



ALGOA FM ANNUAL COMPLIANCE REPORT

MARCH 2019

2016/2017 ANNUAL COMPLIANCE REPORT

UMOYA COMMUNICATIONS (PTY) LIMITED BROADCASTING AS ALGOA FM

LICENCE PERIOD: 17 December 2008 – 16 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. Among the responsibilities of the Authority is the task to ensure compliance by broadcasting service Licensees with the terms and conditions of their licence and any relevant legislation and/or regulations.

This report will lay out Algoa FM's compliance with the terms and conditions as set out in its licence for the 2017/2018 financial year. Aspects of compliance that will be measured in this report will be the following: Geographic Coverage, Community Participation, and Information, Local Content Obligations, Language(s), South African Music Regulations, Regulations Regarding Standard Terms and Conditions, Universal Service and Access Fund (USAF) and the Code on People with Disabilities.

2. BACKGROUND

Umoya Communications (Pty) Ltd (the Licensee, UMoya Communications or Algoa FM) was granted an Individual Broadcasting Service Licence and a Frequency Spectrum Licence on 17 December 2008. The Licensee broadcasts as Algoa FM and the service licence is valid for ten (10) years thus expiring on 16 December 2018.

UMoya Communications holds a regional Commercial Sound Broadcasting licence providing a service in the Greater Eastern Cape Area, Knysna, George and Mossel Bay including the Metropoles of Nelson Mandela Bay and Buffalo City.

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

Algoa FM offers a programming format of talk and music in an adult contemporary format, providing a mix of music and information. The principal language of broadcast is English, as prescribed in the radio station's service licence.

3. COMPLIANCE ASSESSMENT

3.1. Geographic Coverage Area

Clause 2 of Algoa FM's service licence stipulates that the Licensee's geographic coverage area is:

"The Greater Port Elizabeth, East London, Border environs, Knysna, George and Mossel Bay as defined in the coverage map attached to the Licensee's radio frequency spectrum licence".

The frequency spectrum licence held by UMoya Communications for the operation of Algoa FM prescribes that the Licensee must reach and broadcast to the following areas: Aliwaal North, Andrieskraal, Bedford, Cradock, East London, George, Graaf-Reinet, Grahamstown, Hankey, Kareedouw, King Williams Town, Knysna, Noupoot, Parsons Hill, Patensie, Paul Sauer Dam, Plettenberg Bay, Port Elizabeth, Queenstown and Suurberg⁵.

The Licensee reaches and broadcasts to all areas that form part of its coverage area. Furthermore, the Authority received no reports indicating the Licensee's failure to comply with this clause of the licence.

Algoa FM complies with clause 2 of their service licence

3.2. Broadcast Language

Clause 3 of Algoa FM's licence prescribes that the Licensee's language of broadcast shall be:

"Principal Language: English".

The Licensee uses English as a primary language of broadcast.

Algoa FM complies with clause 3 of its Licence.

3.3. Format

Clause 4.1 of the Algoa FM's service licence provides as follows:

⁵ Appendix A: Algoa FM Broadcasting Service and Frequency Spectrum Licences

"The Licensee shall have a programming format of talk and music in an adult contemporary format, providing a mix of music and information".

The Authority's monitoring exercise found that the Algoa FM's programming format is indeed a mix of music and talk in an adult contemporary format. The Licensee's music play list is dominated by the latest musical classics while the talk content addressed mostly a young adult audience.

Clause 4.2 of the service licence prescribe as follows:

"Music shall constitute eighty percent (80%) of the average 24-hour day."

The monitoring exercise carried out on the Licensee's programming format found that Algoa FM is a music radio station. This finding is based on the fact that: The Licensee schedules approximately 140 minutes of music in an average 3 hour show. The calculation in this regard amount to 80% of music. The Licensee's shows broadcast after midnight make up for the bulk of this obligation; more music was found in those time slots.

Algoa FM complies with both clause 4.1 and 4.2 of its licence.

