



TALK RADIO 702 ANNUAL COMPLIANCE REPORT

MARCH 2022

2020/21 ANNUAL COMPLIANCE REPORT

PRIMEDIA (Pty) Ltd BROADCASTING AS TALK RADIO 702

LICENCE PERIOD: 17 December 2018 – 16 December 2028

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 (“ECA”) 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 and any relevant legislation and regulations.

The following report is intended to give account of Talk Radio 702’s compliance with the terms and conditions as set out in its licence for the 2019/2020 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 Talk Radio 702 and provides a service in the Gauteng province. The radio station is broadcasting from the studios situated 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 Talk Radio 702's licence provides that:

"The licence is issued to:

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

1.2 Shareholders: Primedia Holdings III Limited

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 the entity's name, shareholding and HDG structure.

The Licensee complies with clause 1 of its licence.

² Talk Radio 702 Broadcasting Service Licence

³ Talk Radio 702 Frequency Spectrum 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 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 licence provides that:

"Name of Station: Talk Radio 702".

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

The Licensee complies with clause 1 of the schedule to its licence.

3.5. Geographic Coverage Area

Clause 2 of Talk Radio 702 frequency spectrum licence provides that Talk Radio 702's geographic coverage is as follows:

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

The Authority did not receive reports and or complaints alleging that the Licensee broadcasts outside the defined coverage area.

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

3.6 Broadcast Language (s)

Clause 3 of the licence provides that the language of broadcast shall be:

"Principal Language: English".

Talk Radio 702 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 revealed that the Licensee's music does not exceed 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:

"Should the Licensee source its 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 Talk Radio 702 news bulletins are sourced from Eyewitness News, a subsidiary of Primedia (Pty) Ltd. The licensee submits that where it reports on news from elsewhere either than from their journalists and sources, the Licensee confirms that it discloses such sources.

The Licensee complies with clause 5.1 of its licence.

Clause 5.2 of the schedule to Talk Radio 702's licence provides that:

"The Licensee shall broadcast news every hour daily".

The monitoring exercise revealed that Talk Radio 702 broadcasts news at the top of every hour during the performance period, daily. Each news bulletin lasts for approximately five (5) minutes. The following were among the news excerpts identified during the period under review:

- *"Four weeks after COVID-19 hit South Africa, the country had to come to terms with a very different reality. From restrictions on our movement to measures to help businesses, which will be gutted by the nationwide lockdown, these are extraordinary times..."*
- *"Former President Jacob Zuma has left the state capture inquiry without permission. This comes in the wake of Deputy Chief Justice Raymond Zondo dismissing the former president's application for recusal on the grounds that Zuma failed to meet the test for a reasonable apprehension of bias....";*
- *"Zimbabwe hiked fuel prices for the second time in a week but most pumps remained dry, with no end in sight to shortages that are helping drive inflation rapidly higher and which have led to protests about the cost of living...";and*
- *"Tanzanian police announced on Tuesday that 45 people had died during a stampede in Dar es Salaam on 21 March as mourners paid their last respects to the late president John Magufuli....".*

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 of the licence provides that:

"The Licensee shall over its licence period, allocate R400 000.00 (four hundred thousand Rand) per annum toward staff training with particular emphasis on women and Blacks".

The Licensee has submits that for the period under review, it has allocated a total of R940 000.00 (nine hundred and forty thousand Rand) to towards the training and development of its staff. Of this amount, R623 000.00 (six hundred and twenty-three thousand Rand) was spent on training historically disadvantaged individuals (HDI's). The following is the amounts spent:

FEMALE	RAND : TRAINING SPEND	TOTAL # TRAINED
AFRICAN	658,336,39	52
INDIAN	10,917,86	4
COLOURED	81,658,51	6
WHITE	175,403,68	14
TOTAL	926,316,44	76

MALE	RAND : TRAINING SPEND	TOTAL # TRAINED
AFRICAN	341375,82	33
INDIAN	136,96	2
COLOURED	N/A	3
WHITE	16,108,25	11
TOTAL	357,621,03	53
GRAND TOTAL	1,283,937,47	101

The licensee submits that a total 101 employees were trained and 94 of whom were from historically disadvantaged backgrounds.

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

3.10 Community - related Obligations

Clause 7.1 provides that:

"The Licensee shall:

7.1.1 raise at least R250 000 (two hundred and fifty thousand Rand) in cash and goods annually".

The Licensee R1,283,937,47 (one million two hundred and eighty-three thousand nine hundred and thirty-seven Rand and forty-seven cents) to towards the training and development of its staff. Of this amount, R1,092,425.54 was spent on training historically disadvantaged individuals (HDI's).

Below is a table that reflects the licensee's performance in relation to clause 7.1.1 of the schedule to its licence.

Beneficiary Name	Contribution	Value
Frida Hartley shelter	702 together with Dischem goods to the shelter	R120 000.00
Nathan Marais	Hippo donated hearing aid.	R35,000.00
Tears Foundation	Goods donated to the foundation	R120,000.00
Lehwereleng Secondary	Caring for girls campaign	R120 000.00
TOTAL		R395 000.00

The Licensee complies with clause 7.1.1 of the schedule to its licence.

