

# COMPLIANCE REPORT

## ALGOA FM

Licence Period : 18 December 2008 – 17 December 2018

### 1. PREFACE

The Independent Communications Authority of South Africa (“the Authority”) has a statutory mandate in terms of the Constitution<sup>[1]</sup>, the ICASA Act<sup>[2]</sup> and the Electronic Communications Act<sup>[3]</sup> (“EC Act”) to regulate broadcasting activities in South Africa in the public interest. The Authority is tasked with ensuring compliance by broadcasters with the terms and conditions of their License, the Electronic Communications Act (“EC Act”), the ICASA Act and any relevant legislation.

The following report is intended to give account of Algoa FM’s performance from 01 January - 31 December 2009 in line with the Licensee’s licence year. Aspects of compliance that are measured comprise of format, local content obligations, general programming obligations, training and skills development obligations and finances and standard terms and conditions.

It has to be noted that during the period under review the Authority did not conduct its own monitoring exercise to measure compliance by Algoa FM with its programming obligations. Recordings could not be obtained by the Authority as the period fell outside the 60 day period stipulated in section 53 (1) of the Electronic Communications Act (ECA) which provides as follows:

*“A broadcasting service licensee must-*

---

<sup>[1]</sup> The Constitution of the Republic no 108, 1996

<sup>[2]</sup> ICASA Act no 13 , 2000 as amended

<sup>[3]</sup> Electronic Communications Act no 36, 2005

*(a) on demand by the Authority , produce to the Authority any recording of every programme broadcast in the course of his or her broadcasting service for examination or reproduction, within 60 days from the date of broadcast;”.*

The information contained in this report under general programming obligations is based on Algoa FM’s compliance report submitted to the Authority submitted to the Authority for the period under review as captured under 3.4 below.

## **2. BACKGROUND**

Algoa FM is a regional individual (commercial) sound broadcasting radio station that was licensed to provide a service in the Greater Eastern Cape Area including the Metropolises of Nelson Mandela Bay and the Buffalo City, for example Port Elizabeth and East London.

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 license.

## **3. COMPLIANCE ASSESSMENT**

### **3.1. Geographic Coverage Area**

Clause 2 of Algoa FM’s broadcasting service licence provides that:

*“The greater Port Elizabeth, East London and Border environs, as defined in the coverage map attached to the Licensee’s radio frequency spectrum licence”.*

According to the frequency spectrum licence Algoa FM reaches the following areas: Aliwaal North, Andrieskraal, Bedford, Cradock, East London, Graaf-Reinet, Grahamstown, Hankey, Kareedouw, King Williams Town, Noupoort, Parsons Hill, Patensie, Paul Sauer Dam, Plettenberg Bay, Port Elizabeth, Queenstown and Suurberg (See Appendix A).

Algoa FM complies with clause 2 of its licence

### **3.2. Broadcast Language**

Clause 3 of Algoa FM's broadcasting licence provides that:

*"Principal Language: English".*

Algoa FM maintains that its principal language of broadcast remains English.

Algoa FM complies with clause 3 of its licence.

### **3.3. Format**

Clause 4.1 of Algoa FM's broadcasting service licence provides that:

*"The Licensee shall have a programming format of talk and music in an adult contemporary format, providing a mix of music and information."*

The radio station states in its compliance report that its programming format remains a mix of music and talk in an adult contemporary manner.

The radio station complies with clause 4.1 of its licence.

Clause 4.2 of Algoa FM's broadcasting licence provides that:

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

According to Algoa FM's compliance report, the radio station maintains that its average 24 hour broadcast day still contains an 80% mix of music.

Upon perusal of the radio station's programming log, based on a monthly sample, the Authority found that at least 80% is constituted music content (*See Appendix B*).

Based on the above Algoa FM complies with clause 4.2 of its licence.

### **3.4. Local Content Obligations**

Clause 5 of Algoa FM's broadcasting licence provides that:

*"The Licensee shall promote Eastern Cape artists and musicians by broadcasting their music and conducting live interviews".*

Algoa FM has reported that it encountered challenges during the period under review because of the economic down turn. The economic down turn affected both musicians and the radio station as a result promotion of local artists faced an uphill battle in the year ended December 2009. However Algoa FM reported to have made the following strides to serve local musicians:

- **The Gig Guide Programme:** An initiative that is aimed at promoting local artists where Algoa FM station offers local musicians the free airtime to inform listeners of their up and coming live performances. This programme is broadcast at 18h30 everyday of the week. The radio station has also joined forces with a local music producer, Jonathan Muller, who provides the radio station with a daily gig guide.
  
