



ALGOA FM ANNUAL COMPLIANCE REPORT

MARCH 2022

2020/2021 ANNUAL COMPLIANCE REPORT

UMOYA COMMUNICATIONS (PTY) LIMITED 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, it is to ensure compliance by broadcasting service licensees with the terms and conditions of their licence⁵ and any relevant legislation and Regulations.

The purpose of the report is to give an account of Algoa FM’s compliance with the terms and conditions as set out in its license for the 2020/2021 financial year. Aspects of compliance that are measured, will be different to the norm. The deviation from the norm is brought about by the introduction of the ICT Covid-19 Regulations in April 2020, following the proclamation of the State of National Disaster.

The said Regulations considered the effect of the National Lockdown on the administration of the Broadcasting sector and exempt Licensees from compliance with most of their obligations. Apart from the exemptions provided by the ICT Covid-19 Regulations⁶ the shortened South African Performance Period, is likely to distort the licensees’ programming output when measured against the licence obligations.

Consequently, therefore, this report will measure and conclude on lesser aspects of compliance compared to ordinary annual compliance reports.

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 Algoa FM’s Broadcasting Service Licence

⁶ ICT Covid-19 Regulations

2. BACKGROUND

During the 2008 License Conversion process, UMoya Communications (Pty) Ltd (hereinafter referred to as “the Licensee” or “Algoa FM”) was granted an Individual Broadcasting Service Licence and a Frequency Spectrum valid for 10 years. The License was successfully renewed in 2018 for another 10-year term. Algoa FM 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.

The Licensee has an obligation to provide 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 3 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 Suurberg⁷.

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

The Licensee complies with clause 3 of its service licence.

3.2 Broadcast Language(s)

Clause 4 of the licence on languages of broadcast reads:

⁷ Algoa FM Frequency Spectrum Licences

"Principal Language: English".

Algoa FM uses English as a primary language of broadcast. IsiXhosa and Afrikaans were also observed but on a very small scale.

The Licensee complies with Clause 4 of its Licence.

3.3 Format

Clause 5.1 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 Licensee submits that it continues to provide a programming format that is indeed a mix of music and talk in an adult contemporary format. According to Algoa FM's programming log sheets, the Licensee's music play list is dominated musical classics while there is minimal talk content.

The Licensee complies with clause 5.1 of its licence document.

Cause 5.2 of Algoa FM's service licence:

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

Algoa FM's submits that it is more of a music station than a talk station. The Licensee's music output calculates to an average of 140 minutes in every average of 180 minutes of programming. The bulk of the Licensee's music offering is found between the 12h00 and 05h00 daily, this constitutes 80% daily average of music.

The Licensee complies with Clause 5.2 of its Licence.

3.4 Local Content Obligations

Clause 6 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 – among many others:

1. Wayne Kallis

2. Llewellynn Greeff
3. Gino Lee
4. Zaleah
5. Micayla Oosthuizen
6. Earl John
7. Jonah Chad
8. Major Keys
9. Bob Ffole
10. Reese Johnson
11. Viwe Tyolwana

The Licensee complies with Clause 6 of its Licence

3.5 General Programming Obligations

Clause 7.1 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."

Algoa FM's Programming Log sheets⁸ indicate that the Licensee broadcasts thirteen (13) full news bulletins between 06h00 and 18h00. While the programming log sheets cannot tell apart the Licensee's weekday and weekend offering on news, the document suggests that Algoa FM broadcasts at least 42 minutes of news on an average day (calculated over seven days).

The Licensee complies with Clause 7.1 of its Licence

Clause 7.2 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".

⁸ Algoa FM's Programming Log sheets

Algoa FM's lists its news sources as:

1. Licensee's Newsroom;
2. I-Net Bridge; and
3. The South African Police Services.

The Licensee complies with Clause 7.2 of its Licence

Clause 7.3 of the licence says:

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

Algoa FM's submits that their news reports mostly carry content that speaks to the Eastern Cape Region and to South African as a nation. The Licensee reports an output of at least 45% - calculated on the overall news output featuring different origins – Regional content in news and current affairs.

The Licensee complies with Clause 7.3 of its Licence

3.6 Training and Skills Development Obligations

Clause 8.1 of Algoa FM's service licence provides that:

"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 2020, Algoa FM reports to have added 2 new employees to its staff complement. Both new recruits are white female.

The table below shows details of new employees at Algoa FM and a description of their race and gender.

Table 1. New employee details

Name of New Recruit	Race	Gender
Desiré Killian	White	Female
Natalie Ristow	White	Female

The Licensee partially complies with the above obligation. The ICT Covid-19 Regulations exempt Licensees from upholding the specific terms and conditions as set out in their licence documents.

Clause 8.2 of the licence makes a firm financial obligation as follows:

"The Licensee shall dedicate R300 000 (three hundred thousand Rand) per annum to human resources training and development with particular emphasis on staff from historically disadvantaged groups".

