



# **OFM ANNUAL COMPLIANCE REPORT**

**MARCH 2025**

# 2023/2024 ANNUAL COMPLIANCE REPORT

## CENTRAL MEDIA GROUP (PTY) LTD BROADCASTING AS OFM

**Licence Period: 17 December 2018 – 16 December 2028**

### 1. PREFACE

The Independent Communications Authority of South Africa (Authority) has a statutory mandate in terms of the Constitution, the Independent Communications Authority of South Africa Act<sup>1</sup> (ICASA Act), the Electronic Communications Act<sup>2</sup> (ECA) and the Broadcasting Act<sup>3</sup> to regulate broadcasting activities in South Africa, in the public interest. Among the responsibilities of the Authority is the task to ensure compliance by broadcasting service Licensees with the terms and conditions of their licence and any relevant legislation and/or regulations.

This report gives an account of Central Media Group (Pty) Ltd broadcasting as OFM's compliance for the 2023/2024 financial year. Aspects of compliance that are measured comprise Geographic Coverage, Languages, Format, Local Content Obligations, General Programming Obligations, Regulations Regarding Standard Terms and Conditions, Universal Service and Access Fund Regulations, and General Licence Fees Regulations.

### 2. BACKGROUND

Central Media Group (Pty) Ltd, broadcasting as OFM ("Licensee"), is an Individual Commercial Sound Broadcasting Service Licensee, providing an adult contemporary format with a mix of music and information (including the coverage of community affairs) to the Free State, Northern Cape, and parts of the North West Provinces<sup>4</sup>.

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<sup>1</sup> Act No. 13 of 2000, as amended.

<sup>2</sup> Act No. 36 of 2005.

<sup>3</sup> Act No. 4 of 1999.

<sup>4</sup> Appendix A: OFM's Broadcasting Service License.

### **3. COMPLIANCE ASSESSMENT**

#### **3.1 Name of Station**

Clause 1 of the Schedule to the Licensee's licence provides that the name of the station is:

*"OFM"*

During the review period, the licensee consistently identified itself as *"OFM"* on air and in its off-air presence.

**The Licensee complies with clause 1 of the Schedule to its service Licence.**

#### **3.2 Geographic Coverage**

Clause 2 of the Schedule to the Licensee's licence provides that the geographic coverage of the Licensee is:

*"Free State, Northern Cape and parts of the North West, as defined in the coverage map attached to the radio frequency spectrum licence."*

No changes were made to the Licensee's coverage area and it has been confirmed that the Licensee operates within its prescribed coverage area.

**The Licensee complies with clause 2 of the Schedule to its service licence.**

#### **3.3 Broadcast Language(s)**

Clause 3 of the Schedule to the Licensee's licence provides that the broadcast language(s) is:

*"English and Afrikaans"*

The licensee's confirmed broadcast languages are, English and Afrikaans.

**The Licensee complies with clause 3 of the Schedule to its service licence.**

#### **3.4 Format**

Clause 4 of the Schedule to the Licensee's licence provides that:

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

The monitoring exercise revealed that the Licensee's programming format is aligned with an adult contemporary format. The Licensee offers its audience a blend of music and information. Community affairs are covered during the licensee's "*Community Calendar*" segment, which is broadcast on weekdays at 10:45 and weekends at 07:45.

**The Licensee complies with clause 4 of the Schedule to its service licence.**

### **3.4 Local Content Obligations**

Clause 5 of the Schedule to the Licensee's licence provides that:

*"5.1 The Licensee shall annually adhere to a four-point plan, namely:*

- 5.1.1 Support live music performances;*
- 5.1.2 Profiling South African composers;*
- 5.1.3 Engaging in joint promotions and competitions with record companies and advertisers; and*
- 5.1.4 Playing and promoting local music demonstration tapes or equivalent."*

The Licensee supported various live music performances during the period under review such as "*Vrystaat Kunstefees*" that took place from 11 – 15 July 2023 and featured artists such as *Elandre, Jak de Priester, Jan Blohm, The Black Cat Bones and TWEE*. Other live music performances include "*SPAR OFM Carols by Candlelight*", held on 24 November 2024, and "*Rocking the Vaal*", held on 16 March 2024.

Further, the Licensee engaged in joint competitions with record companies and advertisers. The licensee profiles South African plays and promotes local music demonstration tapes or the equivalent during its "*Klanktoets/Soundcheck*" program.

**The Licensee complies with clause 5.1 of the Schedule to its service licence.**

### **3.5 General Programming Obligations**

Clause 6 of the Schedule to the Licensee's licence provides that:

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

Most of the Licensee's news material is self-originated. In instances where the news material is from other sources, the Licensee discloses the source of the news material during the news broadcast. Some external news sources utilised by the Licensee include African News Agency, Kagiso Media & AME Group Stations, Media24/News24, SABC/RSG/5FM and the Internet.

