



VUMA 103 FM (PTY) LTD ANNUAL COMPLIANCE REPORT

MARCH 2023

2021/2022 ANNUAL COMPLIANCE REPORT

VUMA 103 FM (PTY) LTD BROADCASTING AS VUMA FM

Licence Period: 25 May 2012 - 24 May 2022

1. PREFACE

The Independent Communications Authority of South Africa ("Authority") has a statutory mandate in terms of the Constitution¹, the Independent Communications Authority of South Africa Act (ICASA Act²), the Electronic Communications Act³ ("ECA") and the Broadcasting Act⁴ to regulate broadcasting activities in South Africa in the public interest. One of the main tasks of the Authority is to monitor compliance by broadcasters with the terms and conditions of their licences, the three Acts and any relevant legislation and Regulations.

The purpose of the report is to give an account of the performance for the 2021/2022 financial year of Vuma 103 FM (Pty) Ltd ("Licensee"). Aspects of compliance measured comprise geographic coverage, language(s) of broadcast, broadcast content format, training and skills development equity, staff development and employment equity plan, general programming obligations, ownership by individuals from historically disadvantaged groups, Regulations Regarding Standard Terms And Conditions For Individual Broadcasting Services, General Licence Fees Regulations, Regulations In respect of the Prescribed Annual Contributions of Licensees to the Universal Service Access Fund and South African Music Content Regulations.

2. BACKGROUND

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

² ICASA Act, 2000 (Act No. 13 of 2000) as amended

³ Electronic Communications Act, 2005 (Act No. 36 of 2005)

⁴ Broadcasting Act, 1999 (Act No. 4 of 1999)

Vuma 103 FM holds an Individual Commercial Sound Broadcasting Service ("I-CSBS") licence and a Radio Frequency Spectrum ("RFS") licence (collectively referred to as "licences") for the provision of services to Durban, Donnybrook, Eshowe, Glencoe, Kokstad and Newcastle in the Province of KwaZulu-Natal. The Authority first issued Vuma 103 FM with its licences on 25 May 2012.

3. COMPLIANCE ASSESSMENT

3.1. Ownership and Control

Clause 1.1 of the service licence provides as follows:

*"Name of Entity: Vuma 103 FM (Pty) Ltd."*⁵

The Licensee confirms that the name of the entity is Vuma 103 FM (Pty) Ltd.

The Licensee complies with clause 1.1 of its service licence.

Clause 1.2 of the service licence provides as follows:

"Shareholders: Lebashe Investment Group (Pty) Ltd – 100%."

The Licensee confirms that Lebashe Investment Group (Pty) Ltd is the sole shareholder.

The Licensee complies with clause 1.2 of its service licence.

Clause 1.3 of the service licence provides as follows:

"Ownership held by persons from historically disadvantaged groups: 100%."

The Licensee confirms that ownership held by persons from historically disadvantaged groups (HDGs) is at 100%.

The Licensee complies with clause 1.3 of the schedule to its licence.

3.2 Geographic Coverage Area

Clause 2 of the schedule to the service licence stipulates that the geographic coverage area is:

⁵ Appendix A: Vuma 103 FM's service licence

"Durban, Donnybrook, Eshowe, Glencoe, Kokstad and Newcastle in KwaZulu-Natal, as defined in the coverage map attached to the Licensee's radio frequency spectrum licence."

The Licensee confirms that the licensed geographic coverage area remains as defined and specified in its licences.

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

3.3 Broadcast Language

Clause 3 of the schedule to the service licence states that:

"The Licensee shall broadcast in 50% isiZulu and 50% English."

The Authority's monitoring exercise confirmed that both English and isiZulu are used interchangeably and are proportionally represented in the Licensee's programming. The Licensee introduces itself in both languages and public service announcements are in English and isiZulu. Presenters converse among themselves and with guests in both languages of broadcast in shows such as "Good to Go Morning Drive", "Cruise" and "Vuma 103 Drive" and news, weather, traffic, advertisements and sports are read in English and isiZulu. Messages and comments from listeners that are posted on the Licensee's social media platforms and are read during broadcasts are also in English and isiZulu. The Licensee confirms that proficiency in English and isiZulu is a requirement for all their presenters and journalists.

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

3.4 Format

Clause 4.1 of the schedule to the service licence provides as follows:

"The Licensee shall have a format that is 60% music and 40% talk."

Further, clause 4.2 of the schedule to the licence states as follows:

"Of the music broadcast, more than 50% of the music featured on the music playlist shall be gospel."

Furthermore, clause 4.3 of the schedule to the licence states that:

"Of the talk broadcast, a minimum of 15 hours a week shall be gospel/spiritual-related."

The Authority's monitoring exercise determined that the Licensee complies with the prescribed format. The 60% music versus 40% talk quota is adhered to. The Licensee's playlist is predominantly gospel music and Licensee broadcasts more than fifteen (15) hours of gospel related talk content per week.

The Licensee complies with clauses 4.1 – 4.3 of the schedule to its service licence.

