



# **YOU FM ANNUAL COMPLIANCE REPORT**

**MARCH 2025**

# **2023/2024 BROADCASTING COMPLIANCE ANNUAL REPORT**

## **NORTHWEST FM (PTY) LTD OPERATING AS YOU FM**

**Licence Period: 01 November 2017- 31 October 2027**

### **1. PREFACE**

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

The purpose of the report is to give an account of You FM’s compliance with the terms and conditions as set out in its licence for the 2023/2024 financial year. Aspects of compliance that are measured comprise Geographic Coverage, Community Participation, Programming, Format, News and Information, Local Content Obligations, Language(s), South African Music Regulations, Regulations Regarding Standard Terms and Conditions and Universal Service and Access Fund (USAF).

### **2. BACKGROUND**

The Licence was renewed on 01 November 2017 and is valid until 31 October 2027, the Authority issued You FM with an Individual Commercial Sound Broadcasting Service Licensee<sup>3</sup>, to provide a service in parts of the North-West Province including, but not limited to, Klerksdorp, Mmabatho, Rustenburg, Schweizer Reneke, Taung and Zeerust (*See licence conditions attached as Appendix A*). You FM operates from a studio located at 214 Beyers Naude, Rustenburg.

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<sup>1</sup> The ICASA Act No, 13 of 2000,

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

<sup>3</sup> Appendix A: You FM’s Service License

### **3. COMPLIANCE ASSESSMENT**

#### **3.1. Control Structure**

*Name of Company/Entity: North West FM (Pty) Ltd*

*3.1.1 Name of the Station: You FM*

*3.1.2 Shareholders:*

*Motswako Media Group (Pty) Ltd: 84%*

*SADTU Investment Holdings: 16 %*

*3.1.3 Ownership held by persons from historically disadvantaged groups: 100%*

The control ownership structure of the Licensee remains with persons from historically disadvantaged groups.

**The Licensee complies with clause 1 of Schedule C of its licence.**

#### **3.2 Geographic Coverage**

According to Schedule B2 of the technical specifications, the Licensee covers the following areas:

*"Klerksdorp, Mmabatho, Rustenburg, Schweizer Reneke, Taung and Zeerust" (See Appendix A).*

The Licensee has not reported any challenges in reaching their coverage area as per the spectrum license provision.

**The Licensee complies with Schedule B2 of its licence.**

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

Clause 4 of the licence stipulates that:

*4.1 Principal language of broadcast: Setswana: 80%*

*4.2 Other languages (including) English): 20%*

You FM broadcasts its programmes in approximately 80% Setswana and approximately 20% English.

**The Licensee complies with Clause 3 of its licence.**

### 3.4 Format

Clause 5.1 of the licence stipulates that:

*"The Licensee shall broadcast a predominantly inspirational and gospel music format."*

The Authority's monitoring exercise found both inspirational and gospel music in the Licensee's music output, however, the music content for inspirational and gospel is not sufficient and does not average over fifty percent (50%) of its music format.

The Licensee concedes to challenges in meeting this obligation and has undertaken to submit an amendment proposal to this effect.

**The Licensee does not with Clause 5 of Schedule C of its licence.**

### 3.5 General Programming Obligations:

Clause 5.3.1 of the licence states that:

*The Licensee broadcasts a minimum of fifty (50) minutes of news per day, of which 80% will be broadcast in Setswana and 20% in other official languages.*

The Licensee broadcasts news every hour on the hour from 06h00 until 20h00. The news bulletins are a duration of four (4) to five (5) minutes. News headlines are broadcast every half hour from 06h30 until 19h30. A total of approximately sixty-five (65) minutes of news was monitored. The news bulletins are broadcast in eighty percent (80%) Setswana and twenty percent (20%) in English.

The following are some of the news items monitored:

- *"Lefapha la thuto mo profenseng ya North West, la re barutwana ba lone ba matriki ba kgonne go fitlhelela nako yotlhe e latlhegileng ya dithuto ka mutso wa ditshupetso tse dikaga thebolelo ya ditirelo. Dithuto di ne di kgorelletswe gangwe le gape ka motso wa ditsupetso tseno monongwaga. North West e na le barutwana ba fetang dikete di le masome a mararo le borataro gotswa go bakanna dikete dile kgolo a robedi ba ba simollotseng ditlhatlhobo tsa matriki naga ka bophara gompiano."*

- "A man who claims to be responsible for the fire that ravaged a five-story building in the Johannesburg CBD where over 70 people died is due to appear in court soon. The 29-year-old was arrested on Tuesday after he revealed this during the commission of inquiry into the Usindiso building fire."
- "DA Federal Chair Hellen Zille says the party stands by the ad showing a burning South African flag. The ad shows the flag being burnt while the voiceover tells viewers, 'This election is about survival'. The ad has received over three million views in just 35 hours. President Cyril Ramaphosa and others are outraged over how the DA uses the South African flag in its election campaign."

