etc, to achieve wider accessibility. Costs will vary.

**Ongoing running costs:**

These will consist of premises rent, licences, equipment hire and/or maintenance/ updating, website maintenance, playlists and purchased content, staffing costs, insurances, admin, management, activity costs, promotion and publicity, petty cash and contingency, utilities and consumables, and so on.

**Summary of costs:**

To arrive at a start up cost, key stakeholders will need to identify and agree the intended corporate structure of the station, its mechanism for broadcasting and the level of support available – ie, answers to all of the variables listed above, plus a notion of initial timescale of such support, ie 12, 18 or 24 months etc.

It is clear that there will need to be a sum of money identified between the various key stakeholders to start up the community radio service, and the size of that sum will inevitably govern the structures and initial activities of the undertaking.

Given the number of variables, it is not possible to give an accurate indicative sum for start-up costs, but a very rough guide figure would be that starting up an internet based community radio station would cost £5K (soundproofing etc) + £9.5K (equipment) + £0.4K (PRS and PPL licences) + £2.5K (website) + £15K (allocation for content to be bought in and created in initial stages) = **£32.4K**.

NM: That sum does not include any allocation for **personnel**, or rent, consumables, training and supervision/ management

**Income:**

**Key sources of income (after initial start-up) are likely to be:**

- **Payments from civil sources wishing to put out messages**
- **Payments from advertisers**
- **Grants and contracts secured**

**Payments from civil sources:**

These will include the delivery of messages from the Council, health authorities and linked campaigns, Police, Fire service, universities, colleges, schools, community groups and so on. All representatives of these agencies that we managed to speak with expressed a willingness to use such a radio service for this purpose, and all seemed to understand that payment would be in order. Amounts to be paid are hard to identify, and there is inevitably a chicken

and egg situation about audience reach – the more people who listen then the more might be paid to reach them, but you have to start small before you can expand the audience, and you need more income to do that....

It is reasonable to assume that some regular income could be earned this way, but we cannot give indicative sums at this point.

### **Payments from advertisers:**

As above, it is not possible to give indicative sums; some existing radio stations have a rate card for advertisers which can be viewed on their websites, for information/ comparison. Local businesses are unlikely to be able to pay high rates and will want realistic audience figures, so fees can be revised upwards as the audience grows. Bigger companies may only be interested in advertising through the station once audience figures reach a certain level.

Where community radio broadcasters affiliate themselves to a mainstream digital platform provider (eg BT, Virgin, Sky etc), then carrying adverts for that provider is likely to be required, but may ameliorate the cost of 'the deal'.

### **Grants and contracts:**

Occasionally there are specialist community radio grants made available by the Government, for application, and these may even contain elements of funding to contribute to station start up.

Other grants may be available for eg reaching out to people who are housebound, or from certain communities or places, or have particular needs or issues etc - the vast range of charitable funding providers must be continually searched. Almost always applicants will need to be constituted charities or CICs, so in some cases applications might need to be made by eg a community organisation housing the radio, or a particular special interest group wanting to make programmes and reach community members.

The model of surviving on grants is precarious and may affect the whole direction of a radio station, as the overall vision of the station may inevitably be compromised by any particular funding obtained. If it were possible to simultaneously access a variety of grants for eg training volunteers in broadcasting skills, for work with the housebound and for targeting BME youth, then a broad-based output and activity mix could be achieved, but the reality is that at the moment this does not seem easily achievable. This may in turn lead to tensions between the representatives of different interest groups on any management committee.

Contracts are likely to be awarded for eg volunteer recruitment and training, skills acquisition, helping people achieve employability. These have proved valuable for community radio stations, but issues will include meeting funder requirements for organisational policies and procedures, having the professional capacity to achieve contract target outputs and milestones, and sometimes contract funding is based on certain output achievements which may be hard to deliver.

It might be sensible for a community radio station to try to partner local colleges or other training providers to deliver certain aspects of training schemes as a specialist provider, rather than trying to deliver the whole scheme, which might include wider educational elements such as basic literacy and numeracy. It would need to be recognised that developing and maintaining such partnerships takes patience, time and effort.

### **Stockton Community Internet Radio initiative – key risks:**

The two crucial aspects of failure that could befall Stockton Community Internet Radio Station are essentially 'financial collapse or mismanagement', and 'not developing and

maintaining sufficient audience'. 'Lesser' forms of failure – eg poor quality output or technical failures – contribute to one of these two headline situations.

