

COMPLIANCE REPORT

LOTUS 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 Constitution¹, the ICASA Act² and the Electronic Communications Act³ (“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 Lotus FM’s performance for the period 2009 – 2010. Aspects of compliance that are measured comprise of geographic coverage, languages, format, local content obligations, general programming obligations, training and skills development obligations, finances. Aspects of compliance that are measured comprise of geographic coverage, languages, format, local content obligations, general programming obligations, training and skills development obligations, finances, South African music content regulations and regulations regarding standard terms and conditions.

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¹ The Constitution of the Republic no 108, 1996

² ICASA Act no 13 , 2000 as amended

³ Electronic Communications Act no 36, 2005

2. BACKGROUND

Lotus FM forms part of the public service division of the South African Broadcasting Corporation (“the SABC”). The radio station was licensed to provide a full spectrum service to the geographic area of the Greater Kwa Zulu-Natal province and parts of Gauteng (see *broadcasting service licence attached as Appendix A*).

3. COMPLIANCE ASSESSMENT

3.1 Geographic Coverage Area

Clause 2 of the schedule to the licence stipulates 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 area is Durban, Durban North, Glencoe, Johannesburg, Ladysmith, Pietermaritzburg, Port Elizabeth, Port Shepstone, Sunnyside, The Bluff and Tygerberg.

The radio station complies with 2 above.

3.2 Language(s)

Clause 3 of the schedule to the licence stipulates that:

“Principal Language: English with specialist programmes in Hindi, Tamil, Urdu, Gujarati and Telegu”.

The radio station complies with clause 3 above.

3.3 Format

Clause 4.1 of the schedule to the licence stipulates that:

“The service authorised by this licence forms part of the public service division of the Licensee”.

Lotus FM is categorised as a public radio station of the SABC.

The radio station complies with clause 4.1 of its licence.

Clause 4.2 stipulates that:

“The licensed service shall be a full-spectrum service”.

Monitoring conducted from 08 October- 12 October 2009 indicated that the radio station offers a full-spectrum service to its audience.

The radio station complies with clause 4.2 of its licence.

3.4 Local Content Obligations

Clause 5 of Lotus FM’s schedule to the licence stipulates that:

“The Licensee shall submit quarterly reports to the Authority which shall include the licensee’s compliance measured on:

Clause 5.1 different genres; and

Clause 5.2 South African Music Content in programme material broadcast in the licensed service during that quarter, in each instance, distinguishing between genres, providing the relevant details in relation to prime time and the period between 5h00 and 23h00 daily (“the South African broadcast period”), and expressing relevant details both as an aggregate in minutes and as a percentage of the total of all such programming material.

Although the SABC submitted its quarterly reports for the period under review, the reports are reflective of a week's sample for each quarter. The SABC is of the view that it is unlikely that programming would change in a week.

The figures below show a breakdown of Lotus FM's compliance with the quotas set out by the Authority. These figures were verified during the Authority's monitoring exercise, as detailed under paragraph 3.5 of the report.

First Quarter April – June 2009

Content/ Genre	ICASA Quota <i>(Minutes Daily/Weekly)</i>	LOTUS FM's Provision <i>(Minutes Daily/Weekly)</i>	LOTUS FM's Compliance (%)
News	60 min (Daily)	75min (Weekdays)	125%
		70min (Saturday)	117%
		70min (Sundays)	117%
Current Affairs	90min (Daily)	95min (Weekdays)	106%
		60min (Saturday)	67%
		90min (Sundays)	100%
IKB	240min (Weekly)	515min (Weekly)	215%
Drama	240min (Weekly)	180min (Weekly)	75%

Second Quarter July – September 2009

Content/ Genre	ICASA Quota <i>(Minutes Daily/Weekly)</i>	LOTUS FM's Provision <i>(Minutes Daily/Weekly)</i>	LOTUS FM's Compliance (%)
<i>News</i>	<i>60min (Daily)</i>	<i>75min (Weekdays)</i> <i>70min (Saturday)</i> <i>70min (Sunday)</i>	<i>125%</i> <i>117%</i> <i>117%</i>
<i>Current Affairs</i>	<i>60min (Daily)</i>	<i>85min (Weekdays)</i> <i>90min (Saturday)</i> <i>90min (Sunday)</i>	<i>142%</i> <i>150%</i> <i>150%</i>
<i>IKB</i>	<i>180min (Weekly)</i>	<i>545min (Weekly)</i>	<i>303%</i>
<i>Drama</i>	<i>150min (Weekly)</i>	<i>155min (Weekly)</i>	<i>103%</i>