3.5 Local Content Obligations

Clause 5 of the schedule to the service licence states that:

"40% of the music broadcast shall be South African music, measured on a weekly basis."

The monitoring exercise confirmed that Vuma 103 FM broadcasts weekly, on average over 50% South African music. The following are some of the artists that were featured: Nqubeko Mbatha *"Let Your Glory"*, Simmy *"Ngiyesaba"*, Jumbo *"Wena Nkosi Uyazi"*, Thandiswa Mazwai *"Revelation"*, Afrotraction *"Ngimtholile"* and many more.

The Licensee complies with clause 5 of the schedule to its service licence.

3.6 General Programming Obligations

Clause 6.2 of the schedule to the service licence states that:

"The Licensee will broadcast its news in English and isiZulu."

The monitoring exercise confirmed that the Licensee broadcasts its news bulletins in both English and isiZulu. For example, out of six (6) news bulletins the Licensee broadcasts three (3) news bulletins in English and another three (3) news bulletins in isiZulu. It should also be noted that some of the sound bites can either be in English or isiZulu during a news bulletin.

Below are among the news stories that were covered during the period under review:

- *"Health MEC Nomagugu Simelane says teenage pregnancy remains a concern in the Province. Simelane was speaking after she welcomed Christmas day babies at Addington hospital in Durban. Simelane says it is worrisome that amongst the mothers, were girls aged 16.";*
- *"Abantu abahambela amabhishi ahlukene kulesifundazwe asaloku benxuswe njalo ukuba balandele imithetho ebekiwe olwandle ukuze baphephe. Lokhu kulandela ukwanda kweziganeko zokulimala kwabantu."; and*
- *"Chairperson of the Provincial house of Traditional leaders Inkosi Phathisizwe Chiliza has encouraged visitors to explore many avenues in the Zulu Kingdom. Chiliza made these comments as he acknowledged traditional leaders for their contribution in society."*

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

Clause 6.3 of the schedule to the service licence states that:

"The Licensee shall broadcast news on a regular basis, a total of fifty-two (52) minutes each weekday and twenty-four (24) minutes on weekends between 05h00 and 23h00."

During the period under review, the Licensee broadcasts thirteen (13) news bulletins on weekdays from 06h00 to 18h00 and six (6) news bulletins on weekends between 07h00 and 13h00. The Authority's monitoring exercise confirmed that the Licensee's bulletins are four (4) to five (5) minutes in duration. The Licensee broadcasts sixty-five (65) news minutes on weekdays and thirty (30) news minutes on weekends.

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

Clause 6.4 of the schedule to the service licence provides as follows:

"The Licensee shall ensure that 55% of its news content is local, 35% national and 10% international news per day."

The Authority's monitoring exercise confirmed that Vuma 103 FM is compliant with the above obligation.

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

Clause 6.5 of the schedule to the service licence states that:

"Should the Licensee source news material from news/source other than itself, the source(s) thereof shall be disclosed to the Authority."

The Licensee submitted its news sources to the Authority. Sources used are the South African Police Service, Provincial Municipalities, Accredited News websites, Paramedic services, South African Government Departments and Arena Holdings (Pty) Ltd.

The Licensee complies with clause 6.5 of the schedule to its service licence.

Clause 6.6 of the schedule to the service licence provides for:

"The Licensee shall broadcast thirty (30) minutes of current affairs programming per weekday. It will further ensure that the ninety per cent (90%) of current affairs be in isiZulu. Eighty per cent (80%) of the current affairs programming is to be generated from the coverage area."

The Authority's monitoring exercise confirmed that the Licensee broadcasts its current affairs programme "KZN in 60 minutes" between 19h00 to 20h00 on weekdays. The current affairs programme is predominantly presented in IsiZulu. On one of the shows, Mlamuli Mavundla who is the founder of Kasie Digital Solutions and Kasie Flavour App was a guest. The App is aimed at fast-food outlets and residents of Umlazi Township. Further, the Gauteng High Court ruled that the release of former President Jacob Zuma on parole was unlawful and two local political analysts were guests on that discussion.

The Licensee complies with clause 6.6 of the schedule to its service licence.

3.7 Ownership and control structures of the Licensee

Clause 7 of the schedule to the service licence stipulates that:

"The Licensee shall for the duration of this licence maintain at least thirty per cent (30%) ownership and control of the station by persons from historically disadvantaged groups."

Ownership held by persons from historically disadvantaged groups is at 100%.

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

3.8 Special Conditions

Clause 8.1 of the schedule to the service licence provides for:

"The Licensee must comply with the requirements of the Employment Equity Act 55 of 1998 and the Skills Development Act 97 of 1998."

The Licensee submitted its workforce demographics to determine equitable representation in all occupational categories and levels in its workforce. Vuma 103 FM submitted their skills and development training initiatives⁶. The Licensee has submitted that training was provided for four (4) news interns and one (1) Information Technology (technical) intern between the months of April 2021 to March 2022.

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

Clause 8.2 of the schedule to the service licence provides for:

"The Licensee shall employ a local news team specifically for the production of local news."

