

Vote 30

Communications and Digital Technologies

Adjusted budget summary

R thousand	2020/21				Adjusted appropriation
	Appropriation	Adjustments appropriation	Second adjustments appropriation		
			Decrease	Increase	
Amount to be appropriated	3 394 537	(111 431)	(63 067)	60 889	3 280 928
<i>of which:</i>					
Current payments	779 984	(33 131)	(63 067)	–	683 786
Transfers and subsidies	2 582 803	(78 300)	–	60 889	2 565 392
Payments for capital assets	31 750	–	–	–	31 750
Executive authority	Minister of Communications and Digital Technologies				
Accounting officer	Director-General of Communications and Digital Technologies				
Website	www.dtps.gov.za				

Vote purpose

Create an enabling environment for inclusive growth in the ICT sector by developing policies and legislation that promote infrastructure investment and socioeconomic development.

Performance

Indicator ¹	Programme	MTSF priority	Annual performance		
			Projected for 2020/21 as published in the 2020 ENE	Achieved in the first half of 2020/21 (April to September)	Changed target for 2020/21
Number of ICT position papers developed for international engagements per year	International Relations and Affairs		3	1	–
Number of state-owned entities' governance frameworks reviewed	ICT Enterprise Development and Public Entities Oversight		2	0	–
Total number of identified connected government institutions maintained as part of the national broadband plan: digital development (phase 1)	ICT Infrastructure Development and Support	Departmental mandate	970	942	–
Number of monitoring reports issued per year on the implementation of the broadcasting digital migration programme	ICT Infrastructure Development and Support		4	2	–
Number of position papers tabled at multilateral engagements per year	ICT Infrastructure Development and Support		2	0	–
Number of bilateral engagements coordinated per year to advance digital migrations and communication agendas	ICT Infrastructure Development and Support		4	0	–

1. These indicators were not published in the 2020 Estimates of National Expenditure as the merged department did not yet exist. The merged department's annual performance plan, which has since been finalised, reflects these indicators.

Progress

Although only 1 ICT position paper was developed for international engagements in the first half of the year, another paper for the Universal Postal Union has been developed, and is awaiting approval. The department is on track to meet the target by year-end.

Adjusted estimates

Programme	2020/21								
	R thousand	Appropriation	Adjustments appropriation	Second adjustments appropriation				Total second adjustments appropriation	Adjusted appropriation
Roll-overs				Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Administration	313 667	(13 447)	-	-	-	-	(29 242)	(29 242)	270 978
ICT International Relations and Affairs	60 835	-	-	-	-	-	(1 012)	(1 012)	59 823
ICT Policy Development and Research	69 792	(5 487)	-	-	-	-	(7 383)	(7 383)	56 922
ICT Enterprise and Public Entity Oversight	1 750 178	-	-	-	-	-	44 885	44 885	1 795 063
ICT Infrastructure Development and Support	1 127 517	(81 833)	-	-	-	-	(5 830)	(5 830)	1 039 854
ICT Information Society and Capacity Development	72 548	(10 664)	-	-	-	-	(3 596)	(3 596)	58 288
Total	3 394 537	(111 431)	-	-	-	-	(2 178)	(2 178)	3 280 928
Economic classification									
Current payments	779 984	(33 131)	-	-	(3 516)	-	(59 551)	(63 067)	683 786
Compensation of employees	348 272	-	-	-	-	-	(46 069)	(46 069)	302 203
Goods and services	431 712	(33 131)	-	-	(3 516)	-	(13 482)	(16 998)	381 583
Transfers and subsidies	2 582 803	(78 300)	-	-	3 516	-	57 373	60 889	2 565 392
Provinces and municipalities	19	-	-	-	-	-	-	-	19
Departmental agencies and accounts	1 587 582	(78 300)	-	-	-	-	57 373	57 373	1 566 655
Foreign governments and international organisations	32 724	-	-	-	-	-	-	-	32 724
Public corporations and private enterprises	962 478	-	-	-	-	-	-	-	962 478
Households	-	-	-	-	3 516	-	-	3 516	3 516
Payments for capital assets	31 750	-	-	-	-	-	-	-	31 750
Machinery and equipment	16 945	-	-	-	-	-	-	-	16 945
Software and other intangible assets	14 805	-	-	-	-	-	-	-	14 805
Total	3 394 537	(111 431)	-	-	-	-	(2 178)	(2 178)	3 280 928