Third Quarter October – December 2009

Content/ Genre	ICASA Quota <i>(Minutes Daily/Weekly)</i>	LOTUS FM's Provision <i>(Minutes Daily/Weekly)</i>	LOTUS FM's Compliance (%)
<i>News</i>	<i>60min (Daily)</i>	<i>60min (Weekdays)</i> <i>65min (Saturday)</i> <i>65min (Sunday)</i>	<i>100%</i> <i>108%</i> <i>108%</i>
<i>Current Affairs</i>	<i>60min (Daily)</i>	<i>57min (Weekdays)</i> <i>60min (Saturdays)</i> <i>60min (Sundays)</i>	<i>95%</i> <i>100%</i> <i>100%</i>
<i>IKB</i>	<i>180min (Weekly)</i>	<i>595min (Weekly)</i>	<i>331%</i>
<i>Drama</i>	<i>150min (Weekly)</i>	<i>155min (Weekly)</i>	<i>103%</i>

Fourth Quarter January 2010 – March 2010

Content/ Genre	ICASA Quota <i>(Minutes Daily/ Weekly)</i>	LOTUS FM's Provision <i>(Minutes Daily/ Weekly)</i>	LOTUS FM's Compliance (%)
<i>News</i>	<i>60min (Daily)</i>	<i>75min (Weekdays)</i> <i>70min (Saturdays)</i> <i>70min (Sundays)</i>	<i>125%</i> <i>117%</i> <i>117%</i>
<i>Current Affairs</i>	<i>60min (Daily)</i>	<i>85min (Weekdays)</i> <i>115min (Saturdays)</i> <i>90min (Sundays)</i>	<i>142%</i> <i>%</i> <i>150%</i>
<i>IKB</i>	<i>180min (Weekly)</i>	<i>585min (Weekly)</i>	<i>325%</i>
<i>Drama</i>	<i>150min (Weekly)</i>	<i>170min (Weekly)</i>	<i>113%</i>

The above quarterly submissions indicate compliance with the weekly quotas set out by the Authority.

3.2 General programming obligations

3.2.1 General

Clause 6.1.1 of the schedule to the licence stipulates that:

“The Licensee shall ensure that its programming adequately reflects the diversity of South Africa’s Religion”.

The SABC's editorial policy stipulates that:

“Religious programmes should take account of regional factors, target audiences, language and cultural preferences, and the devotional needs of specific groups”. (see an extract on SABC's editorial policy attached as Appendix B).

During the Authority's monitoring exercise, programmes such as “Geetenjali” broadcast in Hindi and “Guldasta” broadcast in Urdu reflected diversity of South African's religion specifically the target audience.

The radio station complies with clause 6.1.1 of its licence.

Clause 6.1.2 of the schedule to the licence stipulates that:

“The Licensee shall take responsible steps to provide programming that reflects the cultural and tradition needs of the audience.”

Programmes that deal specifically with cultural and traditional needs of Lotus FM's audience were identified during informal knowledge building programming called ‘Talk off the Record’.

The programmes identified indicated that the radio station complies with clause 6.1.2 of its licence.

Clause 6.1.3 of the schedule to the licence stipulates that:

“The Licensee shall, during the South African 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”.

During the period under review, the radio station's programming line up and monitoring conducted indicate that the radio station provides programming on health related issues and gender issues (*refer to informal knowledge building programming below*).

The radio station complies with clause 6.1.3 of its licence.

3.2.2 News and Current Affairs

Clause 6.2.1 of schedule to the licence stipulates that:

“The Licensee shall broadcast at least sixty (60) minutes of news programming each day during the South African performance period”.

The quarterly reports submitted by the SABC indicate that the radio station broadcasts seventy-five (75) minutes news every weekday and seventy (70) minutes news on weekends (*refer to compliance tables above from SABC for further information*).

The monitoring exercise conducted revealed that Lotus FM broadcasts between eighty (80) to ninety (90) minutes of news on week days and sixty (60) to sixty five (65) minutes news on weekends. News broadcast starts at 06h00 to 20h00. Further, news is broadcast every hour on the hour and headline news every half hour.

The radio station complies with clause 6.2.1 of its licence.

Clause 6.2.2 of the schedule to the licence stipulates that:

“The Licensee shall broadcast at least sixty (60) minutes of current affairs programming each day during the South African performance period”.

