



94.7 HIGHVELD STEREO ANNUAL COMPLIANCE REPORT

MARCH 2022

2020/21 ANNUAL COMPLIANCE REPORT

PRIMEDIA (Pty) Ltd BROADCASTING AS 94.7 HIGHVELD STEREO

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 Constitution, the ICASA Act and the Electronic Communications Act of 2005 (“EC Act”) to regulate broadcasting activities in South Africa in the public interest. One of the main tasks of the Authority is to ensure compliance by broadcasters with the terms and conditions of their licence, the Electronic Communications Act, the ICASA Act, any relevant legislation and regulations.

The purpose of the report is to give account of 94.7 Highveld Stereo’s compliance with the terms and conditions as set out in its licence for the 2019/2020 financial year. Aspects of compliance that are measured comprise of Geographic Coverage, Broadcasting Languages, Format, General Programming Obligations, Training and Skills Development, Community-Related Obligations, Ownership and Control, South African Music Regulations, Regulations Regarding Standard Terms and Conditions, Universal Service and Access Fund (USAF) Regulations and the ICT Covid-19 National Disaster Regulations¹ first published in April 2020 and the subsequent amendments following the proclamation of the State of National Disaster.

The ICT Covid-19 National Disaster Regulations as amended have introduced exemptions with specific service licence conditions and/or revised quotas and such will be reflected in the body of the report accordingly.

¹ The Constitution of the Republic of South Africa Act, 1996 (Act No 108 of 1996)

² The ICASA Act No, 13 of 2000,

³ The Electronic Communications Act No, 36 of 2005

⁴ The ICT COVID-19 National Disaster Regulations, 2020 as published in *Government Gazette* No. 43207 dated, 06 April 2020, as amended.

2. BACKGROUND

In December 2008, the Authority issued Primedia ("the Licensee") with an Individual Commercial Sound Broadcasting Service licence² and a Radio Frequency Spectrum licence³ in terms of the EC Act.

The Licensee broadcasts as 94.7 Highveld Stereo and provides a service in the Gauteng province. The radio station is broadcasting from the studios situated at 5 Gwen Lane, Sandown, Sandton. The signal distribution service is conducted by Sentech (Pty) Ltd.

3. COMPLIANCE ASSESSMENT

3.1. Control Structure

3.1.1. Ownership and Control

Clause 1 of 94.7 Highveld Stereo's licence provides that:

"The licence is issued to:

1.1 Name of Company/Entity: Primedia (Pty) Ltd

1.2 Shareholders: Mineworkers Investment Company – 46.61%

Kirsh Consortium – 23.8%

Brait Entities – 18.84%

Management Stake – 5%

Titan Share Dealers – 2.86%

Sabvest (together with BPESAM 1 Ltd

BPESAM II Ltd – 0.99%

KV and GR Direct – 1.9%

1.3 Ownership held by persons from historically disadvantaged groups: 46.61%"

During the period under review, there were no changes reported by the Licensee to its name, shareholding and HDG structure.

The Licensee complies with clause 1 of its licence.

² 94.7 Highveld Stereo Broadcasting Service Licence

³ 94.7 Highveld Stereo Frequency Spectrum Licence

3.2. Contact Details

Clause 2 of the licence provides that:

2.1 "The contact person for the Licensee shall be:

2.1.1 Name: Ms. Tholoana Ncheke

2.1.2 Tel: 011 506 3845

2.1.3 Fax: 086 262 3003

2.1.4 Cell: 083 464 2330

2.1.5 Email: tholoanan@primedia.co.za"

The Licensee did not submit any notification with regards to all the above as stated during the period under review.

The Licensee complies with clause 2 of its licence.

3.3 Notices and Addresses

Clause 3 of the licence provides that:

3.1 "The Licensee chooses the following addresses as its principal addresses:

3.1.1 Postal Address: PO Box 5572

Rivonia

2126

3.1.2 Physical Address: Primedia House

5 Gwen Lane

Sandown

Sandton, 2146

The Licensee did not submit any notification in terms of its principal addresses during the period under review.

The Licensee complies with clause 3 of its licence.

3.4 Name of Station

Clause 1 of the schedule to 94.7 Highveld Stereo's licence provides that:

"Name of Station: 94.7 Highveld Stereo".