Programme 1: Administration

Subprogramme	2020/21								Adjusted appropriation
	R thousand	Appropriation	Adjustments appropriation	Second adjustments appropriation				Total second adjustments appropriation	
				Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds		
Ministry	7 513	–	–	–	–	–	(925)	(925)	6 588
Departmental Management	79 210	(8 300)	–	–	–	–	(11 383)	(11 383)	59 527
Internal Audit	11 470	(1 800)	–	–	–	–	(2 047)	(2 047)	7 623
Corporate Services	112 525	(1 173)	–	–	1 016	–	(7 839)	(6 823)	104 529
Financial Management Office	71 839	(2 174)	–	–	(1 016)	–	(7 048)	(8 064)	61 601
Accommodation	31 110	–	–	–	–	–	–	–	31 110
Total	313 667	(13 447)	–	–	–	–	(29 242)	(29 242)	270 978
Economic classification									
Current payments	283 932	(13 447)	–	–	(3 516)	–	(29 242)	(32 758)	237 727
Compensation of employees	162 626	–	–	–	–	–	(21 947)	(21 947)	140 679
Goods and services	121 306	(13 447)	–	–	(3 516)	–	(7 295)	(10 811)	97 048
Transfers and subsidies	19	–	–	–	3 516	–	–	3 516	3 535
Provinces and municipalities	19	–	–	–	–	–	–	–	19
Households	–	–	–	–	3 516	–	–	3 516	3 516
Payments for capital assets	29 716	–	–	–	–	–	–	–	29 716
Machinery and equipment	15 002	–	–	–	–	–	–	–	15 002
Software and other intangible assets	14 714	–	–	–	–	–	–	–	14 714
Total	313 667	(13 447)	–	–	–	–	(29 242)	(29 242)	270 978

Programme 2: ICT International Relations and Affairs

Subprogramme	2020/21								Adjusted appropriation
	R thousand	Appropriation	Adjustments appropriation	Second adjustments appropriation				Total second adjustments appropriation	
				Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds		
Programme	2 945	–	–	–	–	–	(123)	(123)	2 822
Management for International Relations and Affairs	14 814	–	–	–	–	–	(645)	(645)	14 169
ICT Trade/Partnership	43 076	–	–	–	–	–	(244)	(244)	42 832
Total	60 835	–	–	–	–	–	(1 012)	(1 012)	59 823
Economic classification									
Current payments	27 505	–	–	–	–	–	(1 012)	(1 012)	26 493
Compensation of employees	17 851	–	–	–	–	–	(1 012)	(1 012)	6 839
Goods and services	9 654	–	–	–	–	–	–	–	9 654
Transfers and subsidies	32 724	–	–	–	–	–	–	–	32 724
Foreign governments and international organisations	32 724	–	–	–	–	–	–	–	32 724
Payments for capital assets	606	–	–	–	–	–	–	–	606
Machinery and equipment	606	–	–	–	–	–	–	–	606
Total	60 835	–	–	–	–	–	(1 012)	(1 012)	59 823

Programme 3: ICT Policy Development and Research

Subprogramme	2020/21									
	R thousand	Appropriation	Adjustments appropriation	Second adjustments appropriation					Total second adjustments appropriation	Adjusted appropriation
				Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Programme	2 760	(152)	-	-	-	-	(122)	(122)	2 486	
Management for ICT Policy Development and Research	19 149	(2 705)	-	-	-	-	(566)	(566)	15 878	
ICT Policy Development	5 960	(590)	-	-	-	-	(202)	(202)	5 168	
Economic and Market Analysis Research	9 980	(881)	-	-	-	-	(1 637)	(1 637)	7 462	
Small Medium and Micro Enterprise	5 159	-	-	-	-	-	(267)	(267)	4 892	
Broadcasting Policy	13 384	(1 159)	-	-	-	-	(4 253)	(4 253)	7 972	
Presidential Commission on 4IR	13 400	-	-	-	-	-	(336)	(336)	13 064	
Total	69 792	(5 487)	-	-	-	-	(7 383)	(7 383)	56 922	
Economic classification										
Current payments	69 431	(5 487)	-	-	-	-	(7 383)	(7 383)	56 561	
Compensation of employees	42 314	-	-	-	-	-	(5 999)	(5 999)	36 315	
Goods and services	27 117	(5 487)	-	-	-	-	(1 384)	(1 384)	20 246	
Payments for capital assets	361	-	-	-	-	-	-	-	361	
Machinery and equipment	361	-	-	-	-	-	-	-	361	
Total	69 792	(5 487)	-	-	-	-	(7 383)	(7 383)	56 922	