7.1.2 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 2.6.4 For the period under review, licensee provided airtime totalling R1,775,511.66 (one million seven hundred and seventy-five Rand five hundred and eleven and sixty-six cents. Below is the detailed breakdown.

Beneficiary	Amount
Adopt A School Foundation NPC	R26 633,00
Afrika Tikkun	R26 633,00
Association of African Exhibition	R61 462,00
BHF Board of Healthcare Funders Southern	R26 633,00
CANCER ASSOCIATION OF SOUTH AFRICA(link	R54 756,00
CANCER SHAATHON (link a/c)	R63 398,00
Cotlands	R34 356,00
Educubed Foundtion NPC	R26 633,00
Girls and Boys Town	R26 633,00
Girls Education and Mentoring Initiative	R25 704,00
Greenpop	R53 266,00
KIN CULTURE NPC (PSA)	R45 182,00
LADIES OF LOVE (PSA)	R80 802,00
LAURES SPORT FOR GOOD FOUNDATION	R55 873,00
NSRI (link a/c)	R85 852,00
PINKDRIVE NPC	R53 266,00
PROSTATE CANCER FOUNDATION(PSA)	R26 633,00
Rare Diseases South Africa NPC	R52 337,00
Reach for a Dream	R23 078,40
Reach for Recovery South Africa	R28 324,00
Regenesys Business School (link a/c)	R30 869,00
SOLIDARITY RESPONSE FUND NPC	R151 402,20

SouthAfrican Bone Marrow Registry NPC	R219 894,00
TEARS OF FOUNDATION (PSA)	R277 332,06
The Children's Hospital Trust (PSA)	R51 503,00
The Do More Foundation Trust	R32 978,00
THE SPORTS TRUST	R26 633,00
THE Sunflower Fund NPC	R66 436,00
WINGS FOR LIFE (PSA)	R41 010,00

The Licensee complies with clause 7.1.2 of the schedule to its licence.

Clause 7.2 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" Radio 702 presenters, producers, news reporters, sales representatives, marketing staff and sound engineers while at work".

The Licensee submits that due to prevailing COVID-19 regulations, it was unable to conduct any staff training for community sound broadcasters.

The Licensee does not comply with clause 7.2 of the schedule to its licence.

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 is a member of the National Association of Broadcasters (NAB). Complaints related to code of conduct are administered by the Broadcasting Complaints Commission of South Africa (BCCSA).

The Licensee has not reported to have any complaints for the period under review.

The Licensee complies with the Compliance Procedure Manual Regulations.

4.2 SA Music Content Regulations

The Authority has on 23 March 2016 published ICASA South African Music Contents Regulations which repealed ICASA South African Music Content regulations published on 31 January 2006. The regulations were to be effective eighteen (18) months after publication i.e. 23 September 2017 which falls within the period under review. The quotas were revised from 25% to the 35% for commercial sound broadcasting services.

Regulation 3 (2) of the ICASA South African Music Contents Regulations stipulates 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".

Talk Radio 702 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 Talk Radio 702 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, Ami Faku, Sipho Gumede, PJ Powers, Vicky Sampson, etc.

The Licensee is exempted from complying with SA Content Regulations.

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 Licences⁴.

The Licensee complies with the above regulations.

⁴ Regulations Regarding Standard Terms and Conditions for Individual Licences Standard Terms and Conditions for Individual & Electronic Communications Network Services, 2010 as published in *Government Gazette* No. 33296 dated, 14 June 2010, as amended.

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)⁵, 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"

Talk Radio 702'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.

⁵ USAF Regulations, 2011 as published in *Government Gazette* No. 34010 dated, 10 February 2011.

4.5 General Licence Fees Regulations

Regulation 3 (1) of the General Licence Fees Regulations⁶ 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”.

Talk Radio 702’s financial year ends on 30 June. The Licensee paid its licence fees on 27 October 2021 and submitted proof of payment⁷ thereof, as required by the regulations.

The Licensee complies with the above regulations.

⁶ General Licence Fees Regulations, 2012 as published in *Government Gazette* No. 36323 dated, 28 March 2013, as amended

⁷ Proof of Licence Fees payment

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

Annexure A : Talk Radio 702's Service and Spectrum Licences;

Annexure B : Regulations on Standard Terms and Conditions for Individual Broadcasting & Individual Electronic Communications Services, 2010 as published in *Government Gazette* No. 33294 dated, 14 June 2010, as amended;

Annexure C : USAF Regulations 2011, published in *Government Gazette* No. 34010 dated, 10 February 2011;

Annexure D : Processes and Procedures Regulations for Individual licences published in *Government Gazette* No. 33293 dated, 14 June 2010, as amended;

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

Annexure F : Proof of payment for Talk Radio 702's Licence Fee and Contribution to USAF; and

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