



METRO FM ANNUAL COMPLIANCE REPORT

MARCH 2018

2016/2017 ANNUAL COMPLIANCE REPORT

SOUTH AFRICAN BROADCASTING CORPORATION (SABC) BROADCASTING AS METRO FM

Licence Period : 18 December 2008-17 December 2018

1. PREFACE

The Independent Communications Authority of South Africa (the Authority) has a statutory mandate in terms of the Constitution¹, the ICASA Act², the Electronic Communications Act³ (ECA) and the Broadcasting Act⁴ 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 report is intended to give an account of Metro FM's performance for the 2016/2017 financial year. Aspects of compliance that are measured comprise of the Geographic Coverage Area, Language(s), Format, Local Content Obligations, General Programming Obligations, News and Current Affairs, Training and Skills Development Obligations, Finances, South African Music Content Regulations, Regulations Regarding Standard Terms and Conditions and Universal Service and Access Fund Regulations.

2. BACKGROUND

Metro FM holds an Individual Commercial Service Sound Broadcasting Service of the South African Broadcasting Corporation (the SABC). The Licensee's language of broadcast is English. The radio station's mandate is to provide a full spectrum service to⁵ the urban areas of all the nine provinces of South Africa. According to the Broadcast Research Council of South Africa, the listenership figures for the last quarter of the period under review is 4 007 000⁶

¹ The Constitution of the Republic of South Africa, No 108 of 1996

² Act No. 13 of 2000, as amended.

³ Act No. 36 of 2005.

⁴ Act No. 4 of 1999.

⁵ Appendix A: Broadcasting Service and Frequency Spectrum licence

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

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"*⁷.

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

"Shareholders: The State: 100%"

Clause 1.3 of the licence stipulates that:

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

Metro FM forms part of the commercial service of the South African Broadcasting Corporation and is 100% owned by the State.

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

3.2 Geographic Coverage

Clause 2 of the schedule to Metro FM's licence reads that:

"The 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 following areas:

Gauteng, Free State, Western Cape, Northern Cape, Eastern Cape, North West, Kwa-Zulu Natal, Mpumalanga and Limpopo Provinces. The Licensee has confirmed that its footprint has not changed.

The Licensee complies with clause 2 of the schedule to its licence.

⁷ Appendix A: Metro FM's broadcasting service

3.3 Language(s)

Clause 3 of the schedule to Metro FM's licence reads that the language of broadcast is as follows:

"Principal Language is English".

The Authority's monitoring confirmed that the Licensee's language of broadcast is English.

The Licensee complies with clause 3 of the schedule to its licence.

3.4 Format

Clause 4.1 of the schedule to Metro FM's licence reads that:

"The service authorised by this licence forms part of the public service division of the licensee".

Clause 4.2 of the schedule to Metro FM's licence reads that:

"The licensed service shall be a sound broadcasting service in an urban contemporary format".

Metro FM is a commercial radio station of the SABC and offers a service to its audience as outlined in the licence.

The Licensee complies with clause 4.1 and clause 4.2 of the schedule to its licence.

3.5 General programming obligations

3.5.1 General

Clause 6.1.1 of the schedule to Metro FM's licence reads that:

"The Licensee shall ensure that its programming adequately reflects the diversity of South Africa's Religion".

The Licensee's editorial policy (2004) provides that:

"Religious programmes should take account of regional factors, target audiences, language and cultural preferences, and the devotional needs of specific groups".⁸

The Licensee broadcasts a religious programme called the "Sacred Space" on Sunday mornings between 06h00 and 09h00. The show features inspirational talks by studio guests from various churches, as well as gospel music and inspirational music both locally and internationally. The show invites listeners to call in and share their stories, challenges and how they use the power of prayer to overcome challenges in their personal lives.

Based on the Authority's monitoring exercise read with the Licensee's editorial policy, the radio station complies with clause 6.1.1 of its licence.

Clause 6.1.3 of the schedule to Metro FM's licence reads 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".

"Metro FM talk with Rams Mabote" is a current affairs show broadcast from 19h30 until 21h00 on Mondays and Tuesdays. The show covers a wide range of topical issues such as political issues, socio-economic developments, rural development as well as news stories around the African Continent. The programme allows for phone in participation by listeners.