3.4. Local Content Obligations

Clause 5 of the licence stipulates as follows:

"The Licensee shall promote Eastern Cape Artists and musicians by broadcasting their music and conducting live interviews".

Algoa FM reports to have promoted the following Eastern Cape Artists:

- i. Courus Williams
- ii. Asanda Mqiki
- iii. Justin Burdett (Fruit)
- iv. Sandi Gomomo
- v. Duwaan Jaantjies
- vi. Haiku
- vii. Tiffany Oosthuizen
- viii. Anele Lento

Algoa FM listed all South African music artists whose music was featured on their programming. The Authority found that all listed artists were of South African origin, but the ones listed herein have their background rooted in the Eastern Cape.

It is important to note that the list submitted by the Licensee may contain more artists originating from the Eastern Cape, but the Authority could only confirm the artists listed herein.

The Authority has always applauded the Licensee's on-air feature, the Friday Music Club, which seeks to invite Eastern Cape based artists to submit their music demos and avail themselves for on-air interviews.

Algoa FM complies with clause 5 of the licence.

3.5. General Programming Obligations

Clause 6.1 of the service licence provides the following:

" The Licensee shall broadcast a minimum of 30 minutes of news per day from Monday to Friday, and a minimum of 20 minutes of news per day on Saturday and Sunday between 05h00 and 23h00."

According to the Licensee's submissions, Algoa FM broadcasts thirteen (13) full news bulletins between 06h00 and 18h00.

The monitoring exercise confirmed that the Licensee does indeed carry 13 full news bulletins and with a duration of at least 3 minutes. Algoa FM carries at least 39 minutes of news per day between Monday and Friday.

Furthermore, the monitoring exercise found that the Licensee carries at least 5 full news bulletins on each day of the weekend. The average duration for each news report was calculated to be at least 4 minutes long. The Authority's findings in this regard were that the Licensee broadcasts at least 20 minutes of news per day between Saturday and Sunday.

The following are extracts of News content as found on Algoa FM:

- *"Wells Estate Beach will now form part of this year's Nelson Mandela Bay Splash Festival programme; a move by the Metro to take the Festival to all. The Municipality's Director of Beaches and Resorts, Kitty Ngesi, said the Metro has received complaints from residents who live far from Hobie Beach, where the 4 day event takes place annually, traditionally over Easter. The Metro announced yesterday that it will be hosting one of its major national acts, headlined by the South African recording artist, Casper Nyovest at the Wells Estate Beach."*
- *"The SA Revenue Service says its entered into payment agreements through its special Voluntary Disclosure Programme with non-compliant tax payers who owe*

SARS overs 3.3 billion rands in tax liabilities. SARS says such tax payers have already paid over 2.7 billion and that it expects another R580 million will come from them by the end of March. The tax agency says it was encouraged by the fact that more than 759 high net worth individuals had made use of the normal voluntary disclosure programme since 2012. SARS spokesperson, Sandile Memela said the 2.7 billion revenue already collected through this programme was a welcome boost for SARS Revenue Collection efforts."

- *"The South African Post Office Chief Executive, Mark Barnes says that they are ready to distribute Social on the first of April. This means that by April 1st 5.7 million beneficiaries would receive their social grants with the assistance of SAPO, however, SAPO still needs the assistance of CPS. Barnes was speaking at a media briefing earlier today."*
- *"A United Nations report has found that despite notable progress on closing the gender gap in the past 2 decades women still face discrimination in the work place. The UN report was released this week to mark the International Women's Day today. According to the report, women still have less access to jobs and are more likely to take low quality employment while also facing barriers to management positions. The report also showed that the global unemployment rate for women is 6% for 2018, about 0.8 over a percentage higher than for men."*

Algoa FM complies with clause 6.1 of its licence.

According to clause 6.2 of the service licence:

"Should the Licensee source news material from a source other than itself, the source(s) thereof shall be disclosed during the news broadcast".

