



Y FM ANNUAL COMPLIANCE REPORT

MARCH 2019

2017/18 ANNUAL COMPLIANCE REPORT

YIRED (PTY) LTD BROADCASTING AS YFM

LICENSE PERIOD : 12 DECEMBER 2008 –11 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.

The purpose of the report is to give an account of Y FM's annual performance for the 2017/2018 financial year. Aspects of compliance that are measured comprise of licence conditions pertaining to Geographic Coverage, Language(s) of broadcast, Format, General Programming Obligations, Training and Skills Development, Community-Related Obligations. Furthermore, the Licensee will be measured in relation to the following regulations, the ICASA South African Music Regulations, Regulations Regarding Standard Terms and Conditions, Universal Service and Access Fund (USAF) Regulations, General Licence Fee Regulations and the Code of Conduct for Broadcasters.

2. BACKGROUND

The Licensee, Yired (Pty) Ltd was issued an Individual broadcasting service licence on 17 December 2008⁵ for a period of ten (10) years in accordance with the standard terms and condition for Individual licences. According to the Broadcast Research Council of South Africa, the listenership figures for period ending March 2018 was 610 000⁶.

3. COMPLIANCE ASSESSMENT

3.1. Geographic Coverage

Clause 2 of the licence stipulates that:

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

⁶ <https://brcsa.org.za/brc-ram-radio-listening-oct17-mar18-jan18-jun18/>

"Johannesburg as defined in the coverage map attached to the Licensee's Frequency Spectrum licence"

The Licensee's signal distribution is provided by Sentech from a transmitter site in Johannesburg which enables them to cover its licensed area.

The Licensee complies with clause 2 of the licence.

3.2 Broadcast Language(s)

Clause 3 of the licence stipulates that the broadcast language shall be:

"Primarily be English, IsiZulu and Sesotho"

The Licensee's primary language of broadcast is English with other indigenous languages being used to complement the primary language.

The Licensee complies with its language(s) of broadcast.

3.3 Format

Clause 4 (a) and (b) of the licence stipulates that the Licensee's format shall be:

"(a) Youth based focused service with an infotainment consisting of seventy five percent (75%) music and 25% talk;

(b) The Licensee may not change more than fifteen percent (15%) of its format between 0500 and 23h00".

The Licensee's programming content is music driven with talk being supplementary. The content is aimed at the youth and young adults based on the music that they play and the topics of discussion are relevant to its target audience. The Licensee has not made any changes to its licensed format.

The Licensee complies with its format.

3.4 Local Content Obligations

Clause 5 (a) and (b) of the schedule to YFM's service licence stipulates that:

"(a) The Licensee must ensure than at least fifty percent (50%) of its music is South African music content;

(b) The Licensee must develop programmes which are aimed at empowering local musicians and music producers"

The Licensee submitted that it broadcasts an average of 56% South African music⁷, this information was confirmed during the monitoring exercise. During the period under review, new music from artists such as *Team Moshu, Da Capo and Black Motion* was detected.

The Licensee also requests for new music from up and coming artists and producers to be submitted and playlisted through daily promos. Furthermore, on Tuesdays from 22H00 they have a programme called "Live and Re Yired" which is an unplugged session for upcoming and established artists. Some of the artists that performed include *Langa Mavuso, Batuk music and The Band: The Remnants* amongst others.

The Licensee complies with its local content obligations.

3.5 General Programming Obligations

Clause 6 (a) and (b) of the licence stipulates that:

" (a) The Licensee shall broadcast news for a minimum of two hundred and ten (210) minutes per week on a regular basis for a minimum of forty (40) minutes each weekday during the South African performance period (05h00-23h00)".

(b) In instances where the Licensee does not originate news material, it must during its broadcast, credit the sources of such material in accordance with accepted journalist practises"

YFM broadcasts news bulletins from 06h00 until 18h00 during weekdays, and a segment called the BBC minute after news headlines during the performance period. The news bulletins are approximately three (3) minutes in duration, which equates to an average of thirty-two and half (32.5) minutes per day, with the BBC minute adding another eighteen (18) minutes daily and more than two hundred and fifty (250) per week. The Licensee is exempted from broadcasting news over the weekend in terms of clause 6 (c) of the service licence.

The news stories covered for the period under review with excerpts from certain broadcasts, are as follows:

⁷ Appendix B

- *"Retired Deputy Chief Justice Dikgang Moseneke has given the state until next week to verify the number of mentally ill patients who died in the Esidimeni tragedy. This comes after evidence was brought to the arbitration hearing suggesting that the death toll is much higher. The confirmed number by police is 144 whilst the health ombudsman has recorded 143";*
- *"The more than 900 mineworkers who were trapped underground in the Sibanye Beatrix Gold mine in the Free State have all been rescued. The workers had been trapped underground since Wednesday night after a severe storm had knocked out the mine's power supply. All the workers are being transported to hospital to receive medical treatment"; and*
- *"A Johannesburg man who pretended to be an employee of Johannesburg Water will appear in the Commercial Crimes court today. He was arrested in Westdene for allegedly scamming and asking bribes from residence for water services. The man was bust by the Hawks after allegedly attempting to solicit a R2,000 bribe. He allegedly reconnected water supply to houses that were cut off after being paid the bribes, the mayor's office said in a statement".*

The Licensee credits news sources, for stories that are not sourced independently.