There is "Positive Talk with Criselda" a current affairs show, from 19h30 until 21h00 on Wednesdays and Thursdays. The show covers a wide range of topical issues such as health related issues as well as gender challenges as well as personal wellness issues. The programme allows for phone in participation by listeners.

The Licensee complies with clauses 6.1.1 and 6.1.3 of the schedule to its licence.

⁸ Appendix B: Extract from the editorial policy

3.5.2 News and Current Affairs

Clause 6.2.1 of the schedule to Metro FM's licence reads that:

"The Licensee shall broadcast at least 30 minutes of News per day during the South African Performance Period".

The monitoring exercise conducted for the period under review revealed that Metro FM broadcasts news bulletins every hour on the hour and headlines every half hour daily, mornings as well afternoons. The duration of the news bulletins is between three (3) and five (5) minutes. This results in a total of more than 30 minutes each day of news during the South African performance period.

Among the news stories covered were the excerpts from certain broadcasts, as follows:

- *"Parliaments standing committee tasked with the selection of the next Public Protector says candidates vying for the position must have a fair knowledge of the law. This as the term for Thuli Madonsela is coming to an end. The shortlisted candidates are mainly from the legal fraternity."*
- *"IFP leader Mangosutho Buthelezi says HIV/Aids remain a threat to society. He was on a campaign trail around Lindelani and KwaMashu in the North of Durban. He says more needs to be done to fight HIV/Aids.";*
- *"The United States have pledged six billion rand towards ending the Aids pandemic in South Africa. South Africa is the largest population of people living with HIV at seven million. The Health Minister, Aaron Motsoaledi says the funds will help expand the Country's Anti-retroviral programme.";* and
- *Foreign Ministers from the Regional Inter-Governmental Authority on Development have met in Nairobi amidst violence in neighbouring South Sudan. The Ministers have agreed to send a delegation to Juba to seek a solution to the conflict, the block called for restrained from both sides."*

Metro FM complies with clause 6.2.1 of the schedule to its licence.

Clause 6.2.2 of the schedule to Metro FM's licence reads 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) indicates that the Licensee exercises full editorial control in respect of contents of its programming. The editorial policies further indicate that the Licensee endeavours to meet the highest standards of journalistic professionalism. Furthermore, it provides fair, unbiased and impartial coverage independent from government, commercial or other interference.

Monitoring of the radio station's recordings confirmed that the radio station broadcasts a current affairs programme on Mondays and Tuesdays from 19h30 until 21h00, known as "Metro FM Talk" which is a news and actuality show. The show presents a variety of topical issues involving politics, the economy, and discussions on breaking news, both locally and internationally. They also invite guests to the studio to offer advice ranging from legal and finances.

The show allows for the general public to express their views. The current affairs show gives access to relevant information to allow listeners to be informed about important issues. The show has an insert called "Africa Watch" which gives insight of what is happening within the Continent. The show also discusses Human Rights issues with the assistance of Human Rights lawyers.

Metro FM's news bulletins and current affairs programmes are reflective of matters of international, national, regional and local significance. The editorial Policies form part of the SABC's Charter and monitoring of Metro FM's news and current affairs programmes not only demonstrated compliance with clause 6.2.2 of its licence but also with the Charter as enunciated in the Broadcasting Act.

The Licensee was found to be in compliance with the clause 6.2.2 of the schedule to its licence.

3.7 Training and Skills developments Obligations

Clause 7 of the schedule to Metro FM's licence reads that:

7.1 The Licensee must adopt and implement equal opportunity employment Practice.

The SABC submits that it is in the process of vetting information which relates to its implementation of equal opportunity employment practices. This information will detail the SABC's management and control structures and procurement allocations.

The Licensee will submit the above information as soon as the process is complete.

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*

The SABC submitted a training and skills development report indicating that its management and staff is representative of South African society. Further, for the period under review there was reasonable participation by historically disadvantaged people with respect to its management and skills development.

The SABC ensured that the learning and development needs are strategically aligned to business needs so as to bring about positive business impact and increases in the productivity level at large.⁹

⁹ Appendix C: Skills and Development Report

According to the Licensee's report on its Annual Employment Equity and Skills Development plan, the Licensee strives for the creation of an "equitable working environment, in which the dignity of all individuals is respected and the diversity of all employees are valued." In this report, the SABC further advances that at least 86% of their overall staff complement are Black people; while 78% of its management are people from historically disadvantaged backgrounds.