The monitoring exercise found that the Licensee does indeed disclose the sources of its news content. The Authority confirmed that Algoa FM's primary news sources are the following:

1. I-Net Bridge; and
2. The South African Police Services.

Algoa FM complies with clause 6.2 of its licence.

Clause 6.3 of the licence makes the following prescription:

"The Licensee shall ensure that regional content of forty percent (40%) is included in news and current affairs programming".

In monitoring the Licensee's news output, the Authority found that the bulk of their content comes from the Eastern Cape Region. In its calculation, the Authority found at least 60% of their news – measured per bulletin – was regional content.

Algoa FM's news and current affairs reports carry content that speaks to the Eastern Cape Region as well as National. International news was found during monitoring but on a very small scale.

The following are extracts of news and current affairs content as found on Algoa FM:

- *"There's been mixed reaction from opposition parties to yesterday's provincial budget tabled by the Eastern Cape Finance MEC, Sakhumzi Somyo. Somyo – once again - gave a lion's share of the R78.4 billion-rand budget to the Departments of Education and Health. These account for 44.3 percent and 30.2 percent respectively of the total budget. DA MPL, Jane Cowley said, however, that it was a "lack, lust" budget. UDM MPL, Thando Mpulu felt the budget was a fair one: [Live recording of Mpulu's view on the budget]."*
- *"The Democratic Alliance comfortably won the Ward 1 by elections in Nelson Mandela Bay yesterday. The DA's Candidate, Tracy Vice, obtained 4368 votes which is 92% of the valid votes cast. Altogether, 4767 votes were cast. DA MPL, Bobby Stephenson, described the result as a resounding vote of confidence on the Executive Mayor Athol Trollip and the DA led coalition government in the Metro. The ANC polled only 306 votes and the EFF managed a mere 22. This in a Ward that includes the Nelson Mandela University. Stephenson sees the outcome as a clear indication that voters are soundly rejecting the EFF's plan to topple Mayor Trollip, through a vote-of-no-confidence on the 6th of April."*
- *"Wells Estate Beach will now form part of this year's Nelson Mandela Bay Splash Festival programme; a move by the Metro to make the Festival to all. The Municipality's Director of Beaches and Resorts, Kitty Ngesi, said the Metro has received complaints from residents who live far from Hobie Beach, where the 4 day event takes place annually, traditionally over Easter. The Metro announced yesterday that it will be hosting one of its major national acts, headlined by the South African recording artist, Casper Nyovest at the Wells Estate Beach."*

The Licensee complies with clause 6.3 of its licence.

3.6. Training and Skills Development Obligations

Clause 7.1 of the service licence provides as follows:

"The Licensee shall ensure that it actively recruits and increases women and Black people in its staff complement at all levels".

Algoa FM added 5 new employees to its staff complement during the year under review. At least 60% of the new employees are Black people while 80% is female.

Herewith the list of all new employees at Algoa FM and a specification on their historical background:

Name of New Recruit	Race	Gender
1. Vuyolwethu Ndabambi	Black	Female
2. Timothy Lewis	Black	Male
3. Nina Van Wyk	White	Female
4. Anele Mbunge	Black	Female
5. Cassandra Killian	White	Female

The Licensee complies with clause 7.1 of the licence.

Clause 7.2 of the service licence provides as follows:

"The Licensee shall dedicate R250 000 per annum to human resources training and development with particular emphasis on staff from historically disadvantaged groups".

During the financial year ended 31 March 2018; Algoa FM reports to have spent at least R543 229.56 on training of staff. According to the Licensee's report, 77% of the stated amount was spent on training of staff from historically disadvantaged groups.

The Licensee complies with clause 7.2 of the licence.

3.7. Community Related Obligations

Clause 8.1 of the licence reads:

"The Licensee shall raise at least R2 000 000 (two million rand) for registered charities over the licence period".

