



567 CAPE TALK ANNUAL COMPLIANCE REPORT

MARCH 2022

2020/21 ANNUAL COMPLIANCE REPORT

PRIMEDIA (Pty) Ltd BROADCASTING AS 567 CAPE TALK

LICENCE PERIOD: 17 December 2008 – 16 December 2018

1. PREFACE

The Independent Communications Authority of South Africa (“the Authority”) has a statutory mandate in terms of the Constitution, the ICASA Act and the Electronic Communications Act of 2005 (“EC Act”) to regulate broadcasting activities in South Africa in the public interest. One of the main tasks of the Authority is to ensure compliance by broadcasters with the terms and conditions of their licence, the Electronic Communications Act, the ICASA Act, any relevant legislation and regulations.

The following report is intended to give account of 567 Cape Talk’s compliance with the terms and conditions as set out in its licence for the 2020/2021 financial year. Aspects of compliance that are measured comprise of Geographic Coverage, Broadcasting Languages, Format, General Programming Obligations, Training and Skills Development, Community-Related Obligations, Ownership and Control, South African Music Regulations, Regulations Regarding Standard Terms and Conditions, Universal Service and Access Fund (USAF) Regulations and the ICT Covid-19 National Disaster Regulations¹ first published in April 2020 and the subsequent amendments following the proclamation of the State of National Disaster.

The ICT Covid-19 National Disaster Regulations as amended have introduced exemptions with specific service licence conditions and/or revised quotas and such will be reflected in the body of the report accordingly.

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

² The ICASA Act No, 13 of 2000,

³ The Electronic Communications Act No, 36 of 2005

⁴ The ICT COVID-19 National Disaster Regulations, 2020 as published in *Government Gazette* No. 43207 dated, 06 April 2020, as amended.

2. BACKGROUND

In December 2008, the Authority issued Primedia ("the Licensee") with an Individual Commercial Sound Broadcasting Service licence² and a Radio Frequency Spectrum licence³ in terms of the EC Act.

The Licensee broadcasts as 567 Cape Talk and provides a service in the Greater Western and Southern Cape. The radio station is broadcasting from the studios situated in Cape Town and have a central business office at 5 Gwen Lane, Sandown, Sandton. The signal distribution service is conducted by Sentech (Pty) Ltd.

3. COMPLIANCE ASSESSMENT

3.1. Control Structure

3.1.1. Ownership and Control

Clause 1 of 567 Cape Talk's licence provides that:

"The licence is issued to:

1.1 Name of Company/Entity: Primedia (Pty) Ltd

1.2 Shareholders: Mineworkers Investment Company – 46.61%

Kirsh Consortium – 23.8%

Brait Entities – 18%

Management Stake – 5%

Titan Share Dealers – 2.86%

Sabvest (together with BPESAM 1 Ltd

BPESAM II Ltd – 0.99%

KV and GR Direct – 1.9%

² 567 Cape Talk Broadcasting Service Licence

³ 567 Cape Talk Frequency Spectrum Licence

1.3 Ownership held by persons from historically disadvantaged groups: 46.61%”

During the period under review, there were no changes reported by the Licensee to its name, shareholding and HDG structure.

The Licensee complies with clause 1 of its licence.

3.2. Contact Details

Clause 2 of the licence provides that:

2.1 “The contact person for the Licensee shall be:

2.1.1 Name: Ms. Tholoana Ncheke

2.1.2 Tel: 011 506 3845

2.1.3 Fax: 086 262 3003

2.1.4 Cell: 083 464 2330

2.1.5 Email: tholoanan@primedia.co.za”

The Licensee did not submit any notification with regards to all the above as stated during the period under review.

The Licensee complies with clause 2 of its licence.

3.3 Notices and Addresses

Clause 3 of the licence provides that:

3.1 "The Licensee chooses the following addresses as its principal addresses:

*3.1.1 Postal Address: PO Box 5572
Rivonia
2126*

*3.1.2 Physical Address: Primedia House
5 Gwen Lane
Sandown
Sandton, 2146*

The Licensee has not submitted any notification with regards to changes to its principal addresses during the period under review.

The Licensee complies with clause 3 of its licence.

3.4 Name of Station

Clause 1 of the schedule to 567 Cape Talk's licence provides that:

"Name of Station: 567 Cape Talk".

There were no changes reported by the Licensee to its name during the period under review.

The Licensee complies with clause 1 of its licence.

3.5 Geographic Coverage Area

Clause 2 of the schedule to 567 Cape Talk frequency spectrum licence provides that 567 Cape Talk's geographic coverage area to be as follows:

"Cape Town, as defined in the coverage map attached to the Licensee's radio frequency spectrum licence".

