

DELIVERING SUSTAINABLE PUBLIC SECTOR BROADCASTING AND INDEPENDENT MEDIA SECTOR



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PIN Number (For Use With The Web)

expired on 31/12/2023
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This notice relates to
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Introduction and Proposals

A vibrant, diverse, financially sustainable and independent media sector is critical to any well-functioning democracy.

We need a healthy and broad range of actors from RTÉ, TG4 and Virgin Media Television, to more local radio and press, to produce high quality content of public value across a wide range of mediums including TV, radio, newspapers and online.

Given its role as the primary public service content broadcaster and commissioner, RTÉ must be held accountable for the delivery of its responsibilities, and it must also be sufficiently funded to deliver on those responsibilities.

For this, RTÉ relies on the licence fee but that funding model is both regressive and unsustainable.

For years now, and long before the excessive, wasteful expenditure and absence of governance or accountability at RTÉ came to light, the proportion of households actually paying for a TV licence has been falling off. This is a result of changing patterns of media consumption – more people using devices and online sources rather than traditional television – and a consequence of population ageing – more households getting a free TV licence funded by the Exchequer via the Households Benefits Package.

The proportion of public funding that comes from direct sales of TV licences relative to Exchequer allocations (Household Benefits Package free TV licenses and direct funding to TG4) declined from 64% in 2010, to 58% in 2020. This trend continued with the proportion of TV licences purchased by the state using Exchequer funding rising from 32% in 2022 to 36% in 2023. As was recognised by the Future of Media Commission “reliance on Exchequer-based contributions to support public funding of Public Service Media has steadily increased over time.”

The trend was hastened very significantly when the public lost trust and confidence in RTÉ in the summer of 2023. The rate of households deciding not to pay for a TV licence in 2023 was double that rate in 2022. That’s more than one in four households making the decision last year to not purchase a TV licence.

The licence fee itself is a flat payment. It takes no account of a person’s income level, it is experienced as a greater burden the smaller your income is, making it a regressive method of funding a public good.

The writing was on the wall for the licence fee model for a long time. The scandal accelerated the inevitable.

Government parties are actively considering replacing the licence fee with a new household charge to be collected by Revenue. They are determined to continue seeing people prosecuted for non-payment in the courts – 13,000 people were summoned before the courts last year.



By contrast, and in sync with the recommendation of the Report of the Future of Media Commission on how public service media should be funded published in 2022, Sinn Féin are proposing to:

- **Abolish the unfair licence fee with immediate effect, and**
- **Invest Exchequer funding in a platform-neutral Media Fund which would support RTÉ and TG4 and also public service content production and activities of commercial, local and community providers.**

We also propose to:

- **Introduce a legal amnesty from prosecution for those who have not paid their licence fee.**

What is Public Service Content (PSC)?

“PSC is media content (digital, print or broadcast) that has a distinct public value, is produced to clearly-defined professional and ethical standards, and is an important public source of truthful and accurate information and diverse opinions.” (FoMCR, 2022)

What is Public Service Media (PSM)?

“PSM are publicly owned, publicly funded media organisations that primarily provide public service content that is free at the point of consumption.” (FoMCR, 2022)

In Ireland, RTÉ and TG4 are the primary PSM broadcasters, though other outlets produce and broadcast PSC funded by the Licence Fee under the Sound and Vision Scheme.

Under the Broadcasting Act 2009, RTÉ is required to operate a free to air, public service radio and television service. RTÉ is also required to produce a diverse range of programmes across different genres, reflecting cultural expression and a diversity of culture as well as having special regard for the Irish language.

In basic terms, PSM should facilitate the creation and broadcasting of content that is informative, educational and entertaining and is widely considered to be a cornerstone of democratic societies.

What are Public Service Content Providers (PSCPs)?

“PSCPs are non-publicly owned media organisations across the print, online and broadcasting sectors that provide PSC to their audiences.” (FoMCR, 2022)

The consultation conducted by the Future of Media Commission clearly demonstrated that the Irish public want a diverse media ecosystem, including an assortment of public,



commercial and community media. A plurality of players and perspectives is also critical for democracy.

Funding Public Service Media and Content

In this paper 'public funding' refers to funding from a number of public sources – Exchequer allocations, TV licences purchased directly by households and free TV licences funded by the state via the Household Benefits Package.

RTÉ and TG4 both have dual funding models. The majority of RTÉ's funding (approximately 55%) comes from public funding with the remainder coming from commercial activities. We do not propose to change this hybrid model. Our proposal only pertains to the public part of RTÉ's funding. It is widely understood that removing the commercial part of RTÉ's funding model would prove to be much too onerous on the public purse.