The quarterly reports submitted by the SABC indicate that on average the radio station broadcasts eight-five (85) minutes of current affairs programming on weekdays, one hundred and fifteen (115) minutes on Saturdays and ninety (90) minutes on Sundays.

Monitoring conducted on the radio station’s programming profile revealed that sixty (60) minutes of current affairs programming is broadcast every weekday during South African performance period and approximately one hundred and ten (110) minutes on Saturdays. About eighty (80) minutes was monitored on Sunday.

The radio station complies with clause 6.2.2 of its licence.

Clause 6.2.3 of the schedule to the licence stipulates as follows:

“The licensee shall in the production of its news and current affairs programming:

- (i) Exercise full editorial control in respect of the contents of such programming;*
- (ii) include matters of international, national, regional and where appropriate local significance;*
- (iii) meets the highest standards of journalistic professionalism;*
- (iv) provide fair, unbiased, impartial and balanced coverage independent from governmental, commercial or other interference*
- (v) 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 provides that the licensee must exercise full editorial control in respect of contents of its programming. The editorial policy further indicate that the licensee endeavours to meet the highest standards of journalistic professionalism. Further, the policy provides for fair, unbiased and impartial coverage independent from government, commercial or other interference. Furthermore, in its news and programming content it includes matters of international national, regional and local significance.

During monitoring, the radio station broadcast matters of international, national, regional and local significance. In its current affairs broadcast, the radio station provides an opportunity for the public to receive a variety of points of view on matters of public concern.

The radio station complies with clause 6.2.3 of its licence.

3.2.3 Drama

Clause 6.3 of the schedule to the licence stipulates that:

“The Licensee shall broadcast at least two and a half (2 ½) hours of drama per week within the South African performance period”.

The SABC maintains, in its quarterly reports submitted to the Authority that it broadcasts 170 minutes (2 hours 50 minutes) drama programming per week during South African performance period.

Monitoring revealed that the radio station broadcasts drama programmes between 09h45 to 09h55 and 21h30 and 21h45 on weekdays. In total two (2) hours fifty five (55) minutes of drama programming was identified.

The radio station complies with the clause 6.3 above.

3.2.4 Informal Knowledge Building

Clause 6.4 of the schedule to the licence stipulates that:

“The Licensee shall broadcast at least three (3) hours of informal knowledge building programming per week within the South African performance period”.

The quarterly reports submitted by the SABC indicated that the radio station broadcasts 585 minutes (10 hours) of informal knowledge building programming per week during South African performance period.

The Authority’s monitoring exercise revealed that informal knowledge building programmes are broadcast from Monday to Thursday during a programme called ‘Talk off the Record’. This programme deals with a variety of informal knowledge building issues. A programme on health issues was also identified. At least four (4)

hours of informal knowledge building per week during South African performance period was monitored.

The radio station complies with clause 6.4 of its licence.

3.3. Training and Skills development Obligations

Clause 7 of the schedule to the licence stipulates as follows:

“7.1 The Licensee must adopt and implement equal opportunity employment practices;

7.2 The licensee must ensure that its management and staff are representative of South African society and that its human resource policies takes 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 with written information regarding its compliance with the above requirements”.

The SABC submitted a training and skills development report indicating that its management and staff is representative of South African society and that for the period under review there was reasonable participation by historically disadvantaged people in management and skills development.

The Authority confirms that the licensee has complied with the provisions of this clause (see skills development report attached as Appendix C).

3.4. Provision of Audited financial statements to the Authority

Clause 8 of the 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 cause apply to the Authority for extension”.

The SABC submitted their Audited statements for the 2009/10 financial year.

The licensee has complied with clause 8 of its licence.

4. REGULATIONS

4.1 South African Music Content Regulations

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

“All public sound licensees must play a minimum 40% South African music”.

The monitoring conducted indicated that the radio station plays approximately 45% South African music.

The radio station complies with the regulations on South African Music Content Regulations (See Regulations on South African Music Content attached as Appendix D).

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 the Licensee with the standard terms and conditions for individual licensees (See *Regulations regarding Standard Terms and Conditions for Individual Licences attached as Appendix E*).

5. CONCLUSION

During the 2009/10 fiscal year, Lotus FM sufficiently complied with the terms and conditions of its licence.

6. APPENDICES

Appendix A: Sound broadcasting service and frequency spectrum licences

Appendix B: SABC's Editorial Policy

Appendix C: Skills Development Report

Appendix D: Regulations on South African Music Content

Appendix E: Regulations regarding Standard Terms and Conditions for Individual Licences