



ALGOA FM ANNUAL COMPLIANCE REPORT

MARCH 2020

2018/2019 ANNUAL COMPLIANCE REPORT

UMOYA COMMUNICATIONS (PTY) LIMITED BROADCASTING AS ALGOA FM

LICENCE PERIOD : 17 December 2018 – 16 December 2028

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 is intended to give account of Algoa FM’s compliance with the terms and conditions and regulatory requirements as set out in its license for the 2018/2019 financial year. Aspects of compliance that will be measured in this report will be the following: Geographic Coverage, Broadcast Language, Licensed Format, Local Content Obligations, General Programming Obligations, Training and Skills Development, Ownership and Control and the Licensee’s compliance with all applicable regulations.

2. BACKGROUND

On 17 December 2008, the Authority issued Umoya Communications (Pty) Ltd (hereinafter referred to as “the Licensee”) with a commercial sound broadcasting service licence and a radio frequency spectrum licence in terms of the ECA. The Licensee broadcasts as Algoa FM and the service licence under review expired in December 2018 and was ultimately renewed in June 2019.

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

The Licensee 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 the Buffalo City.

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 provides 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".

Algoa FM's frequency spectrum licence 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 Suurberg*⁵.

The Licensee reaches and broadcasts to all areas that form part of its coverage area.

Algoa FM complies with clause 2 of their service licence

3.2 Broadcast Language

Clause 3 of the licence on language of broadcast reads:

"Principal Language: English".

Algoa FM uses English as a primary language of broadcast.

The Licensee complies with clause 3 of the Licence.

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

3.3 Format

Clause 4.1 of the licence provides as follows:

"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 Licensee'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.

In terms of clause 4.2 of Algoa FM's service licence:

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

The monitoring exercise found that Algoa FM is more of a music radio station than a talk one. The basis for this finding is that, the Licensee was found to schedule approximately 80% music in an average 3-hour show.

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".

During the period under review, the Licensee submits to have interviewed and played music by the following Eastern Cape Artists, amongst many others:

1. Sivu;
2. Tyrell Music Ohmnia;
3. Arab Miles;
4. Lindokuhle;
5. Mariloe Booysen;
6. Walter Chimwara;
7. Anele;
8. Satori;

9. Vusumzi Ntshanga;
10. Mimos/Blaq tye;
11. Miya Liyah;
12. Pink Lippz; and
13. Ayla Roc

The Authority's previous reporting has always applauded the Licensee's on-air feature, the Friday Music Club, which is aimed at inviting Eastern Cape based artists to submit their music demos and avail themselves for live interview.

Algoa FM complies with clause 5 of the licence.

3.5 General Programming Obligations

Clause 6.1 of the licence prescribes as follows:

"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 broadcasts thirteen (13) full news bulletins on each day between Monday and Friday. On average, all full news bulletins between Mondays and Fridays were at least four (4) minutes each. Algoa FM was found to carry at least fifty-two (52) minutes of news per day between Monday and Friday.

The Authority's monitoring exercise further found that the Licensee broadcasts at least five (5) full news bulletins on weekends. The average duration is at least four (4) minutes. As such, the Authority's monitoring concluded that the Licensee broadcasts at least twenty (20) minutes of news per day between Saturday and Sunday.

The News excerpts that were found during monitoring were the following:

- *Port Elizabeth Police have identified the two athletes who died following the 2019 Standard Bank Ironman African Championships Swim Event yesterday morning.*