**The Licensee complies with clause 6.1 of the Schedule of its service licence.**

*"6.2 The Licensee shall spend a minimum of R1 800 000 (one million eight hundred thousand) per annum on the provision of news, including locally based gatherings."*

The Licensee submits that during the period under review, it spent R3 606 663.00 and duly submitted proof to the Authority.

**The Licensee complies with clause 6.2 of the Schedule to its service licence.**

*"6.3 The Licensee shall emphasis local news."*

Some of the local news stories that were covered, during the period under review, were:

- *"Two men from Kroonstad will have to pay a fine of five thousand rand or serve three years in prison for possessing antiretroviral drugs with the intent to distribute. The two men were found guilty in the Kroonstad magistrate's court earlier this week. They were apprehended by Welkom Tactical Response team after the police received information about the suspects."*
- *"Die polisie in Noordwes het vermeende sindikaatlede in hegtenis geneem wat na bewering deur sosiale media op motorkopers in en om Klerksdorp toegeslaan het. Die beamptes het Vrydag op 'n wenk gereageer en agt verdagtes aangekeer wat op die punt was om 'n niksvermoedende, potensiële koper in te loop. Die verdagtes se modus operandi is om 'n Toyota Avanza op sosiale media te adverteer en slagoffers na 'n huis in Jouberton te lok, waar die verwagte transaksie sal plaasvind."*

- *Tydens die onderhandeling het 'n groep verdagtes egter na die huis gekom en die slagoffers beroof."*
- *"An Odendaalsrus woman will appear in the local magistrate's court on Monday (25/3) for charges of defeating the ends of justice and fraud after it is believed she is behind her own kidnapping. Khahliso Mabitla (38) was arrested on Friday (22/3) after further investigations by Goldfields police. Her husband reported her to be kidnapped on Monday (18/3) after a message demanding a ransom was sent on the wife's phone."*
- *"'n Vermeende swendelaar sal in April weer in die Welkom-landdroshof verskyn op 'n aanklag van korrupsie ná 'n mislukte poging om werksoekers te bedrieg. Liabeng Hoffman (45) het Dinsdag (19/3) in die Welkom-landdroshof verskyn en is borgtog van R5 000 toegestaan. Die saak is tot 19 April uitgestel. Die NVG-woordvoerder, Mojalefa Senokoatsane, sê Hoffman is vroeër vandeemaand tydens 'n operasie in Welkom deur die Valke in hegtenis geneem nadat hulle inligting opgevolg het, naamlik dat sy geld by 'n slagoffer gaan afhaal."*
- *"Two friends were kidnapped on Friday (22/3) and their valuables were stolen in Phomolong Square, Bloemspruit. The two victims were watching television in the evening when they were ambushed by four unidentified males, one of whom was carrying a firearm. Their hands were tied with shoelaces, and they were forced into the back of the bakkie."*

The monitoring exercise revealed that the Licensee prioritizes local news, which constitutes more than forty-five percent (45%) of the Licensee's overall news coverage. The Licensee's editorial policy highlights and confirms the significance of local news.

**The Licensee complies with clause 6.3 of the Schedule to its service licence.**

*"6.4 The Licensee shall broadcast an average of at least thirty-five (35) minutes of news per weekday, reducing to an average of twenty (20) minutes over weekends, including half hourly bulletins during peak hours on weekdays."*

The monitoring exercise confirmed that the licensee's news output complies with the requirements outlined in clause 6.4. On weekdays, the licensee broadcasts an average of 45 minutes of news each day, while on weekends, it broadcasts an average of 20 minutes. On weekdays, news bulletins are scheduled to keep viewers informed throughout the day. The first bulletin begins at 06:00, delivering essential news updates to start the morning. Throughout the day, additional bulletins provide further coverage, culminating in the last broadcast of the day at 18:00.

On weekends, the schedule shifts slightly to accommodate a different audience. The first news bulletin is aired later, beginning at 07:00, which includes weekend-specific coverage and stories. The final bulletin for the weekend is broadcast at 13:00, offering a wrap-up of the most important news before the afternoon.

**The Licensee complies with clause 6.4 of the Schedule to its service licence.**

*"6.5 The Licensee shall have an editorial charter to ensure independence and impartiality in its news coverage."*

The Licensee has submitted its editorial charter, which undergoes a comprehensive review on an annual basis. This charter outlines key principles that guide the Licensee's approach to news coverage. These principles are designed to ensure that the coverage remains both independent and impartial, fostering trust and credibility with the audience. By committing to these standards, the Licensee aims to provide fair and balanced reporting, free from outside influences and biases. The annual review process also allows for updates and adjustments to be made as needed, keeping the charter relevant in an ever-evolving media landscape.