The Licensee submits that it has exceeded most of the quotas prescribed by licence conditions. However, the Licensee submits that it is unable to reach their 50% target of females in the organisation. The Licensee fell short by less than 1% from reaching this target as it is currently sitting on 49.14%. Although 78% of females in management are black.

The Licensee further submits that it intends to adhere to its BBBEE obligations and remains committed to contributing to the growth of the South African Economy through the empowerment of previously disadvantaged individuals.¹⁰

7.4 The Licensee must, within thirty (30) days of the end of each financial year, provide the Authority the written information regarding its compliance with the above requirements."

The Licensee submitted its Training and Skills Development to the Authority for the period under review.

The Licensee has complied with its training and skills developments obligations

3.8 Provisions of Audited financial statements

Clause 8 of the schedule to Metro FM's licence reads 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 ground shown apply to the Authority for extension".

¹⁰ Ibid

The Licensee submitted its Audited Financial Statements for the 2016/2017 financial year within the stipulated timeframe.

The Licensee has complied with clause 8 of the schedule to its licence.

4. REGULATIONS

4.1 The South African Music Content Regulations

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

"Every holder of a Commercial sound broadcasting licence to which these Regulations apply must ensure that...a minimum of 25% of the musical works broadcasts in the performance period consist of South African music and that such music is spread reasonably evenly throughout the said period".¹¹

Metro FM plays a significant amount of South African music. The music genres range from gospel, Kwaito, RnB, Jazz, Hip Hop and House. The local music played by the radio station includes, amongst others *Robbie Malinga and Musa, Black Motion, Dr Malinga, Kwesta, Vusi Nova, DJ Fresh, Babes Wodumo, Joyous Celebration, Amanda Black, Mdu Maselela, Lira, Ringo Madlingozi, Kelly Khumalo, Jaziel Brothers, Nathi, Zahara, Zonke, Kabomo, Black Coffee, Mi casa, DJ Sliqe, Ntokozo Mbambo, Andile ka Majola, Malusi Mbokazi, AKA, Casper Nyovest, Afrotraction, Naima Kay, Maleh and Vusi Nova.*

Metro FM also hosts Metro Music Awards Annually, a popular music awards event for both Musicians and South Africans, with the purpose of promoting South African Music and talent. On average Metro FM plays 80% South African music on a daily basis.

Metro FM complies with the 25% local music content quota, as prescribed by the South African Music Content Regulations.

¹¹ Appendix D: South African Music Regulations

4.2 Standard Terms and Conditions

During the year under review, the Authority did not identify instances of non-compliance by the Licensee with the Regulations regarding Standard Terms and Conditions for Individual Licences.

4.3 Code on People with Disabilities

Clause 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".¹²

Clause 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.

¹² Appendix F: Code on People 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%. It 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.

4.4 Universal Service and Access Regulations

Regulation 3 of the USAF Regulations provides 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 Broadcasting Service 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 duly submitted proof to the Authority. The Licensee received confirmation of payment in the form of a Section 18A certificate from the MDDA. The SABC's financial year end is March.

The Licensee has complied with the USAF Regulations

4.5 Compliance Procedure Manual – Form 12A

The Licensee is required, in terms of the Compliance Procedure Manual Regulations, to submit a Form 12A¹³ which reports on all complaints received during each financial year. In April 2017, the SABC submitted its complaints report in accordance with the Regulations regarding the Code of Conduct for Broadcasting Service Licensees.

¹³ Appendix E: SABC Form 12A

The Licensee is a member of the National Association of Broadcasters ("NAB") and complaints in relation to the Code of Conduct by Broadcasters are administered by the Broadcasting Complaints Commission of South Africa ("BCCSA").

The Licensee complied with the Compliance Procedure Manual Regulations.

5. CONCLUSION

Metro FM has, for the period under review, complied with the requirements as set out in its licence and relevant legislation.

6. TERMS OF REFERENCE

Appendix A:	Service and Frequency spectrum licence;
Appendix B:	Editorial policies;
Appendix C:	Skills and Training Development Report 2016/2017;
Appendix D:	South African Music Content Regulations of 2006;
Appendix E:	Regulations Regarding Standard Terms and Conditions;
Appendix F:	Code on People with Disabilities;
Appendix G:	Universal Service Obligation Fund Regulations.