There were no changes reported by the Licensee to its name during the period under review.

The Licensee complies with clause 1 of the schedule to its licence.

3.5 Geographic Coverage Area

Clause 2 of the schedule to 94.7 Highveld Stereo frequency spectrum licence provides that 94.7 Highveld Stereo's geographic coverage area to be as follows:

"Southern Gauteng, as defined in the coverage map attached to the Licensee's radio frequency spectrum licence".

The Authority did not receive reports suggesting the Licensee broadcasts outside the defined coverage area.

The Licensee complies with clause 2 of the schedule to its licence.

3.6 Broadcast Language (s)

Clause 3 of the schedule to 94.7 Highveld Stereo licence provides that the language of broadcast shall be:

"Principal Language: English".

94.7 Highveld Stereo broadcast its programmes in English as its primary language.

The Licensee complies with clause 3 of the schedule 3 to its licence.

3.7 Format

Clause 4 of the schedule to 94.7 Highveld Stereo's licence provides that the Licensee is:

"The Licensee shall have a programming mix of talk and music in an adult contemporary format, providing a mix of music and information (including coverage of community affairs)".

The Authority's monitoring exercise found that the Licensee broadcasts a programming mix of talk and music in an adult contemporary format which includes coverage of community affairs as required by the clause above.

The Licensee complies with clause 4 of the schedule to its licence.

3.8 Local Content Obligations

Clause of the schedule to 94.7 Highveld Stereo's licence provides that:

"The Licensee shall promote at least eight (8) local music concerts per annum and allocate airtime for the broadcasting thereof".

Sound broadcasting Licensees were exempt from compliance with specific programming requirements and promises of performance during the National State of Disaster. Therefore, findings on compliance with this clause of the licence were not made/determined.

3.9 General Programming Obligations

Clause 6.1 of the schedule to 94.7 Highveld Stereo's licence provides that:

"The Licensee shall broadcast a minimum of thirty (30) minutes of news per day between 05h00 and 23h00 during weekdays".

The the monitoring exercise revealed that 94.7 Highveld Stereo broadcast news at the top of every hour during the Performance Period, daily.

The Licensee broadcast approximately forty-nine minutes of news per day during Performance Period. The following were among the news items identified during the period under review:

- *"Former President Jacob Zuma has left the state capture inquiry without permission. This comes in the wake of Deputy Chief Justice Raymond Zondo dismissing the former president's application for recusal on the grounds that Zuma failed to meet the test for a reasonable apprehension of bias.";*
- *"President Cyril Ramaphosa has moved the country to alert Level 4 lockdown, with stricter restrictions from Monday. The Ministerial Advisory Committee advised that the limited restrictions previously imposed are not effective.";* and
- *"Four weeks after COVID-19 hit South Africa, the country had to come to terms with a very different reality. From restrictions on our movement to measures to help businesses, which will be gutted by the nationwide lockdown, these are extraordinary times.";*

Sound broadcasting Licensees were exempt from compliance with specific programming requirements and promises of performance during the National State of Disaster. Therefore, findings on compliance with this clause of the licence were not made/determined.

Clause 6.2 of the schedule to 94.7 Highveld Stereo's licence provides that:

"The source(s) of all news material (other than news sourced from the Licensee) shall be disclosed during the news broadcast".

The monitoring exercise revealed that most of 94.7 Highveld Stereo's news bulletins are sourced from Eyewitness News, a subsidiary of Primedia (Pty) Ltd, as well as its US, UK and Africa correspondents. It was however not confirmed whether the Licensee discloses sources of news whenever it reports news obtained from other sources other than itself.

Sound broadcasting Licensees were exempt from compliance with specific programming requirements and promises of performance during the National State of Disaster. Therefore, findings on compliance with this clause of the licence were not made/determined.

3.10 Training and Skills Development Obligations

Clause 7 of the schedule to 94.7 Highveld Stereo licence provides that:

"The Licensee shall over its licence period, allocate R350 000 (three hundred and fifty thousand Rand) per annum to training and development, particularly of staff from historically disadvantaged groups".

The Licensee submits that it delivered a few different training interventions at a cost of R4 107, 420.66 (four million one hundred and seven thousand four hundred and twenty Rand sixty-six cents). Of which R4, 055, 326.00 (four million and fifty-five thousand three hundred and twenty-six Rand) of the training spend was spent on training staff from historically disadvantaged groups.

