



METRO FM ANNUAL COMPLIANCE REPORT

MARCH 2021

2019/20 ANNUAL REPORT

SOUTH AFRICAN BROADCASTING CORPORATION ("SABC") BROADCASTING AS METRO FM

Licence Period: 18 December 2018 - 17 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 ("EC Act") and the Broadcasting Act⁴ to regulate broadcasting activities in South Africa in the public interest. The Authority main task of to ensure compliance by broadcasters with the terms and conditions of their License⁵, the Electronic Communications Act, the ICASA Act, the Broadcasting Act and any relevant legislation and Regulations.

This report seeks to give an account Metro FM's performance with its licence terms and conditions as set out in its licence for the period 2019/2020 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; Licence Fees regulations and Access Fund and SA Music Content Regulations.

2. BACKGROUND

Metro FM holds an Individual Broadcast Service Licensee 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 South African Broadcasting Corporation which is 100% owned by the state.

The Licensee complies with the above clauses.

3.2. Geographic Coverage

Clause 2 of the schedule to Metro FM's 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 In fact, Metro FM broadcasts, nationwide. The Licensee has confirmed that its footprint has not changed.

The Licensee complies with clause 2 of its licence.

⁶ Ibid

3.3. Language(s)

Clause 3 of the schedule to 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 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 an urban contemporary format 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 Metro FM's 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 “*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, challenges and how they use the power of prayer to overcome challenges in their personal lives.

The Authority’s monitoring exercise confirms the Licensee’s compliance 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”.

“*The Bridge*” is a variety show, from 09h00 until 12h00 on weekdays (Monday until Friday). The show covers a wide range of topical issues such as lifestyle, health related issues, financial education as well as career and personal wellness among others. The programme allows for phone in participation by listeners.

“*Metro FM talk with Ayabonga Cawe*” is a current affairs show broadcast from 19h30 until 21h00 on Mondays and Thursdays. 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 the schedule to its licence.

3.5.2. News and Current Affairs

Clause 6.2.1 of the schedule to Metro FM’s licence stipulates:

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

The monitoring exercise conducted for the period under review revealed that Metro FM broadcasts news bulletins every hour on the hour and headlines every half hour daily, mornings as well as afternoons. 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 news stories, as follows:

- *President Cyril Ramaphosa has announced stricter measures to deal with the spread of the coronavirus. Ramaphosa says the country will go into a nation-wide 21-day lockdown, effective from midnight of the 26th of March until midnight on 16 April.*
- *The Mpumalanga mother who's been convicted for killing her four children is pleading for leniency, saying betrayal and heartbreak drove her to commit the murders. Zinhle Maditla has taken the stand at the High Court in Middelburg in mitigation of sentencing. Maditla has told the court she had a fight with her boyfriend of eight years, after which she decided to end her life and those of her children.*
- *The Democratic Alliance in Gauteng has refuted tweets by the ANC in Tshwane that it has fired Mayor Stevens Mokgalapa. In December, the council removed council Speaker Katlego Mathebe and Mayor Stevens Mokgalapa through motions of no confidence. The DA has challenged all resolutions taken in the sitting and says the process was illegal.*

Metro FM complies with clause 6.2.1 of the schedule to 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 at the Licensee endeavours to meet the highest standards of journalistic professionalism. Furthermore, it

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

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

Metro FM's news and current affairs programmes reflect 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 provided for in the Broadcasting Act.

The Licensee complies with clause 6.2.2 of the schedule to its Licence.

3.7 Training and Skills development Obligations

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

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

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 Employment Equity and Transformation report for the period under review (2019/2020) to the Authority. The report acknowledges the importance of diversity in the workplace and that employment equity is an imperative business driver. The Licensee implements various education and awareness campaigns with the intention to create and to maintain a respectful, inclusive and non-discriminatory workplace.

The report indicates that the management and staff of the Licensee are representative of South African demographics, including eighty-three (83) employees living with disabilities.

The Licensee further endeavours to ensure that female staff are well represented at all occupational roles and especially in decision making positions.

The Licensee through its Learning and Development department implements a workplace skills programme in line with the needs of the organisation. During the period under review

87% of the people that were trained were from historically disadvantaged backgrounds, with females representing 54,5% of the overall total. The total amount spent on training for the period under review was R10 332 040. The training included amongst others customer service, effective presentation skills, stress management, office administration and time management.

The report shows the extent to which historically disadvantaged people are represented throughout the organisation. Further, the Licensee has a National employment equity forum that continues to monitor and evaluate the implementation of the Licensee's employment equity objectives.

The Licensee submitted both its Employment Equity and Transformation plan report as well as its Training and Skills Development report, that respectively provide a detailed breakdown of its compliance with the above requirements to the Authority for the period

under review. Both reports were submitted within 30 days of the end of the financial year as required.

The Licensee complies with clause 7 of the schedule to its licence.

3.8 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 annual financial statements. However, due to the Covid-19 pandemic, the submission of the Licensee's audited financial statements was delayed and could not be submitted within four (4) months of the end of the Licensee's financial year.

The Authority was duly informed of the delay by the Licensee and considers the covid-19 pandemic good cause for an extension of the submission deadline.

The Licensee has complied with clause 8 of the schedule to its licence.

4. REGULATIONS

4.1. South African Content Music Regulations⁷

The Regulations on South African Music Content as published on 31 January 2006 stipulates that:

"All public service radio stations must play a minimum 40% South African music content during the South African performance 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.

⁷ Appendix G: ICASA South African Music Content Regulations, 2016 as published in *Government Gazette* No. 39844 dated, 23 March 2016

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: Master Kaygee, Kabza Da Small, Hugh Masekela, Lebo Sekgobela, Joyous Celebration, Samthing Soweto and Simphiwe Dana.

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. Universal Service and Access Fund Regulations⁸

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.

The Licensee has complied with the USAF Regulations.

4.4. Compliance Procedure Manual – Form 12A

⁸ Appendix H: General Licence Fees Regulations, 2012 as published in *Government Gazette* No. 36323 dated, 28 March 2013, as amended

The Licensee is required, in terms of the Compliance Procedure Manual Regulations, to submit a Form 12A⁹ which reports on all complaints received in the course of 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

- 6.1.** Appendix A: Service and Frequency spectrum broadcasting licence;
- 6.2.** Appendix B: Editorial Policies;
- 6.3.** Appendix C: Skills Development Report;
- 6.4.** Appendix D: South African Music Content Regulations of 2006;
- 6.5.** Appendix E: Regulations Regarding Standard Terms and Conditions; and
- 6.6.** Appendix F: Universal Service Obligation Fund Regulations.

⁹ Appendix E: ICASA Compliance Procedure Manual Regulations, 2011 as published in *Government Gazette* No. 34863 dated, 15 December 2011. (**Form 12A**: ECN/S and BS Complaints Reporting)