**The Licensee complies with clause 6.5 of the Schedule to its service licence and the entire clause 6 of the Schedule to its service licence.**

### **3.6 Community-related Obligations:**

Clause 7 of the Schedule to OFM's licence states that:

*"The Licensee shall provide no fewer than 100 hours of training "on the job" for staff members at all such community radio stations in its coverage area as may apply for such training per annum.*

*A programme of training on both technology and operations shall be developed by the Licensee and provided to the Authority, along with confirmation of the number of attendees, the name of the community radio station where they were employed, and the number of training hours completed by the Licensee, at least once per year."*

The Licensee submitted its training document that detailed the participation of forty-eight (48) attendees from various community radio stations during the specified review period.

Gold FM attended a training session on 11 July 2023, followed by Motheo FM, which participated in a session on 16 November 2023. Finally, CUT FM completed its training on 23 November 2023. Throughout the review period, the Licensee reported that the total training hours amounted to one hundred and ninety-four (194) hours.

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

### **3.7 Ownership and Control Obligations**

Clause 8.1 of the Schedule to OFM's licence states that:

*"The Licensee shall maintain a minimum of thirty percent (30%) control of the station within the broadcasting coverage area."*

The licensee's submission asserts that it has maintained a sixty-two-point fifty (62,50%) percentage control of the radio station within its designated broadcasting coverage area. This exceeds the required thirty percent (30%).

**The Licensee complies with clause 8.1 of the Schedule to its service licence.**

Clause 8.2 of the Schedule to OFM's service licence states that:

*"The Licensee shall maintain ownership and control of the station by persons from historically disadvantaged groups at 30% or such other level as may be acceptable to the Authority, pending the determination by the Authority of a generally applicable ownership quota in relation to all broadcasting licences in accordance with section 9 (2)(b) of the applicable law."*

The Licensee's submission asserts that it maintained ownership and control of the station by persons from historically disadvantaged groups (HDI) at 32,16% for the period under review. At the time of writing this report, the Authority's monitoring exercise regarding the licensee's compliance with this clause was not completed.

**The Authority's monitoring exercise has not been concluded and therefore, no compliance finding can be made at this stage.**

Clause 8.3 of the Schedule to OFM's licence states:

*"The Licensee shall ensure that at all times, at least two women are on its board of directors."*

The board of the licensee consists of eight members, four of whom are female. The female directors are M. Reynolds, AZ Mzi, R. Kolobe, and Dr. M.M. Du Toit. The Licensee has shown a commitment to female empowerment and has consistently exceeded the requirement to have at least two (2) female directors.

**The Licensee complies with clause 8.3 of the Schedule to its service licence.**

### **3.8 Training and Skills Development Obligations**

Clause 9.1 of the Schedule to OFM's licence states that:

*"The Licensee shall spend a minimum of R250 000 (two hundred and fifty thousand Rand) per annum on training and skills development for persons from historically disadvantaged groups."*

The Licensee confirmed that it spent R605,870.00 on training and skills development for persons from historically disadvantaged groups for the period under review. This includes employees who are African, Coloured and Indian as well as White women.

**The Licensee complies with clause 9.1 of the Schedule to its licence.**

Clause 9.2 of the Schedule to OFM's licence states that:

*"The Licensee shall ensure that at least 30% of staff dedicated to the business of the Licensee are black."*

Throughout the review period, the Licensee maintained that its workforce comprises of fifty-four (54) staff members made up as follows: - thirty-two (32) White employees, fourteen (14) African employees, seven (7) Coloured employees and one (1) Indian employee. As a result of this composition, the representation of Black staff within the organization stands at 40.74% during the review period, reflecting a commitment to diversity and inclusion in the workplace.

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

#### **4. REGULATIONS**

##### **4.1 ICASA Compliance Procedure Manual Regulations, 2011 as published in Government Gazette No. 34863, dated 15 December 2011.**

The Licensee is required, in terms of the ICASA Compliance Procedure Manual Regulations, 2011 to submit a Form 12A which reports on all complaints received during each financial year.

The licensee submitted Form 12A within the required timeframe, demonstrating compliance with regulatory obligations. According to the information provided, the licensee received a total of twenty-eight (28) complaints, which were related to various aspects such as presenters, music selection, content quality, competition issues, transmitter performance, and general concerns from the audience. Further, the licensee was able to address and resolve these complaints efficiently, achieving an average turnaround time of just one (1) day. Furthermore, it is noteworthy that none of the complaints escalated to the Authority or the Broadcasting Complaints Commission of South Africa, indicating effective internal handling of the issues raised.

**The Licensee complies with the Compliance Procedure Manual Regulations.**

##### **4.2 Standard Terms and Conditions for Individual Broadcasting Services, 2010 as published in Government Gazette No. 33294 dated, 14 June 2010, as amended.**

The Authority is satisfied that during the period under review the Licensee did not contravene the regulation in respect of the Standard Terms and Conditions for Individual Broadcasting Services<sup>5</sup>.