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

3.11 Community - related Obligations

Clause 8.1 provides that:

"The Licensee shall:

8.1.1 raise at least R250 000.00 (two hundred and fifty thousand Rand) in cash and goods annually".

The Licensee submits that in the period under review, it contributed to the communities in its coverage area through supporting various causes in the communities to a tune R,1,080,000 (one million and eighty thousand Rand) in cash and goods as illustrated in the table below:

Table 1. Community causes the Licensee supported

BeneficiaryEntity Name	Date of Contribution	Contribution	Amount Contributed
Afrika Tikkun	May 2021	Food Parcels	R600 000

Uitkoms home for girls	August 2020	Donation of various goods to the Women Shelter	R120 000
CLAW –	June 2021	Veterinarian services	R120 000.00
Abraham Kriel Bambanani Home	November 2021	Donation of various goods to the home	R 120 000
Thembalami Care Centre	December 2021	Donation of various goods towards nursing care of the elderly	R 120 000
TOTAL			1 080 000

The Licensee complies with clause 8.1.1 of the schedule to its licence.

8.1.2 provide airtime worth R250 000 (two hundred and fifty thousand Rand) annually, towards supporting community organisations such as those benefiting:

- a) people infected or affected by HIV & AIDS;*
- b) the terminally ill and/or the elderly;*
- c) schools;*
- d) women;*
- e) children;*
- f) animal welfare; and or*
- g) natural/environmental disasters such as fires and floods”.*

The Licensee submits that in the period under review, it conducted interviews and did a broadcast of public service announcements (PSAs) for various organisations amounting to an airtime value of R2,374,179,80 (two million three hundred and seventy-four thousand one hundred and seventy-nine Rand and eighty cents).

The table below illustrates the licensee’s performance with its obligation.

Table 2. Beneficiaries and amount contributed to them

Beneficiary Entity Name	Amount Contributed
Adopt A School Foundation NPC	R37 448,00
Afrika Tikkun	R29 516,00
Association of African Exhibition	R104 150,00
BHF Board of Healthcare Funders Southern	R37 448,00
CANCER ASSOCIATION OF SOUTH AFRICA(link	R85 868,00
CANCER SHAVATHON (link a/c)	R105 159,00
Cotlands	R59 638,00
Educubed Foundation NPC	R35 526,00
Girls and Boys Town	R37 448,00
Girls Education and Mentoring Initiative	R37 448,00
Greenpop	R74 896,00
KIN CULTURE NPC (PSA)	R52 147,00
LADIES OF LOVE (PSA)	R94 954,00
LAURES SPORT FOR GOOD FOUNDATION	R120 441,00
Nelson Mandela Children's Fund (PSA)	R37 448,00
PINKDRIVE NPC	R76 260,00
PROSTATE CANCER FOUNDATION(PSA)	R37 448,00
Rare Diseases South Africa NPC	R74 896,00
Reach for a Dream	R30 980,80
Reach for Recovery South Africa	R40 113,00
Regenesys Business School (link a/c)	R37 448,00
SOLIDARITY RESPONSE FUND NPC	R237 246,80
South African Bone Marrow Registry NPC	R416 086,00
TEARS OF FOUNDATION (PSA)	R223 686,20
The Children's Hospital Trust (PSA)	R86 222,00
The Do More Foundation Trust	R58 727,00
THE SPORTS TRUST	R37 448,00
WINGS FOR LIFE (PSA)	R68 083,00

The Licensee complies with clause 8.1.2 of the schedule to its licence.

Clause 8.2 provides that:

"The Licensee shall train staff from community sound broadcasting services in its geographic coverage area in the areas of: programme presenting and production, news, sales, marketing and sound engineering through mentoring and on-the-job training that is, having such staff "shadow" 94.7 Highveld Stereo presenters, producers, news reporters, sales representatives, marketing staff and sound engineers while at work".

The Licensee submits that due to prevailing COVID-19 Regulations, it was unable to conduct any staff training for community sound broadcasters.

The Licensee did not comply with clause 8.2 of the schedule to its licence.

Clause 9 provides that:

"Directors of the Licensee shall retain control and responsibility for the running of the station notwithstanding the provisions of any management consultancy services engaged by the Licensee".