- **The Demo Bag Programme:** Another initiative which seeks to promote local musicians. During this programme, local musicians submit their demo recordings so that they can be played on air. Upon the submission of the demos, the musician whose music features in the demo would be invited into the studio and would be interviewed while his/her music is being played. In an event where the demo submitted proves to be promising, that musician would then enjoy airtime and would be listed in Algoa FM's music playlist.

During the period under review Algoa FM promoted the following local music events:

<b>NAME OF EVENT</b>	<b>SPONSORSHIP VALUE (IN RANDS)</b>
Algoa FM concert in the park featuring the East Cape Philharmonic Orchestra	60 000
The Beatles Tribute Show	20 000
ABBA Tribute Show	50 000
NKD	10 000
Bee Gees	70 000
Sasha Lee and Jason	60 000
My Fair Lady	30 000
Vagabonds of Rock and Roll	26 000
Pink Floyd Tribute Show	20 000
Centrestage Glory Days	72 000
Abbsolutely Fabulous	70 000
Nianell and Dozi	60 000
Garth Taylor	20 000
Idols 2009	100 000

For the success of the above mentioned events, which were all showcasing local talent, Algoa FM contributed R668 000 (six hundred and sixty eight thousand rands).  
(See Appendix C)

Algoa FM has complied with clause 5 of its licence despite challenges highlighted in this regard.

### 3.5. General Programming Obligations

Clause 6.1 of Algoa FM's broadcasting licence provides that:

*"The Licensee shall broadcast news on a regular basis for a minimum of thirty (30) minutes each day between 05h00 and 23h00."*

Algoa FM has reported that it broadcast news every hour on the hour between 06h00 and 18h00. In addition, it schedules news updates every hour between 05h30 and 08h30; at 12h30 and 13h30; as well as 16h30 and 17h30.

From the above information the radio station broadcast approximately 56 minutes of news each day during performance period; nevertheless no verification was done and conclusions drawn as recordings were unavailable.

Clause 6.2 of Algoa FM's broadcasting licence provides that:

*"Should the Licensee source news material from a source other than itself, the source(s) thereof shall be disclosed during news broadcast"*.

Algoa FM has indicated and maintained that whenever it reports on news that it has obtained from other sources other than its journalists, such sources are disclosed at all times.

No verification was done and conclusions drawn as recordings were unavailable.

Clause 6.3 of Algoa FM's broadcasting licence provides that:

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

Algoa FM maintains that its news and current affairs programming includes approximately 40% regional content. Analysis of Algoa FM's submission to the Authority confirmed that approximately 40% regional content is included in the news and current affairs programming (See Appendix D).

Algoa FM complies with clause 6.3 of its licence.

### 3.6. Training and Skills Development

Clause 7.1 of Algoa FM's broadcasting licence provides that:

*"The Licensee shall ensure that it actively recruits and increases women and black people in its staff complement at all levels".*

Algoa FM has reported that at the end of 2009 license year, it had a staff compliment of 28 people. During the period under review Algoa FM had a staff compliment of twenty seven (27) employees on a permanent basis and one (1) employee on a part time basis.

Of the nine employees serving on the management of the radio station, thirty -three percent (33%) were black people and twenty two percent (22%) female. In essence, 44% of the overall management team comprised historically disadvantaged group.

Algoa FM added five 5 more members to its staff compliment during the period under review, of this number three were black and one female (*Please see appendix E for Algoa FM's employment equity report*)

During the period under review Algoa FM demonstrated compliance with clause 7.1 of its licence.

Clause 7.2 of Algoa FM's broadcasting licence provides that:

*"The Licensee shall dedicate R250 000 (two hundred and fifty thousand rands) per annum to human resources training and development with particular emphasis on staff from historically disadvantaged groups".*

During the year under review, the radio station spent R160 658.46 on staff training. This means that there was a shortfall of R89 341. 54. Forty percent (40%) of the overall spend on training and development of the staff was used on Black people (*see appendix F*).

Based on the information above Algoa FM did not comply with clause 7.2 during the period under review (*Please see appendix G for details*).