**The Licensee complies with the Standard Terms and Conditions for Individual Broadcasting Service, 2010 as amended.**

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

Regulation 2 of the ICASA South African Music Content Regulations, 2016 provides that:

*"A holder of a commercial sound broadcasting service licence must ensure that after eighteen (18) months of the 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"*<sup>6</sup>.

During the period under review, the monitoring exercise found the Licensee broadcasted the following South African music tracks:

*Willima van Heerden "Sy Soen"; Barto "Ons Twee Genoeg"; Chante Smith "Tyd"; Zoe Jacobs "Crazy Meisie"; Die Piesangskille "Mal Maandag Aande"*

During the period under review, the Licensee held interviews with South African musicians such as:

*Eloff; Appel; Bernice West; Easy Freak; Heuwels Fantasties; Robbie Wessels; David Fourie; Irene-Louis van Wyk; Nicholas Louw and Bok van Blerk amongst others.*

During the period under review, the Licensee covered live music from the following South African artists:

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<sup>5</sup> Appendix C: Standard Terms and Conditions for Individual Broadcasting Services, 2010 as published in *Government Gazette* No. 33294 dated, 14 June 2010 as amended.

<sup>6</sup> Appendix D: ICASA South African Music Content Regulations, 2016 as published in *Government Gazette* No.39844 dated, 23 March 2016.

*Robin Hall; Daniel Wesley; Belinda & Amy; Nedil Nachtrein; Lily & Bear; Ruhan du Toit; Spoegwolf; Will Linley; Naledi Mophapi; Matthew Mole; Droomsindroom; Tasche and Charlie Finch.*

The monitoring exercise conducted revealed that the Licensee consistently broadcast an average of forty (40) percent South African music content during the performance period. This finding indicates a significant commitment to promoting local artists and genres. Furthermore, the analysis confirmed that the South African music content was evenly distributed across various time slots, ensuring that listeners had regular access to this music throughout the day.

### **The Licensee complies with the ICASA South African Music Content Regulations.**

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

Regulation 3 (1) of the Regulations in respect of the Prescribed Annual Contributions of Licensees to the Universal Service and Access Fund, 2011<sup>7</sup> state that:

*"Every holder of a licence granted in terms of Chapter 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 (USAF)."*<sup>8</sup>

The Licensee made the required payment to the fund on 30 September 2024 and submitted the proof of payment to the Authority.

### **The Licensee complies with the USAF Regulations, 2011.**

#### **4.5 General Licence Fees Regulations, 2012 as published in *Government Gazette* No. 36323 dated, 28 March 2013, as amended**

Regulation 3 (1) of the General Licence Fees Regulations state that:

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<sup>7</sup> Published in *Government Gazette* No. 34010 dated, 10 February 2011.

<sup>8</sup> Appendix E: USAF Regulations, 2011 as published in *Government Gazette* No. 34010 dated, 10 February 2011.

*"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 Service licences."*<sup>9</sup>

Schedule 2 of the Annual Licences Fees regulations provide for Individual Commercial Broadcasting Services Licensees to pay an annual licence fee of 1.5% to the Authority.

Regulation 4(b) and (c) of Schedule 3 states that:

*"(b) In respect of payment, such are due and payable within 6 months from 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."*<sup>10</sup>

The Licensee made the required general licence fees payment on 30 September 2024 and submitted the proof of payment to the Authority.

## **The Licensee complies with the General Licence Fees Regulations, 2012.**

### **5. CONCLUSION**

The Authority conducted a comprehensive monitoring exercise to evaluate the Licensee's adherence to the terms and conditions outlined in its license, as well as compliance with relevant regulations. The findings revealed that the Licensee complied with many of its regulatory obligations as required. However, during the assessment, the Authority was unable to definitively and accurately, determine the Licensee's compliance regarding the percentage of ownership held by historically disadvantaged groups as that requires further investigation. Once the monitoring exercise is completed, the Authority will provide a detailed finding on this matter and communicate its findings to the Licensee.

### **6. TERMS OF REFERENCE**

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<sup>9</sup> Appendix F: General Licence Fees Regulations, 2012 as published in *Government Gazette* No. 36323 dated, 28 March 2013.

<sup>10</sup> *Ibid.*

- 6.1 Appendix A: OFM's licence conditions
- 6.2 Appendix B: OFM Report
- 6.3 Appendix C: Regulations Regarding Standard Terms and Conditions for Individual Broadcasting Licensees, 2010 as amended.
- 6.4 Appendix D: South African Music Regulations, 2016.
- 6.5 Appendix E: USAF Regulations, 2011.
- 6.6 Appendix F: General Licence Fees Regulations, 2012.