



# **GOOD HOPE FM ANNUAL COMPLIANCE REPORT**

**MARCH 2018**

## **2016/2017 ANNUAL COMPLIANCE REPORT**

### **SOUTH AFRICAN BROADCASTING CORPORATION BROADCASTING AS GOOD HOPE FM**

**Licence Period: 18 December 2008 to 17 December 2018**

#### **1. PREFACE**

The Independent Communications Authority of South Africa (the Authority) has a statutory mandate in terms of the Constitution,<sup>1</sup> the ICASA Act of 2000,<sup>2</sup> the Electronic Communications Act<sup>3</sup> (ECA) and the Broadcasting Act<sup>4</sup> to regulate broadcasting activities in South Africa in the public interest. One of the main tasks of the Authority is to ensure compliance by broadcasters with the terms and conditions of their licence and any relevant legislation and regulations.

The purpose of the report is to give an account of Good Hope FM's compliance with the terms and conditions as set out in its licence for the 2016/2017 financial year. Aspects of compliance that are measured comprise of the Geographic Coverage, Language(s), Format, Local Content Obligations, General Programming Obligations, Training and Skills Development Obligations, Finances, Complaints Received, Regulations on the Code on People with Disabilities, South African Music Content Regulations, Regulations regarding Standard Terms and Conditions, Regulations in respect of Prescribed Annual Contributions of Licensees to the Universal Service and Access Fund and General Licence Fees Regulations.

#### **2. BACKGROUND**

Good Hope FM is an Individual Commercial Sound Broadcasting Service Licensee of the South African Broadcasting Corporation (the SABC). Good Hope FM's mandate is to provide a sound broadcasting service in Contemporary Hit Radio Rhythmic format to Cape Town Metropolitan<sup>5</sup>. According to the Broadcast Research Council of South Africa, the listenership figures for the last quarter of the period under review is 509 000<sup>6</sup>

<sup>1</sup> The Constitution of the Republic of South Africa, No. 108 of 1996.

<sup>2</sup> Act No. 13 of 2000, as amended.

<sup>3</sup> Act No. 36 of 2005.

<sup>4</sup> Act No. 4 of 1999.

<sup>5</sup> Appendix A: Good Hope FM's Broadcasting Service Licence.

<sup>6</sup> <http://www.brcsa.org.za/brc-ram-radio-listening-jul-16-dec-16-oct-16-mar-17/>

Good Hope FM broadcasts from the studios situated at 209 Beach Road, Sea Point in Cape Town. The radio station's signal distribution service is conducted by Sentech (Pty) Ltd.

### **3. COMPLIANCE ASSESSMENT**

#### **3.1. Ownership and Control**

Clause 1.1 of the licence provides as follows:

*"Name of the Company/Entity: The South African Broadcasting Corporation".*

Clause 1.2 of the licence stipulates that the shareholders are as follows:

*"Shareholders: The State: 100%"*

Clause 1.3 of the licence provides that:

*"Ownership held by persons from historically disadvantaged groups: NA"*

Good Hope FM forms part of the commercial service of the SABC and is 100% owned by the State.

**The Licensee was found to be in compliance with clause 1.1, 1.2 and 1.3 of its licence.**

#### **3.2. Geographic Coverage Area**

Clause 2 of the schedule to the licence provides that:

*"The geographic coverage area is as defined in the map attached to the radio frequency spectrum licence".*

According to the frequency spectrum licence, the radio station covers the Cape Town Metropolitan including Cape Town, Paarl, Tygerberg, Sea Point, Stellenbosch, Franschhoek, Table Mountain, Hout Bay and Simonstown (*See frequency spectrum licence attached as Appendix B*). The Licensee confirms that its coverage area is as defined in its licence

**The Licensee was found to be in compliance with its geographic coverage area obligations.**

### **3.3. Language(s)**

Clause 3 of the schedule to the licence lists Good Hope FM's languages of broadcast as follows:

*"Principal Language: English and Afrikaans".*

The recordings monitored for the period under review confirmed that the Licensee broadcasts in English and Afrikaans.

**The Licensee was found to be in compliance with its language of broadcast obligations.**

### **3.4 Format**

Clause 4.1 of the schedule to the licence provides that:

*"The service authorised by this licence forms part of the commercial service division of the Licensee".*

Further, clause 4.2 of the schedule to the licence provides that:

*"The licensed service shall be a sound broadcasting service in Contemporary Hit Radio Rhythmic format".*

The Authority's monitoring exercise confirmed that Good Hope FM is a commercial radio station of the SABC and offers Contemporary Hit Radio Rhythmic format to its audience as outlined in the licence.

