



METRO FM ANNUAL COMPLIANCE REPORT

MARCH 2019

2017/18 ANNUAL 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 Authority's main tasks is to ensure compliance by broadcasters with the terms and conditions of their licence⁵, the ECA, the ICASA Act, the Broadcasting Act and any relevant legislation and Regulations.

This report seeks to give an account of Metro FM's performance with the terms and conditions as set out in its licence for the 2017/2018 financial year. The report measures key aspects including but not limited to: Geographic Coverage, Languages, Format, Training and Skills Development Obligations, Financial Performance, Regulations regarding Standard terms and Conditions, Regulations on Prescribed Annual Contribution of Licensees to the Universal Service and Access Fund, General Licence Fee Regulations, SA Music Content Regulations and the Code on People with Disabilities.

2. BACKGROUND

Metro FM holds an Individual Broadcast Service Licence of the South African Broadcasting Corporation (SABC). The Licensee's language of broadcast is English. The radio station's mandate is to provide a full radio spectrum service to the urban areas of all the nine provinces of South Africa.

¹ The Constitution of the Republic no 108, 1996

² ICASA Act no 13, 2000 as amended

³ Electronic Communications Act no 36, 2005

⁴ The Broadcasting Act no 4 of 1999

⁵ Appendix A: Broadcasting Service Licence

3. COMPLIANCE ASSESSMENT

3.1. Ownership and Control

Clause 1.1 of the licence stipulates 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 stipulates that:

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

Metro FM forms part of the public service of the SABC which is 100% owned by the state.

The Licensee complies with the above clauses.

3.2. Geographic Coverage

Clause 2 of the licence prescribes 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's coverage areas are: Gauteng, Mpumalanga, North-West, Northern Cape, Free State, Eastern Cape, Western Cape, KwaZulu-Natal and Limpopo.⁶ The Licensee has confirmed that its footprint has not changed.

The Licensee complies with clause 2 of its licence.

3.3. Language(s)

⁶ Ibid

Clause 3 of the licence stipulates for Metro FM to broadcast in:
"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 its licence.

3.4. Format

Clause 4.1 of the schedule to the licence provides that:

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

Clause 4.2 of the licence stipulates 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 its audience the services as outlined in the licence.

The Licensee complies with clauses 4.1 and 4.2 of its licence.

3.5. General programming obligations

3.5.1. General

Clause 6.1.1 of the licence stipulates:

"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 the regional factors, target audiences, language and cultural preferences, and the devotional needs of specific groups".

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 local and International. The show also invites listeners to call and share their stories about challenges and how they use the power of prayer to overcome challenges in their personal lives.

The Authority's monitoring exercise confirms that the Licensee 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 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".

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

There is "Metro FM talk with Rams Mabote" which 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.

The Licensee complies with clause 6.1.1 and 6.1.3 of its licence.

3.5.2. News and Current Affairs

Clause 6.2.1 of the licence stipulates:

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

The monitoring exercise conducted, revealed that Metro FM broadcasts news bulletins every hour on the hour and headlines every half hour daily. The duration of the news bulletins is between three (3) and five (5) minutes. This adds up to a total exceeding thirty (30) minutes each day of news during the South African performance period.

Among the news stories covered were excerpts from a number of newscasts, as follows:

- *"Various KZN MEC's are expected to visit storm affected areas today. Yesterday storms killed six (6) people from across the province. The South African Weather Services says weather conditions are expected to clear significantly from today".*
- *"The DA and the EFF in the North West have vowed to picket at the unveiling of a monument honouring President Jacob Zuma and forty five (45) other struggle activists at Groot Marico. This morning President Zuma will officially open the heritage site and liberation heritage route where many liberation struggle fighters crossed into exile to Botswana".*
- *"Police Minister Fikile Mbalula says the killing of innocent people in our democracy is unacceptable. Earlier he announced he will send a task team to the Cape Flats to investigate the shooting of eleven (11) people at the Marikana area in Phillipi East on Friday night".*

Metro FM complies with clause 6.2.1 of its licence.