- *Police spokesperson, Colonel Priscilla Naidu says they were 62-year-old, Leon Stanvliet from George and 57-year-old Andre Trichardt from Durban. She says they died in hospital after experiencing difficulty in the swimming challenge. Naidu says that post-mortems will be conducted to determine the exact course of death. Police have opened inquest dockets. In an earlier statements, Ironman South African said it was working with local authorities to gather all the details and will continue to do everything possible to provide a safe environment for athletes. Meanwhile, Nelson Mandela Bay Executive Mayor, Mongameli Bobani, has expressed his shock and sadness at the untimely deaths of the two athletes. He says in the statement, the City hosted a successful world Ironman Championship with no incidents in September last year and was a result of many years of experience that the City has acquired through the African Championships. Bobani said, it was against this background that yesterday's incidents came as a devastating news. He says they understood, however, that the fatalities were beyond what the organisers could humanly do to prevent it.*
- *The dam level in Makhandia West are still at critical levels despite recent rains. The Howiesonspoort dam level is at twenty-nine-point three percent and the Settler's dam in Grahamstown is at a mere seven point six percent. The Makana Municipality says, when the Settlers dam level is at seven point six percent, it will not be possible to extract water, however, pumping from Howiesonspoort to Waainek Water Works will continue until those pumps start cavitating as well; thereafter, the Waainek Water Works that is supplying water to Makanda West will not be able to produce water for residents in the West. Municipality spokesperson, Anele Mjekula, says they've put measures in place to curb water usage to manage the scarce resource in the West. Mjekula says, if no good rains are received soon, it is anticipated that by April, no water will be produced by Waainek.*
- *Eastern Cape Finance and Economic Affairs MEC, Oscar Mabuyane, says the coalition government of the Nelson Mandela Bay Metro is not working. He made the comments while he was speaking to the media in East London at the Municipal Oversight meeting called by the Provincial Treasury yesterday.*

- *It was attended by Mayors, Speakers, Finance Officials, Auditing teams and those responsible for infrastructure. Mabuyane said, Nelson Mandela Bay had not sent any representatives adding that the Metro had regressed in governance, spending of financial allocations and service delivery. He said, clearly, the coalition is not working and is falling further into chaos as they couldn't even meet the basic requirements. Meanwhile, Mabuyane said, he was concerned with the under performance of several municipalities in the Province. He said, under expenditure was concerning, because even though there was money; citizens were not being provided with the services.*
- *Mabuyane said the root cause of the under spending was poor planning and the shortage of skills due to a lack of leadership. He said that the Provinces Local Government Sphere was not functioning efficiently and therefore the Provincial Treasury and the Department of Cooperative Governance and Traditional Affairs will establish a Project Management Unit to monitor infrastructure implementation.*

Algoa FM complies with clause 6.1 of its licence.

According to clause 6.2 of Algoa FM's 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 discloses the sources of its news content. 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 reads:

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

Algoa FM's news reports are dominated by content that speaks to the Eastern Cape Region and to South Africa as a nation. International news was found

during monitoring but on a very small scale. The Authority found that the content that came from the region was at an average of 58%.

The Licensee complies with clause 6.3 of its licence.

3.6 Training and Skills Development Obligations

Clause 7.1 of Algoa FM's 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".

In the year that ended March 2019, Algoa FM reports to have added eleven (11) new employees to its staff complement. All new recruits are Black people and women make up for 66% of the employees.

Below is the list of all new employees at Algoa FM as well as their racial and gender breakdown:

Name of New Recruit	Race	Gender
1. Kanya Ngelenge	African	Male
2. Yolisa Rwexwana	African	Female
3. Tamlynne Frans	Coloured	Female
4. Mercy Thinyane	African	Female
5. Lungisa Smith	African	Male
6. Kirstie Paulse	Coloured	Female
7. Kwanele Mkhetheni	African	Male
8. Siphosethu David	African	Female
9. Sanele Dinabantu	African	Male
10.Sanele Nongauza	African	Male
11.Sinayo Twani	African	Female

The Licensee complies with clause 7.1 of the licence.

Clause 7.2 of the 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".

Algoa FM reports to have spent R709 216.73 on training of staff during the financial year ended 31 March 2019. Ninety one percent (91%) of the amount spend was paid to and for the 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 stipulates that:

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

The Authority's reporting has always commended Algoa FM's CSI projects for raising millions of rands for the benefit of local charities. The Licensee has, over the last 5 years of their licence period, raised well over R10 million for registered charities in its coverage area. Algoa FM is associated with the Ironman, Ironman 70.3 and Ironman4Kids. The Algoa Cares Charity Golf Day and the Algoa FM Big Walk for Cancer has, over the years, continued to raised millions of rands for charities throughout the Eastern Cape.

The Licensee complies with clause 8.1 of the 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".

For the year in review, Algoa FM hosted its strategic listener interventions in Port Elizabeth on November 2018 and in East London on March 2019. Algoa FM

submitted a list of the listeners that took part in the interventions and a report of the proceedings compiled by a research company.