### 3.7. Community-related Obligations

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

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

Algoa FM has reported that it prides itself in the successes of its on-air programme which is aimed at raising funds for charities in their area of coverage. Algoa Cares is broadcast every second week for ten minutes. During the period ended December 2009, the programme raised R160 000 for charity groups.

Algoa FM also reported that it has an association with the South African National Blood Service in Eastern Cape. Through partnership in this initiative, SANBS collected approximately 800 units of blood in the year ended December 2009. The SANBS in the Eastern Cape applauded this success and referred to it as an "outstanding achievement."

The table below lists other charity groups that benefitted from initiatives spearheaded by Algoa FM:

<b>INITIATIVE FOR CHARITY</b>	<b>VALUE IN RANDS</b>
PE Golf Day	65 000
EL Golf Day	20 000
Toy Run	125 000
Algoa Cares	160 000
CANSA Big Walk	50 000
Spar Ladies Race	30 000
Hemmingways Charity Night Race	12 500
Algoa FM Chevrolet Cycle Challenge	92 000
Business Against Crime Golf Day	82 839
Vodacom Fame	500 000
Winter Woolly Week	30 000
<b>TOTAL</b>	<b>R 1 167 339</b>



The above generated an amount of one million one hundred and sixty three thousand three hundred and thirty nine rands (R1 167 339), (see appendix H).

Algoa FM is required to comply with clause 8.1 of its licence over its licence period which is 2018.

It can be concluded that during the period under review Algoa FM has complied with clause 8.1 of its licence.

Clause 8.2 of Algoa FM's broadcasting licence provides that:

*"The Licensee shall, at least bi-annually, hold a listeners' 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".*

Algoa FM has not reported on its compliance with this clause in its compliance report, it emerged during the Authority's meeting with Algoa FM held on 15 March 2009 that Algoa FM conducts these Listener's forum meetings through an independent research company twice a year. The Authority was however not provided with proof in this regard.

### **3.8. Ownership and Control**

Clause 10.1 of Algoa FM's broadcasting licence provides that:

*"The Licensee shall ensure that control of the station rests with people from the Eastern Cape and that at least fifty percent (50%) percent of its board of directors is based in the Eastern Cape."*

Seventy five percent (75%) of the members seating in the Board of Directors of Algoa FM are based and/ or are originally from the Eastern Cape.

The radio station has, during the period under review, complied with clause 10.1 of its licence.

Clause 10.2 of Algoa FM's broadcasting licence provides that:

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

Algoa FM has reported that 44.4% of the radio station's management staff is made up of women and Black people (*Please see appendix E*).

Algoa FM complies with clause 10.2 of its licence.

Clause 10.3 of Algoa FM's broadcasting licence provides that:

*"The Licensee shall identify black and female employees with management potential and ensure that they receive additional training to equip them for future management positions at the station".*

Algoa FM maintains that during the period under review an intern– outside broadcast technician, Andile Pamla, received internal training and ended up filling the position of Outside Broadcast Engineer when the post became available later in the year.

Algoa FM complies with clause 10.3 of its licence.

## **4. REGULATIONS**

### **4.1 South African Music Content Regulations**

Regulation 3.2 of the Regulations on South African Music Content as published on 31 January 2006 provides that:

*"Every holder of a commercial sound broadcasting licence to which these regulations apply must ensure that a minimum of 25% 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" ( see South African Music Content Regulations attached as Appendix I for further details)*

No verification was done and conclusions drawn as recordings were unavailable.

#### **4.2 Regulations regarding Standard Terms and Conditions for individual broadcasting licences**

During the year under review, the Authority did not identify any non compliance by Algoa FM with the standard terms and conditions for individual licensees (See *Regulations regarding Standard Terms and Conditions for Individual Licences attached as Appendix J*).

### **5 CONCLUSION**

Algoa FM provides programming, which is in line with its license conditions and is forthcoming with information whenever required by the Authority. During the period under review Algoa FM has sufficiently complied with the terms and conditions, there is however still room for improvement in respect of clause 7.2 of its licence.

## **APPENDICES**

Appendix A: Algoa FM's Licence Document

Appendix B: Programme Log (A sample of one month)

Appendix C: Compliance with the Local Content Quotas

Appendix D: Report on News content

Appendix E: Report on Employment Equity

Appendix F: Report on Training

Appendix G: Communication between Algoa FM and the Authority on Training

Appendix H: Report on Corporate Social Responsibility

Appendix I: South African Music Regulation

Appendix J: Standard Terms and Conditions