Clause 6.2.2 of the schedule to Metro FM's licence stipulates:

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

- Exercise full editorial control in respect of contents of such programming;*
- Include matters of national, regional, international and where appropriate, local significance;*
- Meet the highest standards of journalistic professionalism;*
- Provide fair, unbiased, impartial and balanced coverage independent from Governmental, commercial or other interference; and*
- 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 require the Licensee to endeavour to meet the highest standards of journalistic professionalism. Furthermore, to provide fair, unbiased and impartial coverage independent from government, commercial and 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, locally and

internationally. They also invite guests to the studio to offer advice ranging from the legal and finance sectors.

The shows allow the public to make input through phone-ins and social media. The current affairs show gives access to relevant information to allow listeners to be informed about important issues. The show has a segment called "Africa Watch" which gives insight on current affairs within the Continent. The show also delves into Human Rights issues with the assistance of Human Rights lawyers.

Metro FM's news 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 but also with the Charter as enunciated in the Broadcasting Act.

The Licensee complies with clause 6.2.2 of its licence.

3.6 Training and Skills development Obligations

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

"7.1 The Licensee must adopt and implement equal opportunity employment practices."

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 of 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.

3.7 Provisions of Audited Financial Statements

Clause 8 of the schedule to Metro 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. South African Music Content Regulations⁷

The Authority has on 23 March 2016 published the ICASA South African Music Content Regulations which repealed the ICASA South African Music Content Regulations published on 31 January 2006. The regulations were to be effective eighteen (18) months after publication. The quotas were revised from 25% to the 35% for commercial sound broadcasting services.

Regulation 3 (2) of the ICASA South African Music Content Regulations stipulates that:

"Every holder of a commercial sound broadcasting 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 reasonably evenly throughout the said period".

The Licensee submitted that, for the period under review, it has played an average of 65% of South African music.

According to the recordings monitored, Metro FM played approximately 65% South African Music content during the period under review.

The radio station plays a wide variety of music genres from Kwaito, Jazz, Hip Hop, House, RnB, Rock, Gospel and cultural music. The local music played by the radio station includes among others: *Kwesta, Sho Madjozi, Prince Kaybee, Lebo Sekgobela, Dr Tumi, Distraction Boyz, DJ Ganyani, Samthing Soweto and Thandiswa Mazwai.*

⁷ Appendix G: SA Music Content Regulations

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

4.2. Standard Terms and Conditions

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

4.3 Code on People with Disabilities

Clause 3.1 (a) of the Code on People with Disabilities 2007⁸, 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 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 Blind Buddy Day;

- Albinism Awareness;
- Deaf Awareness; and
- Casual day.

⁸ as published in the Government Gazette, no 30441, 7 November 2007

The Licensee further conducted verifications of all declared disabilities and identification of reasonable accommodation needs, as well as participation in career exposure initiatives through its 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 Disabilities.

4.3. Universal Service and Access Fund Regulations ⁹

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 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 USAF in 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.

⁹ Appendix H: General Licence Fees

The Licensee has complied with the USAF Regulations.

4.4. Compliance Procedure Manual – Form 12A

The Licensee is required, in terms of the Compliance Procedure Manual Regulations, to submit a Form 12A¹⁰ which reports on all complaints received during each financial year. In April 2018, 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") and complaints in relation to the Code of Conduct by Broadcasters are administered by the Broadcasting Complaints Commission of South Africa ("BCCSA").

The Licensee complies with the Compliance Procedure Manual Regulations.

5. CONCLUSION

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

6. TERMS OF REFERENCE

Appendix A: Service and Frequency spectrum broadcasting licence;

Appendix B: Editorial Policies;

Appendix C: Skills Development Report;

Appendix D: South African Music Content Regulations of 2006;

Appendix E: Regulations Regarding Standard Terms and Conditions;

Appendix F: Code of People with Disabilities; and

Appendix G: Universal Service Obligation Fund Regulations.

¹⁰ Appendix E: SABC Form 12A