Key risks for this initiative which might lead to financial collapse and/or poor audience development will include:

- Insufficient capital funding/ support for robust start up
- Insufficient revenue funding/ support for effective ongoing delivery
- Poor/ unrealistic vision/ leadership from key stakeholders
- Poor governance/ monitoring of all aspects of the station and its output throughout, leading to failure to deliver agreed aims or to meet any funding requirements
- Weak organisational and logistical structure for the station
- Unrealistic business planning/ targets/ milestones
- Poor recruitment/ management/ support of key staff/ station personnel
- Poor ongoing financial management/ monitoring
- Failure to constitute as a charitable trust or CIC
- Lack of capacity for fundraising
- Inadequate/ inappropriate equipment/ premises
- Over reliance on volunteers
- Conflict between special interest groups/ stakeholders
- Lack of regular review meetings with Board/ stakeholders
- Insufficient publicity and promotion for the station
- Insufficient engagement with stakeholders, service users, paying customers/ advertisers
- Insufficient and/or poor quality, original, locally relevant content creation
- Lack of creativity

Additionally, there is always the slight risk that digital technology might suddenly take a leap in an unforeseen direction rendering all the equipment in use redundant, but that seems unlikely!

## **6. Recommendations and next steps**

From all the foregoing it would seem that setting up a community internet radio station in Stockton would be a positive and constructive thing to do, as the existence of such a station radio station would offer a platform for communication, information, entertainment, engagement, dialogue, skills acquisition and community empowerment.

Broadcasting in the form of streaming from a website seems the sensible place to start, is considerably cheaper (than digital or terrestrial broadcasting) both in terms of licensing and equipment, and would allow a foothold from which station management could explore the potential for moving on to digital and/or terrestrial broadcasting (if desired) – which both require more complex and expensive licensing, broadcasting and technically skilled arrangements and equipment.

The crucial first step would be for potential key stakeholders to meet together to consider this report, to then share and agree mutual aims and requirements of any such radio station, and – crucially – to navigate the intertwined issues of intended radio station structure and

governance, and actual and potential funding for start-up and initial running of the station, in order to establish an agreed skeleton outline.

An organisation (such as Catalyst) will need to take a lead in this, although as activity progresses a proto-Board could be established, with agreed activities and responsibilities, and a schedule of 'moving towards station launch' could be drawn up, including all the key practical and financial decisions as outlined in this report.

Once stakeholders have identified their chosen way forward, it might be sensible to include personnel from Radio Stitch in the conversation, as they have relevant experience and skills, and have already expressed their keenness to develop in to a 'proper' community station, beyond what they do now. It would be important to mutually identify the various aspects of support, training and development needed, if that were the route chosen.

The road will not be smooth or without challenge, but it certainly seems worth taking, and yes, Stockton does seem ripe and ready for community internet radio.

And while choosing a name will be up to the stakeholders, we might suggest that as Stockton is very familiar with SRF, you could go for SIRC – Stockton Internet Radio for the Community – or 'Real Community Radio', just suggestions!

*Rowena Sommerville and Maurice Dezou*  
*June 2013*

Thanks to all those who responded and/or met with us, and apologies to anyone whose name we have missed. Besides those listed below we also spoke with representatives from Ofcom, Stockton Riverside College, Durham University, Stockton Campus and other community agencies and individuals.

|                       |   |
|-----------------------|---|
| Agnes Castle          | NEI Radio   |
| Barry Copping         | Police and Crime Commissioner                     |
| Becky Brown           | Head of Communications, SBC                       |
| Doff Pollard          | Chief Exec, Tees Valley Rural Community Council   |
| Dr Annan S Kapour     | Spice Radio                                       |
| Gail Seymour          | NHS North Tees                                    |
| Harry Wearing         | Stockton Public health                            |
| Heather Johnson       | Chair, NEI Radio                                  |
| Heather McLean        | Health Watch                                      |
| Ian Cockerill         | Community Campus, Chair of Catalyst               |
| Jackie Duncan         | Know How NE                                       |
| Jessie Joe Jacobs     | A Way Out   |
| Julie Derbyshire      | Chief Exec, Stockton Residents' Association       |
| Kehi Paul             | Chair, Tees Valley for Justice                    |
| Kevin Pitt            | Chair, Voice Forum, Billingham Environmental Link |
| Laurayne Featherstone | Head of Community Engagement, SBC                 |
| Rachel Fawcett        | Head of Communication, Cleveland Fire Brigade     |
| Rachelle Kipling      | Office of Police and Crime Commissioner           |
| Tony Beard            | Radio Stitch                                      |