**The Licensee was found to be in compliance with clauses 4.1 and 4.2 of the schedule to its licence.**

### **3.5 General Programming Obligations**

#### **3.5.1 General**

Clause 6.1.2 of the schedule to the licence reads:

*"The Licensee shall take reasonable steps to provide programming that reflects the cultural and tradition needs of its audience".*

Good Hope FM's listeners consist of English and Afrikaans speaking people. The Authority's monitoring exercise confirmed that the radio station's programming content caters for the cultural and traditional interests of its audience. The Licensee broadcasts a music programme called **The Hype** broadcast from 08h00 to 11h00 aimed at the Cape youth. The Licensee caters for the lifestyle needs of its audience through showcasing events, public events and broadcasting music that its listeners are able to identify with, such as Hip Hop, House, Pop, Soft Rock and R&B.

**The Licensee was found to be in compliance with clause 6.1.2 of the schedule to its licence.**

Clause 6.1.3 of the schedule to the licence provides that:

*"The Licensee shall, during the South African performance period, provide programme material that caters and has due regard for the interests of all sectors of South African society and shall provide programming on health related issues, gender issues relevant to all age groups".*

The Authority's monitoring exercise confirmed that the programming content of Good Hope FM is made up of a wide variety of material that cater for the interest of all South Africans.

**The Licensee was found to be in compliance with clause 6.1.2 of the schedule to its licence.**

### **3.5.2. News and Current Affairs**

Clause 6.2.1 of the schedule to the licence provides that:

*"The Licensee shall broadcast at least sixty (60) minutes of news programming each day during the South African performance period".*

The monitoring exercise confirmed that Good Hope FM broadcasts fourteen (14) news bulletins on weekdays from 05h00 to 18h00 and nine (9) news headlines. The radio station broadcasts twelve (12) news bulletins on weekends from 07h00 to 18h00 and two news headlines at 07h30 and 08h30. During the period under review, news bulletins were broadcast in English and Afrikaans. The duration of news bulletins ranges from three and



half minutes to five minutes. The Licensee broadcasts about 56 minutes of news on weekdays and 48 minutes of news on weekends.

**The Licensee was found to be non-compliant with clause 6.2.1 of the schedule to its licence.**

Clause 6.2.2 of the schedule to the licence provides that:

*"The Licensee shall in the production of its news and current affairs programming:*

- i. Exercise full editorial control in respect of contents of such programming;*
- ii. Include matters of international, national, regional and where appropriate, local significance;*
- iii. Meet the highest standards of journalistic professionalism;*
- iv. Provide fair, unbiased, impartial and balanced coverage independent from governmental, commercial or other interference; and*
- v. Provide a reasonable opportunity for the public to receive a variety of points of view on matters of public concern".*

The SABC's editorial policy (2004) which are currently under review, states that the licensee must exercise full editorial control in respect of contents of its programming. The editorial policy further indicates that the licensee endeavours to meet the highest standards of journalistic professionalism. Further, the policy provides for fair, unbiased and impartial coverage independent from government, commercial or other interference. In its news and programming content it includes matters of international, national, regional and local significance.

The monitoring exercise confirmed that Good Hope broadcasts matters of international, national, regional and local significance. In its current affairs broadcast, the radio station provides an opportunity for the public to receive a variety of points of view from different analysts and experts on matters of public concern. The SABC's Editorial Policies form part of the SABC's Charter and monitoring of Good Hope FM's news and current affairs programmes for the period under review revealed that Good Hope FM complies with clause 6.2.3 of its licence and the Charter as contained in the Broadcasting Act of 1999.

**The Licensee was found to be in compliance with clause 6.2.3 of the schedule to its licence.**

### **3.5.3. Training and Skills Development Obligations**

Clause 7 of the schedule to the licence provides that:

- 7.1 The Licensee must adopt and implement equal opportunity employment practices;*
- 7.2 The Licensee must ensure that its management and staff are representative of South African society and that its human resource policies take into account the development of managerial, production, technical and other skills and expertise, particularly with regard to the historically disadvantaged persons;*
- 7.3 The Licensee shall endeavour to achieve fair and reasonable participation by historically disadvantaged persons with respect to:*
  - (a) its management and control structures;*
  - (b) skills development;*
  - (c) enterprise development; and*
  - (d) procurement*
- 7.4 The Licensee must, within thirty (30) days of the end of each financial year, provide the Authority with written information regarding its compliance with the above requirements”.*

The Licensee's employment equity report shows that there was an increase, by at least one percent its employment of Black people and females respectively. The SABC employed at least 86% black people compared to 85% for the previous financial year. For the period under review, while 49% were female employees, an increase by 15 from the previous financial year, the report shows that Black people are in the majority at management level at 78%. This, one may argue, is indicative of the fact that the Licensee is making strides to employing Black people and females. The SABC has set targets for itself to employ more Black people and women every year.

In addition, 2% of the overall staff complement within the Licensee are people with disabilities. The SABC intends growing the number of disabled people in its overall staff complement to 4% by the year ending 2019.

In terms of training, the Licensee reports to have trained at least 1785 employees in the year that ended 2017. The statistical breakdown of these training interventions shows

that at least 88% of SABC's trained personnel were people from previously disadvantaged backgrounds.

