



OFM ANNUAL COMPLIANCE REPORT

MARCH 2024

2022/2023 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 Act¹ (ICASA Act), the Electronic Communications Act² (ECA) and the Broadcasting Act³ 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 2022/2023 financial year. Aspects of compliance that are measured comprise of Geographic Coverage, Languages, Format, Local Content Obligations, General Programming Obligations, Regulations Regarding Standard Terms and Conditions¹, Universal Service and Access Fund Regulations, and General Licence Fees Regulations.

2. BACKGROUND

Central Media Group (Pty) Ltd broadcasting as OFM ("the 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 Provinces⁴.

¹ Act No. 13 of 2000, as amended.

² Act No. 36 of 2005.

³ Act No. 4 of 1999.

⁴ 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"

The monitoring exercise confirmed that the Licensee broadcasts under the station name of "OFM".

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 Provinces, as defined in the coverage map attached to the radio frequency spectrum licence."

The monitoring exercise confirmed that the services provided by the Licensee were for the geographic coverage area of the Free State, Northern Cape and parts of the North West. The coverage is aligned to the coverage map attached to the radio frequency spectrum licence of the Licensee and no reports were received indicating that the Licensee was providing services outside of its geographic 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 monitoring exercise found that the languages of broadcast of the Licensee were English and Afrikaans. The licensee broadcasts talk and music in the required languages.

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

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 found that the programming format of the Licensee aligns with an adult contemporary format. The Licensee provides its audience with a mixture of music and information. The coverage of community affairs is discussed during the Licensee's "Community Calendar" segment, which is broadcast weekdays at, 10h45 and weekends at, 07h45.

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 "Geesfees", which took place from 24 – 26 March 2023 and featured artists such as Bernice West, Appel, Ricus Nel, Brendan Pepy, Juan Boucher and others. Other live music performances include "SPAR OFM Carols by Candlelight" and "Proudly Local: Bloem In Concert 2.0".

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."

The monitoring exercise confirmed that the Licensee discloses when its news sources are external.

The source is disclosed either at the start or end of the broadcast. Some of the news sources used 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 an amount of R3 006 788.00 on the provision of news, including locally based gatherings.

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:

- *"Water supplies are running low in Bloemfontein after Mangaung's power utility Centlec fixed a powerline to the Maselspoort plant that pumps water to both the Hamilton and Arboretum reservoirs. The Northern Suburbs will start receiving water during the course of the day meanwhile its unclear for how long residents in the south will be without water as the Brandkop reservoir faces an imminent shutdown in supply. DA Councillor Rossouw Botha says water pressure will remain low for some time."*
- *"The mayor of the troubled Letsemeng local municipality will today meet with residents of Petrusburg to iron out their differences over problems besetting the municipality. Residents of the Free State town have been up in arms for the past three days over poor service delivery. They say they have been without water for months without any word about when it will be restored."*

- *"North West police have identified the victim of a farm attack at Vyfhoek in Potchefstroom as Johan Bekker. The seventy-four-year-old was murdered on his small holding on Thursday morning when four men who apparently worked for Bekker strangled him.*
- *They tied up his seventy-year-old wife after threatening their domestic worker. The police says the four men allegedly ran back to the house and demanded the keys to the couple's safe."*
- *"The EFF in the Free State has welcomed the guilty verdict handed down to the ex-husband of a SABC presenter. Magistrate Simphiwe Mwazi found former police officer Mackenzie Ratselane guilty of attempted murder and the possession of an unlicensed firearm and ammunition. The charge of kidnapping was dropped. The EFF says the case serves as hope for many and it is a reminder to black women who have been assaulted that justice can be served."*

The monitoring exercise confirmed that local news attributes the majority of the Licensee's news output, followed by national news and international 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 the Licensee's news output meets the requirement as outlined in clause 6.4 insofar as it broadcasts an average of forty-five (45) minutes of news per day during weekdays and an average of twenty (20) minutes during weekends. During weekdays the first news bulletin is broadcast at 06h00 and the last news bulletin at 18h00. During weekends, the first news bulletin is broadcast at 07h00 and the last news bulletin is broadcast at 13h00.

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 monitoring exercise confirms that the Licensee has an editorial charter. The editorial as submitted to the Authority guarantees independent and impartial news coverage.

The Licensee complies with clause 6.5 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 indicated that it trained a total number of forty-seven (47) attendees from Radio Riverside, Kurara FM, Star FM and Kovsie FM respectively. The Licensee confirmed that the total number of training hours totalled one hundred and sixty-five (165) for the period under review.

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 submits that it maintained a sixty-two-comma five percent (62,5%) control of the station within the broadcasting coverage area.

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 confirmed that it maintained ownership and control of the station by persons from historically disadvantaged groups (HDI) at 32,16% for the period under review.

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

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 Licensee's board of directors consists of seven (7) members, of which three (3) are female.

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 about R300 000.00 on training and skills development for persons from historically disadvantaged groups.

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."

The Licensee during the period under review had a staff component of fifty-five (55). This staff component consists of twenty-eight (28) white, nineteen (19) African, one (1) Indian and seven (7) Coloureds. The Licensee, therefore, had a forty-nine percent (49%) black staff component for the period under review.

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 duly submitted its Form 12A during the period under review. The form showed that the Licensee had an average turnaround time of one (1) day for complaints resolution and it further indicated that no complaints were escalated to the Authority or Broadcasting Complaints Commission of South Africa.

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 Regulations on the Standard Terms and Conditions for Individual Broadcasting Services⁵.

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

⁵ Appendix C: Standard Terms and Conditions for Individual Broadcasting Services, 2010 as published in *Government Gazette* No. 33294 dated, 14 June 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"*⁶.

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

Nitzsche "Only 4 U"; Henco "Paradise"; Elizca "1980s"; Sarah Jane "My Favourite Time"; Dodo Nyoka "Foto's"; Craig Lucas "Better"; Rooksein "Genade Nade"; Tyler Paige "WAGMI"; CheraLee "Remember"; Bluenoise "Into the sunset"; Andrea "Tweede asem"; Nick Jeffery "Everything I want"; amongst others.

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

Jakkie Louw; Zinah; Howie Combrinck; Jeremy Loops; Spoegwolf; Francois van Coke; Zakes Bantwini; Will Linley; Mi Casa; Kurt Darren; Ricus Nel; amongst others.

The monitoring exercise found that the Licensee broadcasts an average of forty percent (40%) South African music content and confirms that the South African music is spread evenly throughout the performance period.

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

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

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, 2011⁷ 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)."*⁸

The Licensee made the required payment to the fund on, 29 September 2023 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:

*"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."*⁹

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."*¹⁰

The Licensee made the required general licence fees payment on 29 September 2023 and submitted the proof of payment to the Authority.

⁷ Published in *Government Gazette* No. 34010 dated, 10 February 2011.

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

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

¹⁰ *Ibid.*

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

5. CONCLUSION

The monitoring exercise of the Authority found that the Licensee was compliant with its licence terms and conditions as well as the applicable Regulations.

6. TERMS OF REFERENCE

- 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.

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