The Authority did not receive reports suggesting the Licensee broadcasts outside the defined coverage area.

The Licensee complies with clause 2 of its licence.

3.6 Broadcast Language (s)

Clause 3 of the schedule to 567 Cape Talk licence provides that the language of broadcast shall be:

"Principal Language: English".

567 Cape Talk broadcast its programmes in English, as its primary language.

The Licensee complies with clause 3 of its licence.

3.7 Format

Clause 4 of the licence provides that the Licensee is:

"A talk-based service with a maximum of fifteen percent (15%) music programming".

The Authority's monitoring exercise found that the Licensee's music content does not exceed the stipulated fifteen percent (15%) of its programme content.

The Licensee complies with clause 4 of its licence.

3.8 General Programming Obligations

Clause 5.1 of the licence provides that:

"The Licensee shall broadcast news on a regular basis for a minimum of thirty (30) minutes each day between 05h00 and 23h00".

The monitoring exercise revealed that 567 Cape Talk broadcast news at the top of every hour during the Performance Period, daily. The Licensee's news bulletins are broadcast for approximately four (5) minutes each and an average of seventy-two (72) minutes over the Performance Period. The following were among the news items identified during the period under review:

- *"The Department of Land Reform will release the names of the 108 land claimants who will move into their new homes in District Six later this year. Claimants have been waiting for more than 30 years to move back to the communities they once called home;"*
- *"From 7am, voters will head to the polls to take part in by-elections across the country. Eleven wards are being contested in the Western Cape.*
- *"The Special Investigating Unit say it has made findings in its investigation into a dodgy Department of Health contract involving two former close associates of Health Minister Zweli Mkhize.";*

Sound broadcasting Licensees were exempt from compliance with specific programming requirements and promises of performance during the National State of Disaster. Therefore, findings on compliance with this clause of the licence were not made/determined.

Clause 5.2 of the licence provides that:

"Local News shall constitute at least fifty percent (50%) of its news component".

The monitoring exercise revealed that 567 Cape Talk's local news constitute more than fifty percent of its overall news component. Most of the stories broadcast were from in and around the Western Cape area.

Sound broadcasting Licensees were exempt from compliance with specific programming requirements and promises of performance during the National State of Disaster. Therefore, findings on compliance with this clause of the licence were not made/determined.

Clause 5.3 of the licence provides that:

"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 revealed that most of 567 Cape Talk news are sourced from Eyewitness News, a subsidiary of Primedia (Pty) Ltd, as well as its US, UK and Africa correspondents. News sources identified includes among others, Twitter, Reuters, Cable News Network (CNN), Russia Today (RT) and British Broadcasting Corporation (BBC).

Sound broadcasting Licensees were exempt from compliance with specific programming requirements and promises of performance during the National State of Disaster. Therefore, findings on compliance with this clause of the licence were not made/determined.

3.9 Training and Skills Development Obligations

Clause 6.1 of the licence provides that:

"The Licensee shall inform the Authority of any changes effected to its Human Resources Policies and Procedures Manual".

The Licensee submits it has not implemented any changes on its human resource policies and procedure manual.

The Licensee complies with clause 6.1 of the schedule to its licence.

Clause 6.2 of the licence provides that:

"The Licensee shall over its licence period, allocate R250 000 (two hundred and fifty thousand Rand) per annum towards staff training with particular emphasis on women and Black people".

The Licensee has submits that for the period under review, a number of different training interventions as reflected were delivered at a cost of R 335,421.83 (three hundred and thirty five thousand four hundred and twenty-one Rand and eighty-three cents), of which R 247,427,24 (two hundred and forty-seven thousand four hundred and twenty-seven Rand and twenty four cents) was spent on training women. of the total training spend, R219,033.79 (two hundred and nineteen thousand thirty-three Rand and seventy nine cents) was spent on Black staff. The licensee submits that it has complied with the minimum spend for training staff and spent the majority of its training spend in the year under review on training women and Black staff in particular. The following is the amounts spent:

FEMALE	RAND: TRAINING SPEND	TOTAL NO# TRAINED
AFRICAN	57,176.82	5
COLOURED	61,325.84	4
INDIAN	18,000	1
WHITE	110,924.58	5
TOTAL	247,427.24	15
MALE	RAND: TRAINING SPEND	TOTAL NO# TRAINED
AFRICAN	n/a	n/a
COLOURED	77,086.19	3
INDIAN	5,444.94	1
WHITE	5,463.46	2
TOTAL	87,994.59	6
GRAND TOTAL	335,21.83	21

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

3.10 Community - related Obligations

Clause 7.1 provides that:

"The Licensee shall make a significant contribution to the community in its coverage area through supporting community projects such as those benefiting women's organisations, childcare organizations, development sport, mental health, animal welfare and organisations caring for the terminally ill.