⁶ Appendix B: Vuma Annual Compliance Report 2022

The Licensee provided information on the makeup of its local news team.

The Licensee complies with clause 8.2 of the schedule to its service licence.

Clause 8.3 of the schedule to the service licence states that:

"At least 50% of the employees employed by the Licensee shall be historically disadvantaged persons."

The Licensee submitted information on its workforce and 100% are historically disadvantaged persons.

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

4. REGULATIONS

4.1 ICASA Compliance Procedure Manual Regulations, 2011

The Licensee is required, in terms of the Compliance Procedure Manual Regulations, as published in the *Government Gazette* No. 34863 dated, 15 December 2011 to submit a Form 12A which reports on all complaints received during the financial year under review. The Licensee submitted Form 12A and reported that they did not receive complaints for the period under review.

The Licensee complies with the ICASA Compliance Procedure Manual Regulations.

4.2 ICASA South African Music Content Regulations, 2016

Regulation 3(2) of the ICASA South African Music Content Regulations, as published in *Government Gazette* No. 39844 dated 23 of March 2016, state that: *"A holder of a commercial sound broadcasting service licence must ensure that after eighteen (18) months from the date of gazetting these Regulations, a minimum of 35% of the musical works broadcast in the performance period, consists of South African music and that such South African music is spread evenly throughout the performance period"*.

The Authority's monitoring exercise determined that the Licensee plays over 50% of South African music per week. (**see clause 5 - 3.5 above**)

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

4.3 Regulations on Standard Terms and Conditions for Individual Broadcasting Services, 2010⁷

During the period under review, the Licensee is compliant with the Regulation above.

The Licensee complies with the Standard Terms and Conditions for Individual Broadcasting Services.

4.4 Universal Service and Access Fund Regulations, 2011

Regulation 3(1) of the Regulations in respect of the Prescribed Annual Contributions of Licensees to the Universal Service and Access Fund ("USAF") Regulations as published in the *Government Gazette* No. 34010 of February 2011, provides that:

"Every holder of the 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 the annual turnover, to the Fund".

Further, Regulation 3(2) provides that:

"A BS Licensee who has paid an annual contribution to the Media Development and Diversity Agency (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 of the same financial year"

⁷ Standard Terms and Conditions for Individual Broadcasting Services, 2010 as published in *Government Gazette* No. 33294 dated, 14 June 2010 as amended.

The Licensee's financial year ends on 30 June and the USAF fees were paid directly to the MDDA on 21 December 2022 within six (6) months after the financial year end.

The Licensee complies with the Regulations in respect of the Prescribed Annual Contributions of Licensees to the Universal Service and Access Fund.

4.6 ICASA General Licence Fees Regulations, 2012

Schedule 2 of the General Licence Fees Regulations as published in *Government Gazette* No. 36323 dated, 28 March 2013 provides for Individual Commercial Broadcasting Service Licensees to pay annually to the Authority a licence fee of between 0.15% to 0.35% of its licensed revenue (revenue from its licensed services).

Schedule 3(1) of the General Licence Fees Regulations provides for the format for the submission of financial statements for the purpose of calculating licence fees.

Schedule 3(2) of the General Licence Fees Regulations provides that:

"All licence holders must submit within six (6) months of their financial year end:

- a) audited financial statements, or;*
- b) financial statements signed by the accounting officer of the Licensee where the Licensee is legally obliged to provide audited financial statements"*

Schedule 3(6) of the General Licence Fees Regulations provides that:

"All payments in respect of Annual Licence Fees are due annually"

The Licensee submitted its audited financial statements on 13 December 2022 and paid its annual licence fees on 21 December 2022 in accordance with the prescribed regulatory timeframes.

The Licensee complies with the ICASA General Licence Fees Regulations.

5. CONCLUSION

For the 2021/2022 financial year, Vuma 103 FM is compliant with all of its licence terms and conditions and applicable Regulations.

6. TERMS OF REFERENCE

Appendix A: Vuma 103 FM's I-CSBS licence and RFS licence;

Appendix B: Vuma Annual Compliance Report 2022

Appendix C: ICASA Compliance Procedure Manual Regulations, 2011 as published in *Government Gazette* No. 34863 dated, 15 December 2011.

Appendix D: ICASA South African Music Content Regulations, 2016 as published in *Government Gazette* No. 39844 dated, 23 March 2016.
(**Repealed** entirely the *ICASA South African Music Content Regulations, 2006 as published in Government Gazette No. 28453 dated, 31 January 2006*)

Appendix E: Standard Terms and Conditions for Individual Licences, 2010 as published in *Government Gazette* No. 33294 dated, 14 June 2010.
1st Amendment, 2016 as published in *Government Gazette* No. 39875 dated, 30 March 2016.
2nd Amendment, 2016 published in *Government Gazette* No. 40372, dated 26 October 2016.

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

Appendix G: General Licence Fees Regulations, 2012 as published in *Government Gazette* No. 36323 dated, 28 March 2013.
1st Amendment published in *Government Gazette* No. 37521 dated, 02 April 2014