

Supervision audit of SRG SSR and Serafe AG

Federal Office of Communications

Key facts

The Swiss Federal Audit Office (SFAO) audited the supervision of the Swiss Broadcasting Corporation (SRG SSR) and Serafe AG by the Federal Department of the Environment, Transport, Energy and Communications (DETEC), as well as the implementation of four recommendations. SRG SSR is excluded from the SFAO's supervision.

The SFAO examined how the Federal Office of Communications (OFCOM) carries out the supervision of the finances and licence of SRG SSR. This topic was already addressed during an SFAO audit in 2005¹. At that time, OFCOM's supervision was deemed inadequate. Since then, the legal basis for supervision has been strengthened. In addition, the SFAO audited OFCOM's supervision of the collection of the radio and television fee (household fee), which has been collected by Serafe AG since 2019². It audited this main area of focus for the first time.

SRG SSR receives around 80% of its funding from the household fee, which is collected by Serafe AG. In 2019, this amounted to approximately CHF 1.2 billion. In return for this funding, SRG SSR is obliged, within the framework of its service mandate issued by the Federal Council, to provide the public service and to use these funds economically and for the intended purpose. Within the framework of the supervision of SRG SSR, which is based on the Federal Act on Radio and Television (RTVA), DETEC (OFCOM) is obliged to check whether these conditions are fulfilled. The legal basis for supervision is set out in the RTVA, which stipulates that different conditions apply for the supervision of SRG SSR than for private broadcasters.

As there are only a few clearly defined criteria for the fulfilment of the programme mandate, an objective evaluation in the context of licence supervision is almost impossible. The financial supervision defines the requirements with regard to the assessment of economic viability and expediency. However, OFCOM makes only very limited statements on these supervisory criteria. OFCOM and DETEC are not yet taking full advantage of the options offered by the RTVA, e.g. commissioning external experts.

Licence supervision strongly dominated by quality

The structure of the licence and thus the programme mandate for SRG SSR makes supervision difficult. The licence imposes hardly any concrete measurable requirements concerning the programme mandate; this is partly due to the result of the consultation procedure on the awarding of licences.

The programme analyses, as a standardised method of analysing the content of programmes, are carried out according to predefined codes. They should be seen rather as continuity analyses, the results of which are regularly discussed with SRG SSR. Qualitative

¹ «Audit of the financial position and profitability of SRG SSR idée suisse» (audit mandate 5284), available on the website of the SFAO.

² «Audit of the Billag VAT statement» (audit mandate 19516), available on the website of the SFAO.

assessments thus replace clear criteria and have the disadvantage that they leave scope for interpretation.

The results from selective programme analyses, few available criteria and the frequency of their implementation leave much room for interpretation. The results are published, but OFCOM does not provide a summary assessment. The SFAO saw room for improvement here and issued a corresponding recommendation to OFCOM.

Financial supervision fulfils the requirements of the RTVA with regard to the intended use of funds and economic efficiency only to a very limited extent

OFCOM's financial supervision is mainly limited to obtaining an overall picture of SRG SSR's financial situation. The supervision of the proper and economical use of funds, as required by the RTVA, is currently scarcely implemented by OFCOM. The existing opportunities open to OFCOM and DETEC are not yet being consistently exhausted. One possibility for increasing the informative value lies, for instance, in examining more closely the instruments, e.g. the risk management and processes of SRG SSR.

In view of the renewal of the SRG SSR licence in 2024, there is the possibility of initiating performance audits such as those carried out by the SFAO in 2005 and by OFCOM between 2014 and 2016. However, this requires clear prioritisation of the supervisory activities. As a supervisory component, the assessment of whether funds are generally used for their intended purpose and the assessment of their economic efficiency must be stepped up overall.

In 2005, the SFAO was commissioned by DETEC to conduct an economic efficiency audit at SRG SSR. The findings led to far-reaching structural adjustments at SRG SSR. Since then, no further mandate has been issued to the SFAO.

The SFAO also sees potential for synergies through increased coordination with SRG SSR's Internal Audit unit, which holds an independent position within the group and examines issues on which OFCOM could possibly base its audit or consider them as already audited, in a similar way to the independent auditors' report.

Supervision of Serafe is on a sound footing

There is a separate supervision concept for the supervision of the collection agency. This concept and the OFCOM audit of Serafe AG carried out in 2021 were assessed as positive. The SFAO identified a need for improvement only in terms of formal processes.

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