The Licensee submits Part of the licensee's operational strategy is to do random acts of kindness, interviews and Public Service Announcements in the communities within its broadcast area.

The Licensee complies with clause 7.1 of the schedule to its licence.

Clause 7.2 of the licence provides that:

"The Licensee shall:

7.2.1 raise at least R250 000.00 (two hundred and fifty thousand Rand) in cash and goods annually".

The Licensee submits that it raised cash and goods for various charitable courses on 702 amounting to R415,719.60 (four hundred and fifteen thousand seven hundred and nineteen Rand and sixty cents) in cash and goods. The amount raised is broken down as follows:

Cash Raised:

Beneficiary Entity Name	Date of Contribution	Amount Contributed	Description
Ilitha Labantu	Oct - 20	R120 000.00	
Ikhaya Loxolo	May - 21	R120 000.00	Random Acts of Kindness together with the Dis-chem Foundation donated cash
TOTAL		R240 000.00	

Goods raised/contributed

Beneficiary Entity Name	Date of Contribution	Amount Contributed	Description
Imbumba Foundation	Jun - 21	175,719.60	Donations of sanitary pads 8,808 packs of sanitary pads
TOTAL		R415,719.60	

The Licensee complies with clause 7.2.1 of the schedule to its licence.

7.2.2 provide airtime worth R250 000 (two hundred and fifty thousand Rand) annually, towards supporting community organisations such as those benefiting:

- a) people infected or affected by HIV & AIDS;*
- b) the terminally ill and/or the elderly;*
- c) schools;*
- d) women;*
- e) children;*
- f) animal welfare; and or*
- g) natural/environmental disasters such as fires and floods”.*

The Licensee submits that it has provided airtime totalling R723,273.08 (seven hundred and twenty-three thousand two hundred and seventy-three Rand and eight cents) towards various programmes and initiatives. any details regarding the above licence obligation. Below is the detailed breakdown:

Beneficiary Entity Name	Amount Contributed
Adopt A School Foundation NPC	R9 711,00
Afrika Tikkun	R9 711,00
Association of African Exhibition	R21 678,00
CANCER ASSOCIATION OF SOUTH AFRICA(link	R18 566,00
CANCER SHAVATHON (link a/c)	R21 346,00
Cape Mental Health (PSA)	R19 705,00
Cotlands	R13 698,00
Educubed Foundtion NPC	R9 711,00
Girls and Boys Town	R9 233,00
Girls Education and Mentoring Initiative	R9 711,00
Greenpop	R19 422,00
Heartlands Baby Sanctuary (PSA)	R41 118,00
KIN CULTURE NPC (PSA)	R15 323,00
LADIES OF LOVE (PSA)	R25 594,00
Ladles of love foundation trust (PSA)	R16 452,00
LAURES SPORT FOR GOOD FOUNDATION	R14 192,00
NSRI (link a/c)	R27 195,00
PINKDRIVE NPC	R22 240,00
PROSTATE CANCER FOUNDATION(PSA)	R9 711,00
Rare Diseases South Africa NPC	R19 422,00
Reach for a Dream	R9 408,00
Reach for Recovery South Africa	R11 626,00
Regenesys Business School (link a/c)	R9 711,00
SOLIDARITY RESPONSE FUND NPC	R51 573,20
SouthAfrican Bone Marrow Registry NPC	R71 940,00
TEARS OF FOUNDATION (PSA)	R91 531,88
The Children's Hospital Trust (PSA)	R15 820,00
The Do More Foundation Trust	R10 947,00
THE SPORTS TRUST	R9 711,00
THE Sunflower Fund NPC	R34 463,00
TYGERBERG CHILDREN'S HOSPITAL(PSA)	R38 730,00
WINGS FOR LIFE (PSA)	R14 073,00

The Licensee complies with clause 7.2.2 of the schedule to its licence.

Clause 7.3 of the licence provides that:

"The Licensee shall train staff from community sound broadcasting services in its geographic coverage area in the areas of: programme presenting and production, news, sales, marketing and sound engineering through mentoring and on-the-job training that is, having such staff "shadow" 567 Cape Talk presenters, producers, news reporters, sales representatives, marketing staff and sound engineers while at work".

The Licensee submits it has not conducted any talent search campaigns and concedes it has not complied with the above license obligation.