The Licensee complies with its news obligations.

3.6 Ownership and Control Obligations

Clause 7 (a) (b) of the licence stipulates that:

"The Licensee shall establish scheme in terms of which staff are allocated five percent (5%) equity or profit participation"

The Licensee submitted that the employee's participation in profit sharing is in a form of bonuses and proof in this regard was duly submitted to the Authority⁸.

Clause 7(b) of the service licence stipulates that:

"The Licensee shall be entitled to reduce ownership by previously disadvantaged persons to below percent (80%) on application to the Authority".

The Licensee is wholly owned by Sabido Investments (Pty) Ltd which is hundred percent owned by previously disadvantaged persons⁹.

⁸ Appendix C

⁹ Appendix D

The Licensee complies with its ownership and control obligations.

3.7. Training and Skills Development Obligations

Clause 8 (a) and (b) of the licence stipulates that:

"The Licensee shall (a) ensure that's its staff compliment is reflective of equitable gender and (b) must expend R400 000 (four hundred thousand Rand) per annum on training and human resource development".

The Licensee submitted that it has a total staff compliment of ninety-five (95) employees which includes interns. The overall total of female employees is thirty-four (34) which equates to an average of thirty six percent (36%) of the overall staff compliment¹⁰.

the Licensee spent in excess of a rounded figure of five hundred and forty-five thousand (R 545 402) on training and human resource development. The total amount includes stipends for interns which complies with clause 8 (b) of their service licence.

The Licensee complies with its training and skills development obligations.

3.8 Community – related Obligations

Clause 9 of the licence stipulates that:

"The Licensee must provide at least R1 000 000 (one million Rand's) worth of airtime annually to relevant organisations for the purposes of providing free social responsibility messaging".

The Licensee submitted that through its YCares social responsibility, it provided free airtime for campaigns related to Rotary Arts Festival, Blanket Drive and Basha Uhuru to the total value of over two million Rands¹¹.

The Licensee complies with its community related obligations.

4. REGULATIONS

4.1 South African Music Content Regulations

¹⁰ Appendix D

¹¹ Appendix E

The Authority has on 23 March 2016 published ICASA South African Music Contents Regulations which repealed ICASA South African Music Content regulations published on 31 January 2006. The Regulations were to be effective eighteen (18) months after publication i.e. 23 September 2017 which falls within the period under review. The quotas were revised from 25% to the 35% for commercial sound broadcasting services.

Regulation 3 (2) of the ICASA South African Music Contents 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 it broadcasts an average of fifty-six (56 %) percent of South African music, which information was confirmed during the monitoring exercise.

The Licensee broadcasts a music chart show programme called "Hot 99" on weekdays between 09h00 and 10h00 with repeats in the evening playing the latest songs from different music genres with music from local artists being playlisted. Furthermore, the Licensee interviews local artists on different programmes when they release new albums or music and they also debut the new songs, this adds to their local music quota.

The Licensee complies with the South African Music Content Regulations.

4.2 Standard Terms and Conditions for Individual Licences

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 for Individual Licences.

4.3 Universal Service and Access Fund (USAF) Regulations

Regulation 3 of the prescribed annual contribution of licences to 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 made a payment to the Media Development and Diversity Agency (MDDA) on 20 September 2018 which is within six months after the Licensee's financial year end of March¹².

The Licensee complies with the USAF regulations.

4.4 General Licence Fees Regulations

The General License Fees Regulations came into effect on the date of publication in the government Gazette no. 32084, on 01 April 2009.

Regulation 3 (1) (a) stipulates that:

"The annual Licence fees prescribed in these regulations and as set out in Schedule 2 apply to holders of Individual and Class ECS licences, Individual and Class ECNS licences and Individual Commercial BS licences"

Schedule 2 under Annual Licences Fees stipulates that:

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

Schedule 3 (4) (b) and (c) stipulates that:

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

Y FM made its licence fee payment on 20 September 2018 which is within six months after the Licensee's March financial year end¹³.

The Licensee complies with the General Licence Fees regulations.

¹² Appendix F

¹³ Appendix G

4.5 Code of Conduct for Broadcasters

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

5. CONCLUSION

The Licensee has for the period under review complied with its licence terms and condition and applicable regulations.

6. TERMS OF REFERENCE:

Appendix A: YFM Broadcasting Service Licence=-0987654321;

Appendix B: Form 9A Programme Log sheet;

Appendix C: Bonus Provision;

Appendix D: Form 1;

Appendix E: Ycares documentation;

Appendix F: MDDA proof of payment; and

Appendix G: Licence Fees proof of payment.