In the year that ended March 2021, Algoa FM reports to have spent R375,116.86 on training of staff. The Licensee reports that ninety six percent (99%) of the Licensee's training budget was spent to train and skill persons from historically disadvantaged backgrounds.

The Licensee complies with Clause 8.2 of its Licence

3.7 Community Related Obligations

Clause 9.1 of the licence reads:

"The Licensee shall raise at least R3 000 000 (three million rand) for registered charities over the licence period".

According to Algoa FM's Form 3 Supplementary report, the Licensee raised – through various charity campaigns – R403 065,60 in the year that is currently under review. The funds raised were made possible by the following events:

- a. The Mandela Day
- b. The virtual Algoa FM Big Walk for Cancer

The Licensee complies with Clause 9.1 of its Licence

Clause 9.2 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".

The Licensee submits that the 2020/2021 Listen Forums were held in April 2020 and in March 2021 via virtual platforms.

The ICT Covid-19 Regulations exempted Licensees from upholding the specific terms and conditions as set out in their licence documents. As such, the Authority will not measure the Licensee's compliance with this clause and no conclusion will be drawn.

3.8 Transmitter Split

Clause 10 of the Algoa FM's broadcast service 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".

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 10 of its Licence

3.9 Ownership and Control

Clause 11.1 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 its licensed footprint area".

The perusal of the Licensee's submission for the year under review found that Umoya Communications had at least four (4) out of six (6) individuals - serving in its executive structure – from the Eastern Cape and residing within its licenced footprint.

The table shows a list of individuals who have served as Board Members at Umoya Communications during the year under review.

Table 2. Details of board of directors

Names of Directors	Citizenship	Race	Gender	Location
1. Mr D. Tiltmann	SA	White	Male	Gauteng
2. Mr A da Costa	SA	Coloured	Male	Eastern Cape

Names of Directors	Citizenship	Race	Gender	Location
3. Ms Z Tshefu	SA	Black	Female	Eastern Cape
4. Mr K Reed	SA	White	Male	Eastern Cape
5. Mr A Jay	SA	White	Male	Eastern Cape
6. Mrs A Ramtahal	SA	Black	Female	Gauteng

Clause 11.2 of the licence makes it clear that:

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

Algoa FM's annual Form 1⁹ submission shows that the Licensee has 4 women and 5 Black people in the management echelon. This then translates as at least 50% of the overall management staff at UMoya Communications as Black people and 40% women.

Clause 11.3 of the licence:

"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".

As far as the Licensee's reports indicate, Algoa FM has Ms Abigail Yose as the only employee that is receiving/has received training for future management position. Ms Yose is studying/has studied towards her Advanced Diploma in Accounting.

The Licensee complies with Clause 11 of its Licence

4. REGULATIONS

4.1 Standard Terms and Conditions

The Authority is satisfied that, during the period under review, Algoa FM did not contravene the Regulations in respect of the Standard Terms and Conditions Regulations for Individual Licences¹⁰.

⁹ Algoa FM's Form 1 Submission

¹⁰ Regulations Regarding the Standard Terms and Conditions

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, 2016¹¹ as published on 23 March 2016 stipulates that:

"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 submits that their music output contains an average of 45% South African Music as defined in the South African Music Content Regulations. In addition, the live interviews and music sampling with Eastern Cape based musicians contributes – through format factors – around 10% to the overall music output. The following musicians were hosted for interviews and some had their music sampled: Wayne Kallis, Llewellynn Greeff, Gino Lee, Zaleah, Micayla Oosthuizen, Earl John, Jonah Chad, Majorkeys, Bob Ffole, Reese Johnson and Viwe Tyolwana

Algoa FM complies with the South African Music Content Regulations.

4.3 Universal Service and Access Fund

Regulation 3(1) 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)¹².

Regulation 3(2) 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".

¹¹ ICASA South African Music Content Regulations, 2016

¹² Universal Service and Access Fund Regulations

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 in accordance with the time frames presented by this regulation.

The Licensee complied with the Regulation regarding the Universal Service and Access Fund.

4.4 General Licence Fees Regulations

Regulation 3 (1) of the General License Fees Regulations¹³ 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."

Umoya Communications paid its annual General Licence Fees in accordance with the provisions made in the General Licence Fee Regulations.

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

5. CONCLUSION

The licensee has complied with Regulations and the terms and conditions of its licence, during the period under review.

¹³ General Licence Fee Regulations

6. TERMS OF REFERENCE

Appendix A: Algoa FM Broadcasting Service

Appendix B: ICT Covid-19 Regulations

Appendix C: Algoa FM's Frequency Spectrum Licence

Appendix D: Algoa FM's Programming Log Sheets

Appendix E: Algoa FM's 2021 Form 1 Submission

Appendix F: Regulations Regarding Standard Terms and Conditions for
Individual Licensees

Appendix G: South African Music Content Regulations

Appendix H: Universal Service and Access Fund Regulations

Appendix I: General Licence Fee Regulations

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