**The Licensee complies with Clause 5 of Schedule D of its licence.**

Clause 5.3.2 of the licence states that:

*The Licensee shall broadcast current affairs programming during weekdays within the performance period. The current affairs programme will be conducted 80% in Setswana and 20% other official languages.*

The Licensee broadcasts programmes that focus on consumer, education, news and current affairs. 'You FM News Hour' is a current affairs programme broadcast on weekdays between 18h00 and 19h00.

The programme focuses on current affairs and information concerning the community. Furthermore, listeners are provided with a wide variety of educational programming pertinent to the Licensee's audience. The Current Affairs is broadcast predominately in Setswana and interspersed with English for interviews.

**The Licensee complies with clause 5.3.2 of its licence.**

Clause 5.3.3 of the Licence stipulates that:

*The source(s) of all news material (other than news sourced directly by the Licensee) shall be disclosed during the news broadcast.*

The Licensee discloses its news sources, whereby such news items are generated outside of its newsroom.

**The Licensee complies with clause 5.3.3 above.**

5.3.4 *The Licensee's general programming will focus on a mix of music and information (including coverage of consumer affairs, sports, culture, education, news, and current affairs).*

The monitoring exercise confirmed that the radio station has an hour dedicated to local and international sporting events. During news bulletins there is a sports update, particularly during the morning drive and afternoon drive on weekdays and weekends. YOU FM Sports is a talk sports programme that aims to inform sports fans of the latest developments around the world.

*Life and Money with Pat Cash* is an empowering show that bridges the gap between financial success and personal fulfilment.

The show is hosted by Pat Cash and it delves into the interconnectedness of life and money, offering listeners a comprehensive toolkit for navigating their finances and life. The show is hosted on weekdays between 19h00 and 20h00.

**The Licensee complies with clause 5.3.4 above.**

### **3.6 Training and Skills Development**

Clause 6.1 of the licence provides as follows:

*The Licensee shall, over its licence period, allocate one hundred thousand Rand (R100 000) per annum to staff training and development.*

Clause 6.2 of the licence provides as follows:

*In order to achieve clause 6.1 above, the Licensee shall establish a broadcasting academy in partnership with the Media, Information and Communication Technologies Sector Education and Training Authority ("MICT SETA") as to upskill its internal personnel, source and train new talent including the youth and women from the North-West province.*

The Licensee submits it has received accreditation from SETA for the full recognition of its academy. The Licensee further submits that the infrastructure for the academy is at an advanced stage and the training roll-out will commence at the beginning of the new reporting year.

**The Licensee partially complies with clauses 6.1 and 6.2 of its licence.**

Clause 6.3 of the licence provides as follows:

*The Licensee shall employ 50% men and 50% women in its staff complement. The Licensee shall ensure that it appoints the majority of its staff from the North West province.*

The Licensee submits that it employs 51% female to 49% male of its staff complement. The quota has improved from the previous assessment and the licensee has undertaken to further equalize the equity share as obligated by the clause above.

**The Licensee partially complies with clause 6.3 of its licence.**

Clause 6.4 of the licence provides as follows:

*The Licensee shall create business opportunities for youth-run companies to host radio station's annual flagship event in conjunction with the radio station.*

The Licensee submits that due to financial constraints, this annual programme was deferred for the next financial year. The Licensee has undertaken to immediately rectify compliance with this obligation.

**The Licensee does not comply with clause 6.3 of its licence.**

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

Clause 7.1 of the licence stipulates that:

*The Licensee must establish a trust for the benefit of staff members, the trust will hold a 5% shareholding in the licensee.*

The Licensee has furnished the Authority with the Trust registration documentation, trust terms of reference and a comprehensive list of all trustees.

**The Licensee complies with clause 7.1 of its licence.**

Clause 7.2 of the licence stipulates that:

*In order to further comply with clause 7.1 above the Licensee will submit proof to the Authority that it has established the trust and a full strategy on how this trust will be disbursed to the benefit of the staff.*

The monitoring exercise has revealed that in 2022 the Licensee registered an employee's Trust with the department of Justice & Constitutional Development for the benefit employees. The Licensee further submits that accounts have been set up for the disbursement of the benefits to trustees and the dividends will be rolled out in the following financial year.