In 2022, €221.5 million in licence fees was collected (from households and the Department of Social Protection funding for free TV licences). RTÉ received €195.6 million (88%) of this.

The licence fee is an outdated and regressive method of funding public service media. In its present form those who own a television must pay the licence fee. Those who do not own a television are exempt. People who are over 70 have their licence fee paid by the Department of Social Protection under the Household Benefits Package.

The licence fee is charged at a flat rate of €160, regardless of household income.

This funding model is not sustainable because households are ageing, media consumption is changing and fewer households own television sets. In addition, a growing number of people are reluctant to pay because they have lost trust and confidence in RTÉ due to the series of scandals surrounding the agency's expenditure of their money.

Prior to those scandals coming to light, the Future of Media Commission examined these matters and the government published their report in July 2022. The central recommendation of that report was to scrap the unfair licence fee and replace it with direct exchequer funding.

Future of Media Commission Report 2022:

Recommendation 5-1 New Public Funding Model for Public Service Media

The Commission recommends that:

- From 2024, the source of public funding for PSM should change from the current system of TV Licence Fee combined with general Exchequer funds to a system based entirely on general Exchequer funds;

Government parties are actively considering replacing the licence fee with a new household charge to be collected by Revenue. They are also determined to continue seeing people prosecuted for non-payment in the courts.



Sinn Féin, by contrast, supports the core recommendation of the expert Future of Media Commission.

Sinn Féin's proposal

Sinn Féin would abolish the unfair licence fee with immediate effect and invest exchequer funding into a platform neutral Media Fund which would support RTÉ, TG4 and the public service media production and activities of commercial, local and community providers.

This would cost:

- **Additional €140 million (full year)**
- **Additional €12.5m investment in An Post**

We would maintain the dual funding model of public funding and funding from commercial activities, with the public funding component coming from direct exchequer funding.

We do not propose new tax measures for this purpose - the funding would come from general taxation funds.

Abolishing the flat rate television licence would remove the regressive nature of the licence fee. At present those who earn less shoulder a much heavier financial burden in terms of paying the charge than higher income households.

While there has always been a level of non-payment, the rate of households deciding to not pay for a TV licence doubled in 2023 compared to the previous year. That is a direct consequence of the widespread collapse of public trust in RTÉ. More than 13,000 people



were summoned before the courts last year and if convicted either have to pay a €1,000 fine or face a jail term.

It is manifestly unfair and unjust that senior, high paid RTÉ personnel can waste public money with impunity but ordinary people have very real punishments hanging over their heads. In conjunction with abolishing the TV licence fee, Sinn Féin believe an amnesty must be introduced for those ordinary households who have not paid for a TV licence. To continue with these prosecutions would amount to a further waste of public resources.

Sinn Féin recognises that abolishing the TV licence would also impact on An Post who receive a 7% commission for administering the licence fee. This is estimated to be €12.5 million per annum. We consider An Post and the post office network to be critical infrastructure serving important economic and social functions, connecting communities in rural Ireland in particular. Their services can be redirected and public investment is necessary if they are to be sustained into the future – for this reason we propose to ringfence an equivalent amount of Exchequer funding for An Post to deliver public goods and offset the loss from licence fee administration.

Media Independence and Governance

Our proposal to abolish the TV licence sits in a wider public service media framework that the Future of Media Commission recommended and which Sinn Féin endorses.

Opponents of greater, progressive exchequer funding allege an insurmountable risk of interference with the independence of the media. The fact that TG4 derives its public funding entirely from the Exchequer and not from licence fees discredits that.

In recent years, other countries have moved from licence fees to general exchequer based public funding. We can learn from these, in particular from Norway.

It is also important to note that the Future of Media Commission explored the issue of media independence in great detail and made recommendations to safeguard it which we endorse.

The Commission emphasised that public service media broadcasters and content producers must have certainty of funding.

The funding allocation for public service media should be agreed by the Oireachtas on a multi annual basis, for example every four years.

The amount of this funding should be underpinned by independent advice - Coimisiún na Meán should advise on the funding requirements of the sector.

The government should be legally required to account for any departure from the advice received in its Budget decisions and the Oireachtas would have an oversight role with respect to that.



Our proposals would also ensure better governance, transparency, value for money and wider accountability to the public because we propose bringing RTÉ under the remit of the Comptroller and Auditor General. This would allow the C&AG to audit the accounts, and for the Public Accounts Committee to scrutinise them.

These wider framework proposals amount to a triple-lock that will guarantee editorial independence:

- 1. Funding allocations would be multi-annual,**
- 2. An independent body, Commission na Meán, would advise on funding requirements, and**
- 3. Government must account for any deviation from the advice received and such deviation would be permissible in exceptional circumstances only.**

All of this would be provided for in legislation.



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