



GOOD HOPE FM ANNUAL COMPLIANCE REPORT

MARCH 2019

2017/2018 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,¹ the ICASA Act of 2000,² 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 monitor 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 2017/2018 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 and 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. Good Hope FM's languages of broadcast are English and Afrikaans⁵.

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: Good Hope FM's Broadcasting Service Licence.

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 states as follows:

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

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"

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

The Licensee complies 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 complies 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 complies with its language of broadcast obligations.

3.4. Format

Clause 4.1 of the schedule to the licence states 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 stipulates 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 complies with clauses 4.1 and 4.2 of the schedule to its licence.

3.5. General Programming Obligations

3.5.1 General

Clause 6.1.1 of the schedule to the licence provides that:

"To the extent that the licensee provides programming of a religious nature, the Licensee shall ensure that its programming adequately reflects the diversity of South Africa's religions".

There was no programme reflecting the diversity of South Africa's religions identified during monitoring exercise.

The Licensee does not comply with clause 6.1.1 of the schedule to its licence.

Clause 6.1.2 of the schedule to the licence stipulates that:

"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 music programme called **The Hype** broadcast from 8h00 to 11h00 was identified. The programme caters for Cape youth. The Licensee caters for the lifestyle needs of its audience through showcasing events, public events and broadcasting music that its listeners can identify with, such as Hip Hop, House, Pop, Soft Rock and R&B.

The Licensee complies 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 complies with clause 6.1.3 of the schedule to its licence.

3.5.2. News and Current Affairs

Clause 6.2.1 of the schedule to the licence states 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 at 5h30, 6h30, 7h30, 8h30, 12h30, 13h30, 16h30, 17h30 and 18h30. The radio station broadcasts twelve (12) news bulletins on weekends from 7h00 to 18h00 and two news headlines at 7h30 and 8h30. During the period under review, news bulletins were broadcast in English and Afrikaans. The duration of news bulletins ranges from three to four minutes. The Licensee broadcasts about 43 minutes of news on weekdays and 36 minutes of news on weekends.

The Licensee does not comply 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 is required, in terms of Section 6 of the Broadcasting Act (as amended), to develop editorial policies that are intended to ensure compliance with the Authority's Code of Conduct, the Corporation's licence conditions, and the provisions of the Act.

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 complies 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 SABC's licence stipulates that:

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

The Licensee has developed an Employment Equity Plan to assist the Licensee to be an equal opportunity employer. The Licensee met all its targets regarding the plan except for female representation. Female representation however increased to 49,82% since the last reporting period.

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 87% of its employees are from designated groups.

The SABC states that its Learning and Development delivery during the period under review was slow due to financial constraints and that the delivery was on urgent and critical needs of the organisation. The SABC submits that under the period of review, it delivered 701 training interventions to 515 employees. Of the 515 employees that were trained, 379 were trained in accordance with the SABC's Work Skills Plan and 136 were trained based on operational requirements.

Further, the majority of these employees were from designated groups which 87% were black, 49,5% were female and 1,75% were persons with disabilities.

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 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.

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 Plan to the Authority for the period under review.

The Licensee has complied with its training and skills developments obligations.

3.5.4. Audited financial statements

Clause 8 of the schedule to Good Hope FM's licence stipulates 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".

The Licensee submitted its Audited Financial Statements for the 2017/2018 financial year within the stipulated timeframe.

The Licensee has complied 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 12A⁶ 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 is a member of the National Association of Broadcasters (NAB). Complaints related to code of conduct are administered by the Broadcasting Complaints Commission of South Africa (BCCSA).

During the year under review, the BCCSA and the Authority did not receive any complaint against Good Hope FM.

The Licensee complies with Compliance Procedure Manual Regulations.

4.2 Code on People With Disabilities

Clause 3.1 (a) of the Code on People with Disabilities 2007⁷, states that:

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

The SABC conducted different campaigns to encourage disability declarations for the reasonable accommodation of employees with disabilities. Further, accessibility audits were conducted and the SABC has started to implement the audit findings to ensure that the physical workplace is accessible for persons with disabilities.

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

⁶ SABC's Form 12A

⁷ as published in the Government Gazette, no 30441, 7 November 2007

mainstreaming objectives. The Licensee hosted National Disability Rights Awareness Month from 3 November until 3 December. During this period the SABC created internal 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 through it's Take A Girl To Work initiative that focused on scholars with disabilities.

The SABC also reported that employees with disabilities represent 2.34%, an increase from the previous reporting period. Employees with disabilities are employed on different occupational levels with majority representation on the Skilled, Technical and academically qualified levels.

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

To improve the representation of employees with disabilities, the SABC's recruitment efforts will remain targeted. The SABC also intend to accelerate disability declaration campaigns that will aid in the improvement of employees with disability representation as well as providing reasonable accommodation.

The Licensee complies with the Code on People with DisabilitiesSouth African

Music Content Regulations

Regulation 3.2 of The Regulations on South African Music Content as published on 31 January 2006 provides 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 monitoring exercise confirmed that the radio station broadcasts South African music with a minimum of 40% of South African music. The South African music monitored includes artists such as Omar Morte, GoodLuck, Toya Delazy, Royal K & Jay Bhana, MICASA and others.

The Licensee complies with the Regulations on South African Music Content.

4.3 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 complies with the regulations on Standard Terms and Conditions.

4.4 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 submitted to the Authority proof of payment for 2017/18 indicating that an amount equivalent to 0.2% of the Licensee’s annual turnover was paid to the fund.

The Licensee complies with Regulation 3 of the USAF Regulations.

5 CONCLUSION

During the period under review, the Licensee has complied with its licence terms and conditions, save for non-compliance with clauses 6.1.1 and 6.2.1 of the schedule to its licence. However, non-compliance with clause 6.1.1 of the schedule to the licence has to be address during renewal process, since commercial radio station are not required to have a religious obligation.

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.