**The Licensee was found to be in compliance with clause 7 of the schedule to its licence.**

### **3.5.4. Audited Financial Statements**

Clause 8 of the schedule to the licence states that:

*"The Licensee shall provide the Authority with the audited annual financial statements of the licensed service within four (4) months of the end of the licensee's financial year, provided that the licensee may on good cause shown apply to the Authority for extension".*

The Licensee submitted its Audited Financial Statements (AFS) as required by clause 8 of the schedule to its licence.

**The Licensee was found to be in compliance with clause 8 of the schedule to its licence.**

## **4. REGULATIONS**

### **4.1 Complaints Received**

The Licensee is required, in terms of the Compliance Procedure Manual Regulations, to submit Form 12A<sup>7</sup> which reports on all complaints received during the financial year under review. The SABC submitted its complaints report in accordance with the Regulations regarding the Code of Conduct for Broadcasting Service Licensees. The Licensee subscribes to the Broadcasting Complaints Commission of South Africa and all complaints related to the Code of Conduct directed at the Licensee come through this commission except for complaints related to licence conditions and other relevant legislations.

**The Licensee was found to be compliant with Compliance Procedure Manual Regulations.**

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<sup>7</sup> SABC's Form 12A



## 4.2 Regulations on the Code on People with Disabilities

Regulation 3.1 (a) of the Code on People with Disabilities as published in the *Government Gazette, no 30441*, 7 November 2007, states that:

*"Broadcasting service licensees must ensure that their services are made available and are accessible to people with disabilities".*

Good Hope FM's services are available to people with disabilities. For example, the radio station studio is accessible to people with disability.

Regulation 3.1 (c) states that:

*"Broadcasting service licensees must monitor the effectiveness of their service through surveys as well as contact with organisations of and for people with disability and stakeholders".*

During the period under review, the Licensee conducted the SABC National Disability Committee quarterly meetings to monitor and evaluate progress against its Disability mainstreaming objectives. The Licensee also commemorated and hosted the International Disability Day in the form of Leadership awareness breakfast session to challenge leadership to understand and create disability awareness.

The following were some of the disability awareness campaigns hosted by the Licensee:

- National Bind Buddy Day;
- Albinism Awareness;
- Deaf Awareness; and
- Casual day.

The Licensee further conducted verifications of all declared disabilities and identification of reasonable accommodation needs, as well as participation in career exposure initiatives for scholars with disabilities.

SABC also reported that Employees with disabilities represent 2.13% of the entire workforce as some employees left the organisation and thus the organisation met its target of 2%. Further reported that 77% of all employees with disabilities are white and 60% are female.

Producers are encouraged to establish relationships with organisations for people with disabilities to use for content when the need arises.

**The Licensee has demonstrated that it complies with the Code on People with Disabilities.**

#### **4.3 South African Music Content Regulations**

Regulation 3.2 of the Regulations on South African Music Content as published on 31 January 2006 states that:

*"Every holder of a commercial sound broadcasting licence to which these regulations apply must ensure that after eighteen months of the gazetting of these regulations, a minimum of 25% of the musical works broadcast in the performance period consist of South African music and that such South African music is spread reasonably evenly throughout the said period".*

The SABC's annual report for the year in review states that the Licensee broadcast above 90% South African music during the period under review. The monitoring exercise confirmed that the radio station broadcasts South African music with at least 80% of South African music monitored including artists such as Toya Delazy, Royal K, MICASA and others.

**During the period under review, the Licensee was found to be in compliance with the Regulations on South African Music Content.**

#### **4.4 Regulations Regarding Standard Terms and Conditions for Individual Broadcasting Licences**

During the year under review, the Authority did not identify any non-compliance by the Licensee with the standard terms and conditions for individual licences.

**The Licensee was found to be in compliance with the regulations on Standard Terms and Conditions.**

#### **4.5 Universal Service and Access Fund Regulations**

Regulation 3 of the USAF Regulations stipulates that:

- (1) *"Every holder of a licence granted in terms of Chapters 3, 4 and/or 9 or converted in terms of Chapter 15 of the Act, must pay an annual contribution of 0.2% of its Annual Turnover to the Fund".*
- (2) *"A BS licensee who has paid an annual contribution to the MDDA must set off that contribution against its USAF Contribution, provided that the MDDA contribution and the USAF contribution against which it is set off are for the same financial year".*

The Licensee paid its annual contribution to the USAF subsequent to negotiations with the MDDA to pay the USAF in two instalments and proof was duly submitted to the Authority.

**The Licensee was found to be compliant with Regulation 3 of the USAF Regulations.**

## **5 CONCLUSION**

The Licensee has, during the period under review, complied with its licence terms and conditions.

## **6 TERMS OF REFERENCE**

Appendix A: Good Hope FM's broadcasting service;  
Appendix B: Good Hope FM's frequency spectrum licence;  
Appendix C: The Religious section as contained in the SABC's Editorial Policy;  
Appendix D: SABC's Training and Skills Development Report;  
Appendix E: South African Music Content Regulations;  
Appendix F: Regulations Regarding Standard Terms and Conditions;  
Appendix G: Proof of payment- USAF; and  
Appendix H: General Licence Fees Regulations.