Algoa FM complies with clause 10.1 of its licence.

3.8 Transmitter Split

Clause 9 of the Algoa FM's 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.

The Licensee complies 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".

Algoa FM's annual report accounts that there was three (3) resignations in its Board of Directors during the year under review. Currently, the Licensee sits with six (6) Directors and at least 66% (4 out of 6) of them are based in the Eastern Cape.

Below is a list of individuals who served as Board Members at Umoya Communications during the year under review:

Names of Directors	Residence	Race	Gender
1. Mr Z Nkosi	Outside EC	Black	Male
2. Mr A da Costa	EC	Coloured	Male
3. Ms Z Tshefu	EC	Black	Female
4. Mr K Reed	EC	White	Male
5. Mr A Jay	EC	White	Male
6. Mrs A Isbister	Outside EC	White	Female

Algoa FM complies with clause 10.1 of its licence.

Clause 10.2 of the licence stipulates that:

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

For the year under review, the Licensee's management staff comprised four (4) women and Black people out of eleven (11) employees serving on the management within the Licensee. Therefore, 36% of the radio station's management staff comprises women and Black people.

The Licensee has complied with clause 10.2 of its licence.

Clause 10.3 of the licence provides as follows:

"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 ensured continued attempts in training black and female employees. In the year under review, the Licensee spent at least 91% of its training spend on female and black employees. Algoa FM boasts of having employed the following persons, from historically disadvantaged backgrounds, into management positions in the past 5 years.

1. **Lesley Ann Fortuin:** - Black Female, was promoted from Account Executive to Senior Account Executive in 2013. Through hard work and training she was then further promoted to Key Account Manager in 2018.

Noteworthy in this case, is that Lesley Ann had originally joined Algoa FM as a temp receptionist.

2. **Doreen Loubser:** - White Female, through training and mentoring, was promoted from Journalist to Online News Editor in 2018.
3. **Daphne Jaggars:** - Black Female, joined Algoa FM as an Office Assistant in 2002 and in 2009 was appointed as a receptionist. Through training and mentoring Daphne was appointed as the Office Administrator in 2019, where she works closely with the Human Resources Manager.
4. **Athenkosi Plaatjie:** - Black Female, joined Algoa FM as a Journalist Intern in 2015. She was appointed permanently in 2016 and she is currently the senior field reporter.
5. **Abigail Yose:** - Black Female, joined Algoa FM as a Finance Intern in 2016. She was then permanently appointed as a Finance Assistant in 2017. Through her continued training, mentoring and hard work, she now works as the Licensee's Trainee Accountant.
6. **Dohnè Damons:** - Black Female, joined Algoa FM as a Radio Production/Outside Broadcast Intern in 2012. She was then permanently employed as the Webmaster in 2013. Dohnè now works for Algoa FM as a Senior Manager in Digital Content Management.

The Licensee complies with clause 10.3 of the licence.

4. REGULATIONS

4.1 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 above-mentioned regulation.

4.2 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:

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

"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."

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: *Higgo ft Daniel Baron, Arno Carstens, Majozi, 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.

4.3 Universal Service and Access Fund

Regulation 3(1) of the Regulation 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) of the Regulation 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".

The Licensee paid its contribution to the MDDA in relation to the Universal Service and Access fund. The Authority's records show that this payment was made on 30 May 2019.

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

⁸ Appendix E: Universal Service and Access Fund Regulations

The Licensee complies with Regulations regarding the Universal Service and Access Fund.

4.4 General Licence Fees Regulations

Regulation 3 (1) of the General License 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 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

Umoya Communications paid its annual General Licence Fees for the year ended 2019. The Authority's records show that the payment was received on 30 May 2019.

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

5. CONCLUSION

Algoa FM generally complies with its License terms and conditions and regulatory requirements. The Authority will, however, continue to monitor the Licensee's compliance in the next financial year

6. TERMS OF REFERENCE

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

6.2 Appendix B : Regulations regarding Standard Terms and Conditions for

⁹ Appendix F: General Licence Fee Regulations

Individual Licensees

- 6.3 Appendix C : South African Music Content Regulations
- 6.4 Appendix D : Universal Service and Access Fund Regulations
- 6.5 Appendix C : General Licence Fee Regulations