Sound broadcasting Licensees were exempt from compliance with specific programming requirements and promises of performance during the National State of Disaster. Therefore, findings on compliance with this clause of the licence were not made/determined.

Clause 7.4 of the licence provides that:

"The Licensee shall undertake "voice search competitions" to unearth and develop new talent.

The Licensee submits it has not conducted any talent search campaigns and concedes it has not complied with the above license obligation.

Sound broadcasting Licensees were exempt from compliance with specific programming requirements and promises of performance during the National State of Disaster. Therefore, findings on compliance with this clause of the licence were not made/determined.

4. REGULATIONS

4.1 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 resolved the issues raised.

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

4.2 SA Music Content Regulations

Regulation 3(2) of the ICASA South African Music Content Regulations, 2016⁴ as published on 23 March 2016 stipulates that:

"A holder of a commercial sound broadcasting service 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 evenly throughout the performance period."

⁴ Appendix C: 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).

567 Cape Talk was granted an exemption in terms of the previous South African Content Regulations based on the fact that the Licensee is talk based. Therefore, in terms of the exemption the Licensee is allowed to reduce its obligation to 15% of SA music content.

The monitoring exercise revealed that 567 Cape Talk plays approximately fifteen percent (15%) of South African Music spread reasonably evenly throughout the Performance Period, as per the exemption granted by the Authority. The South African artists featured included among others, Abdul Ibrahim, Telaman, DJ Clock, Lloyd Cele, etc.

The Licensee complies with regulation 3.2 above.

4.3 Standard Terms and Conditions

During the year under review, the Authority did not identify instances of non-compliance by the Licensee with the Regulations regarding Standard Terms and Conditions for Individual Licences⁵.

The Licensee complies with the above regulations.

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

4.4 Regulations in respect of the Prescribed Annual Contributions of Licensees to the Universal Service and Access Fund

Regulation 3 (1) of the Regulations in respect of Prescribed Annual Contributions of Licensees to the Universal Service and Access Fund (USAF)⁶, as published in the Government Gazette, No. 31499 of April 2009, stipulates that:

"Every holder of a Licence granted in terms of Chapter 3 or converted in terms of chapter 15 of the Act, must pay an annual contribution of 0.2% of the annual turnover, derived from the licensee's licence activity, to the Fund (the Fund)".

Further, Regulation 3 (3) stipulates that:

"A broadcasting service licensee who has paid an annual contribution to the Media Development and Diversity Agency (MDDA) must set off that contribution against its prescribed annual contribution to the Fund"

567 Cape Talk's financial year ends on 30 June. The Licensee has issued correspondence regarding the payment of the Universal Service and Access Fund. The Licensee has given an undertaking to make the payment as required by the regulations.

The Licensee partially complies with the above regulations.

⁶ **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).

4.5 General Licence Fees Regulations

Regulation 3 (1) of the General Licence Fees Regulations⁷ provides 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 Licences”.

Schedule 2 of the Annual Licences Fees regulations provides for Licensees to pay an annual licence fee in accordance with their licensed revenue and to be calculated using the set formula, read with the applicable percentages.

Regulation 7(a), 7(b) and 7(c) of Schedule 3 provides that:

- a) Are due annually based on the licensee financial year;*
- b) 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”.*

567 Cape Talk’s financial year ends on 30 June. The Licensee paid its licence fees on 27 October 2021 and submitted proof of payment⁸ thereof, as required by the regulations.

The Licensee complies with the above regulations.

⁷ **Standard Terms and Conditions for Individual** Licences Regulations Amendment, 2016 published in *Government Gazette* No. 39875 dated, 30 March 2016.

⁸ Proof Licence Fees Payment for 567 Cape Talk 2020-2021

5. CONCLUSION

The exemptions and suspensions imposed on Licensees due to the National State of Disaster have been lifted for the next review period. Complete monitoring of compliance with licence conditions and regulations will be conducted in the next review.

6. TERMS OF REFERENCE

Appendix A: 567 Cape Talk's broadcasting service licence

Appendix B: 567 Cape Talk's frequency spectrum licence

Appendix C: List of staff training

Appendix F: SA Music Content Regulations

Appendix G: Regulations Regarding Standard Terms and Conditions for Individual
Licences

Appendix H: Universal Service and Access Fund Regulations

Appendix I: General Licence Fees Regulations

Appendix J: Proof of Licence Fees Payment

Appendix K: The ICT COVID-19 National Disaster Regulations, 2020 as published in
Government Gazette No. 43207 dated, 06 April 2020, as amended.