The Licensee's submission does not carry any change on its control structure nor has the Authority been notified of any change in the Licensee's directorship.

The Licensee complies with clause 9.2 of the schedule to its licence.

4. REGULATIONS

4.1 Complaints

The Licensee is required, in terms of the Compliance Procedure Manual Regulations, to submit a Form 12A which reports on all complaints received during the period under review.

The Licensee has submitted details regarding the above regulation and how it accordingly resolved the issues raised therein.

The Licensee complies with the Compliance Procedure Manual Regulations in relation to complaints.

4.2 SA Music Content

The Authority published the ICASA South African Music Contents Regulations which repealed the ICASA South African Music Content Regulations, 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".

During the year under review, the monitoring exercise revealed that 94.7 Highveld Stereo played an average of 35% (twenty five percent) of South African Music spread reasonably evenly throughout the Performance Period. The South African artists featured included among others, Jeremy Loops, Jimmy Nevis, The Kiffness & Ami Faku, DJ Kent, Prince Kaybee etc.

The Licensee complies with regulation 3.2 above.

4.3 Standard Terms and Conditions

During the year under review, the Authority did not identify instances of non-compliance by the Licensee with the Regulations regarding Standard Terms and Conditions for Individual Licences⁴.

The Licensee complies with the above Regulations.

4.4 Regulations in respect of the Prescribed Annual Contributions of Licensees to the Universal Service and Access Fund

Regulation 3 (1) of the Regulations in respect of Prescribed Annual Contributions of Licensees to the Universal Service and Access Fund (USAF)⁵, as published in the Government Gazette, No. 31499 of April 2009, stipulates that:

⁴ Standard Terms and Conditions for Individual Licences Regulations Amendment, 2016 published in *Government Gazette* No. 39875 dated, 30 March 2016.

⁵ USAF Regulations, 2011 as published in *Government Gazette* No. 34010 dated, 10 February 2011.

“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 (the Fund)”.

Further, Regulation 3 (3) stipulates that:

“A broadcasting service licensee who has paid an annual contribution to the Media Development and Diversity Agency (MDDA) must set off that contribution against its prescribed annual contribution to the Fund”

94.7 Highveld Stereo’s financial year ends on 30 June. The Licensee has issued correspondence regarding the payment of the Universal Service and Access Fund. The Licensee has given an undertaking to make the payment as required by the regulations.

The Licensee partially complies with the above regulations.

4.5 General Licence Fees Regulations

Regulation 3 (1) of the General Licence Fees Regulations⁶ provides 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 Broadcasting Licences”.

Schedule 2 of the Annual Licences Fees regulations provides for Licensees to pay an annual licence fee in accordance with their licensed revenue and to be calculated using the set formula, read with the applicable percentages.

Regulation 7(a), 7(b) and 7(c) of Schedule 3 provides that:

- a) Are due annually based on the licensee financial year;

⁶ **ICASA General License Fees Regulations 2012**, published in *Government Gazette* No. 36323 dated, 28 March 2013 as amended. (Amendment published in *Government Gazette* No. 37521 dated, 02 April 2014).

- b) Are due and payable within 6 months from the end of 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".

94.7 Highveld Stereo's financial year ends on 30 June. The Licensee has paid its licence fees on 30 October 2020 and submitted proof of payment⁷ thereof, as required by the Regulations.

The Licensee complies with the above regulations.

5. CONCLUSION

The exemptions and suspensions imposed on Licensees due to the National State of Disaster have been lifted for the next review period. Complete monitoring of compliance with licence conditions and regulations will be conducted in the next review.

6. TERMS OF REFERENCE

Appendix A: 94.7 Highveld Stereo's broadcasting service licence

Appendix B: 94.7 Highveld Stereo's frequency spectrum licence

Appendix G: SA Music Content Regulations

Appendix H: Regulations Regarding Standard Terms and Conditions for Individual Licences

Appendix I: Universal Service and Access Fund Regulations

Appendix J: Proof of USAF Contribution

Appendix K: General Licence Fees Regulations

Annexure L: The ICT COVID-19 National Disaster Regulations, 2020 as published in *Government Gazette* No. 43207 dated, 06 April 2020, as amended.

END

⁷ Proof Licence Fees Payment for 947 Highveld 2019-2020.