The Authority's reporting – in the past years – highlighted how the Licensee is already on a plus in terms of complying with this clause. Algoa FM has raised more than the required amount for registered charities in the current licence period (which expires December 2018).

In the year under review, Algoa FM reports to have raised at least R 2 868 880. This amount was raised through the Licensee's charity campaigns in partnerships with various other organizations in their area of coverage. Algoa FM partnered with the following organisations on their charity drives:

- Ironman 4 kids;
- Algoa Cares Charity Golf Days;
- Mandela Day;
- The Knysna Fires Rescue Initiative;
- The Algoa FM Big Walk for Cancer presented by The Eastern Cape department of Health; and
- The Toy Run.

Algoa FM complied with clause 8.1 of their licence.

Clause 8.2 of the licence states that:

"The Licensee shall, at least bi-annually, hold a listener's forum comprising at least 10 people with no affiliations to the Licensee, to ensure that the broadcasting needs of the Licensee's target audience are being met. The listeners' forums shall be held in Port Elizabeth and East London".

In the year under review, Algoa FM reports to have hosted their strategic listener interventions in Port Elizabeth in March 2017 and another one in March 2018 in East London.

Algoa FM complies with clause 10.1 of its licence.

3.8. Transmitter Split

Clause 9 of the service licence provides that:

"The Licensee is authorised to operate a transmitter split service known as "The Border Drive" which may not broadcast for more than four (4) hours in any 24 hour period".

During the year under review, the monitoring exercise found that the Licensee's transmitter split is scheduled between 15h00 and 19h00 and is known as the Border Drive. This programme is broadcast from the Licensee's studios which are in East London's Hemingways Mall.

Algoa FM complied with clause 9 of its licence.

3.9. Ownership and Control

Clause 10.1 of the licence provides as follows:

"The Licensee shall ensure that control of the station rests with people from the Eastern Cape and that at least fifty percent (50%) of its board of directors are based in the Eastern Cape".

According to the Licensee's submissions, Algoa FM has 8 individuals serving in its Board of Directors. At least 6 - totalling 75% - of those serving the directorship of Algoa FM reside in the Eastern Cape.

Here below, the Authority lists the individuals who served as Board Members at Umoya Communications during the year ended March 2018.

Names of Directors	Residence	Race	Gender
1. Mr Z Nkosi	Outside EC	Black	Male
2. Mr A da Costa	EC	Black	Male
3. Ms Z Tshefu	EC	Black	Female
4. Mr M Jack	EC	Black	Male
5. Mrs M Mynhardt	Outside EC	White	Female

6. Mr D Tiltmann	EC	White	Male
7. Mr K Reed	EC	White	Male
8. Mr A Jay	EC	White	Male

The Authority received no notifications from the Licensee indicating any changes to the information above.

The Licensee complies with clause 10.1 of its licence.

Clause 10.2 of the licence makes it clear that:

"The Licensee shall ensure that at least thirty percent (30%) of its management staff comprise of women and Black people".

In the year under review, Algoa FM reports to have had four (4) women and Black people of the eleven (11) employees serving in management within the Licensee. Therefore, 36% of the radio station's management staff comprises of women and Black people.

The Licensee has complied with clause 10.2 of its licence.

Clause 10.3 of the licence:

"The Licensee shall identify black and female employees with management potential and ensure that they receive additional training to equip them for future management position at the station".

Algoa FM has always been consistent in the efforts to comply with this clause. In the year under review, Algoa FM gave training to the following employees whom they have identified as having "management potential":

Employee	Race	Gender
1. Lesley Geyer	Black	Female
2. Olwethu Xabanisa	Black	Male
3. Atenkosi Plaatjie	Black	Female
4. Abigail Yose	Black	Female
5. Dawn Hendricks	Black	Female
6. Doreen Loubser	White	Female
7. Suren Packery	Black	Male

8. Sinazo Tenge	Black	Female
9. Dohnè Damons	Black	Female

All individuals trained in the year under review fall in the categories as stated in the licence.