**The Licensee complies with clause 7.2 of its licence.**

Clause 7.3 of the licence stipulates that:

*The Licensee shall have no less than thirty percent (30%) ownership by one or more persons from historically disadvantaged groups for the duration of the licence.*

Clause 7.4 of the licence stipulates that:

*Directors of the Licensee shall retain control and responsibility for the running of the Licensee notwithstanding the provisions of any management consultancy services engaged by the Licensee.*

The monitoring exercise has revealed that 100% of the Licensee's control is in the hands of persons from historically disadvantaged groups.

**The Licensee complies with clauses 7.3 and 7.4 of its licence.**

## **4. REGULATIONS**

### **4.1 SA Music Content Regulations<sup>4</sup>**

Regulation 3(2) of the Regulations on South African Music Content as published on 23 March 2016 provides that:

*"Every holder of a commercial sound broadcasting 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 reasonably evenly throughout the said period".*

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<sup>6</sup> ICASA South African Music Content Regulations, 2016 as published in *Government Gazette* No.39844 dated, 23 March 2016. (Repealed - *ICASA South African Music Content Regulations, 2006* as published in *Government Gazette* No. 28453 dated, 31 January 2006).

You FM carries approximately 40% South African music content. Some of the artists featured are the following: Encore, Nasty C, Hlengiwe Mhlaba and Neyi Zimu.

**The Licensee complies with regulation 3.2 of the Regulations on South African Music Content.**

#### **4.2 Standard Terms and Conditions for Individual Licences Regulations<sup>5</sup>**

During the year under review, the Authority could not find any non-compliance by the You FM with the standard terms and conditions for individual licences.

**The Licensee has complied with standard terms and conditions for individual licences of Schedule D of its licence.**

#### **4.3 Regulations in respect of the Prescribed Annual Contributions of Licensees to the Universal Service and Access Fund<sup>6</sup>**

Regulation 3 (1) of the prescribed annual contribution of licences to USAF regulations published on 10 February 2011 stipulates 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".*

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".*

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<sup>5</sup> Standard Terms and Conditions for Individual Licences Regulations Amendment, 2016 published in Government Gazette No. 39875 dated, 30 March 2016.

<sup>6</sup> USAF Regulations, 2011 as published in *Government Gazette* No. 34010 dated, 10 February 2011

You FM's financial year ends on 29 February. The Licensee paid its USAF contribution on 2 September 2024 and submitted proof of payment<sup>7</sup> thereof, as required by the regulations.

**The Licensee complies with the above Regulations.**

#### **4.4 General Licence Fees Regulations<sup>8</sup>**

The General License Fees Regulations came into effect on the date of publication in the Government Gazette no. 32084, on 01 April 2009. Regulation 3 (1) (a) stipulates that:

*"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 Licences, Individual and Class ECNS licences and Individual Commercial BS licences".*

Schedule 2 under Annual Licences Fees stipulates that:

*"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) stipulates 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"*

You FM's financial year ends on 29 February. The Licensee paid its license fee on 2 September 2024 and submitted proof of payment<sup>9</sup> thereof, as required by the regulations.

**The Licensee complies with the above regulations.**

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<sup>7</sup> Proof Licence Fees Payment for You FM 2020-2021

<sup>8</sup> ICASA General License Fees Regulations 2012, published in *Government Gazette* No. 36323 dated, 28 March 2013 as amended. (Amendment published in *Government Gazette* No. 37521 dated, 02 April 2014).

<sup>9</sup> Proof Licence Fees Payment for You FM 2020-2021.

#### **4.5 Complaints**

The Licensee is required, in terms of the Compliance Procedure Manual Regulations, to submit a Form 12A which reports on all complaints received during the period under review.

The Licensee has submitted details regarding the above regulation and how it accordingly resolved the complaints therein.

**The Licensee complies with the Compliance Procedure Manual Regulations in relation to handling complaints.**

#### **5. CONCLUSION**

The Licensee generally complied with its licence terms and conditions, and applicable regulations for individual commercial broadcasting Licensees during the review period, save for a few instances of non-compliance. Where any non-compliance may persist and remain unresolved, the Licensee will be referred to the Complaints and Compliance Committee (CCC), for a hearing and adjudication.

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

Annexure A: You FM's Service and Spectrum Licences.

Annexure B: You FM's Trust Deed and Beneficiary List.

Annexure C: Regulations on Standard Terms and Conditions for Individual Broadcasting Licences, 2023, as amended.

Annexure D: USAF Regulations, 2011.

Annexure E: ICASA South African Music Content Regulations, 2016.

Annexure F: Proof of payment for You FM's Licence Fee and Contribution to USAF.

Annexure G: Compliance Procedure Manual Regulations, 2011.