The Licensee complies with clause 10.3 of the licence.

4. REGULATIONS

4.1. Code on People with Disabilities

Clause 3.1 (a) of the Code for People with Disability of 2007 stipulates that:

"Broadcasting service Licensees must ensure that their services are made available and accessible to people with disability."

Algoa FM's premises and the services they provide was found to cater and accessible to people with disabilities.

The Licensee complies with the above-mentioned regulation.

4.2. Standard Terms and Conditions

The Authority is satisfied that during the period under review the Licensee did not contravene the regulation in respect of the Standard Terms and Conditions Regulations for Individual Licences.⁶

The Licensee complied with the abovementioned Regulation.

4.3. ICASA South African Music Content Regulations, 2016

Regulation 3(2) of the ICASA South African Music Content Regulations, 2016⁷ as published on 23 March 2016 stipulates that:

"A holder of a commercial sound broadcasting service licence must ensure that after eighteen (18) months from the date of gazetting of these Regulations, a minimum of 35% of the musical works broadcast in the performance period, consist of South African music and that such South African music is spread evenly throughout the performance period."

⁶ Appendix B: Regulations regarding Standard Terms and Conditions for Individual Licensees

⁷ Appendix C: ICASA South African Music Content Regulations, 2016

Algoa FM plays approximately 40% South African music. The following artists are local artists that were identified to be enjoying air-play on Algoa FM's programme schedule: Freshly Ground, Mafikizolo, Lira, Simmy, Mlindo, Siphokazi, Amanda Black, Zonke Dikana, Musa, Vusi Nova, Zahara, Nathi, Brenda Fassie, Jabu Khanyile, Mafikizolo, Mahlathini and the Mahotella Queens, Soul Brothers, Loyyd, Loyiso Bala, Micasa, Louis Carver, Ernie Smith, Lira, Judith Sephuma, Wendy Mseleku, Letta Mbulu, Crazy White Boy and many others.

The Licensee complies with the South African Music Content Regulations.

4.4. Universal Service and Access Fund

Regulation 3(1) stipulates that:

"Every holder of a licence granted in terms of Chapter 3 or converted in terms of Chapter 15 of the Act, must pay an annual contribution of 0.2% of the annual turnover, derived from the Licensee's licence activity, to the Fund" (See appendix G)⁸.

Regulation 3(2) stipulates that:

"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".

UMoya Communications paid its contribution to the Universal Service and Access fund as prescribed by the Regulations Regarding the Universal Service and Access Fund for Individual Licensees.

The Licensee complies with Universal Service and Access Fund Regulations.

4.5. General Licence Fees Regulations

Regulation 3 (1) of the General Licence Fees Regulations published in the Government Gazette No. 32084 on 01 April 2009 states as follows:

"Individual Commercial Broadcasting Service Licensees to pay an annual licence fee of 1.5% of gross profit to the Authority".

Schedule 3 (4) (b) (c) states that:

"(b) In respect of payment, such are due and payable within 6 months from

⁸ Appendix D: Universal Service and Access Fund Regulations

- the end of the Licensee's financial year;*
- (c) *May only be paid by way of an electronic transfer or via direct deposit into the Authority's bank account."*⁹

The Authority's records show that the Licensee paid its General Licence Fees in accordance with the above regulation.

Umoya Communications complies with schedule 2 and regulation 3(1) of the General Licence Fee Regulations.

5. CONCLUSION

Algoa FM has complied with all licence terms and conditions and applicable Regulations

6. TERMS OF REFERENCE

Appendix A : Algoa FM Broadcasting Service and Frequency Spectrum Licences;

Appendix B: Regulations regarding Standard Terms and Conditions for Individual Licensees;

Appendix C: South African Music Content Regulations;

Appendix D: Universal Service and Access Fund Regulations; and

Appendix E: General Licence Fee Regulations.

⁹ Appendix E: General Licence Fee Regulations