Programme 4: ICT Enterprise and Public Entity Oversight

Subprogramme	2020/21									
	R thousand	Appropriation	Adjustments appropriation	Second adjustments appropriation					Total second adjustments appropriation	Adjusted appropriation
				Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
Programme	9 165	-	-	-	-	-	(6 246)	(6 246)	2 919	
Management for ICT Enterprise and Public Entity Oversight	590 580	-	-	-	-	-	58 732	58 732	649 312	
Regulatory Institutions	1 051 238	-	-	-	-	-	(5 854)	(5 854)	1 045 384	
Universal Services and Access	99 195	-	-	-	-	-	(1 747)	(1 747)	97 448	
Total	1 750 178	-	-	-	-	-	44 885	44 885	1 795 063	
Economic classification										
Current payments	42 964	-	-	-	-	-	(12 488)	(12 488)	30 476	
Compensation of employees	35 733	-	-	-	-	-	(12 025)	(12 025)	23 708	
Goods and services	7 231	-	-	-	-	-	(463)	(463)	6 768	
Transfers and subsidies	1 706 709	-	-	-	-	-	57 373	57 373	1 764 082	
Departmental agencies and accounts	1 008 861	-	-	-	-	-	57 373	57 373	1 066 234	
Public corporations and private enterprises	697 848	-	-	-	-	-	-	-	697 848	
Payments for capital assets	505	-	-	-	-	-	-	-	505	
Machinery and equipment	505	-	-	-	-	-	-	-	505	
Total	1 750 178	-	-	-	-	-	44 885	44 885	1 795 063	

Programme 5: ICT Infrastructure Development and Support

Subprogramme	2020/21								Adjusted appropriation	
	R thousand	Appropriation	Adjustments appropriation	Second adjustments appropriation				Total second adjustments appropriation		
				Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds			Other adjustments
Programme	3 346	-	-	-	-	-	(250)	(250)	3 096	
Management for ICT Infrastructure Development and Support										
Broadband	224 942	(3 533)	-	-	-	-	(3 522)	(3 522)	217 887	
ICT Support	9 457	-	-	-	-	-	(458)	(458)	8 999	
Broadcasting	889 772	(78 300)	-	-	-	-	(1 600)	(1 600)	809 872	
Digital Migration										
Total	1 127 517	(81 833)	-	-	-	-	(5 830)	(5 830)	1 039 854	
Economic classification										
Current payments	283 809	(3 533)	-	-	-	-	(5 830)	(5 830)	274 446	
Compensation of employees	41 853	-	-	-	-	-	(2 372)	(2 372)	39 481	
Goods and services	241 956	(3 533)	-	-	-	-	(3 458)	(3 458)	234 965	
Transfers and subsidies	843 351	(78 300)	-	-	-	-	-	-	765 051	
Departmental agencies and accounts	578 721	(78 300)	-	-	-	-	-	-	500 421	
Public corporations and private enterprises	264 630	-	-	-	-	-	-	-	264 630	
Payments for capital assets	357	-	-	-	-	-	-	-	357	
Machinery and equipment	266	-	-	-	-	-	-	-	266	
Software and other intangible assets	91	-	-	-	-	-	-	-	91	
Total	1 127 517	(81 833)	-	-	-	-	(5 830)	(5 830)	1 039 854	

Programme 6: ICT Information Society and Capacity Development

Subprogramme	2020/21								Adjusted appropriation	
	R thousand	Appropriation	Adjustments appropriation	Second adjustments appropriation				Total second adjustments appropriation		
				Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds			Other adjustments
Programme	2 945	-	-	-	-	-	(100)	(100)	2 845	
Management for ICT Information Society and Capacity Development										
Information Society Development	59 716	(10 664)	-	-	-	-	(3 496)	(3 496)	45 556	
Capacity Development	9 887	-	-	-	-	-	-	-	9 887	
Total	72 548	(10 664)	-	-	-	-	(3 596)	(3 596)	58 288	
Economic classification										
Current payments	72 343	(10 664)	-	-	-	-	(3 596)	(3 596)	58 083	
Compensation of employees	47 895	-	-	-	-	-	(2 714)	(2 714)	45 181	
Goods and services	24 448	(10 664)	-	-	-	-	(882)	(882)	12 902	
Payments for capital assets	205	-	-	-	-	-	-	-	205	
Machinery and equipment	205	-	-	-	-	-	-	-	205	
Total	72 548	(10 664)	-	-	-	-	(3 596)	(3 596)	58 288	

Details of adjustments to the 2020 Estimates of National Expenditure

Virements and shifts within the vote

Programmes

1. Administration
2. ICT International Relations and Affairs
3. ICT Policy Development and Research
4. ICT Enterprise and Public Entity Oversight
5. ICT Infrastructure Development and Support
6. ICT Information Society and Capacity Development

From:			To:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1		(3 516)	Programme 1		3 516
Goods and services	Legal costs, organisational structure project, and property payments	(3 516)	Households	Reimbursement of ex-employees' medical subsidies as per Public Protector directive	3 516
Shifts within the programme as a percentage of the programme budget		1.1%			
Virements to other programmes as a percentage of the programme budget		0.0%			
Total		(3 516)	3 516		

Other adjustments – R2.178 million

Adjustments to expenditure earmarked in the 2020 Budget and Supplementary Budget

Programme 1: Administration

A reduction of R10.5 million is effected on compensation of employees.

Programme 2: ICT International Relations and Affairs

A reduction of R1 million is effected on compensation of employees.

Programme 3: ICT Policy Development and Research

A reduction of R2.4 million is effected on compensation of employees.

Programme 4: ICT Enterprise and Public Entity Oversight

A reduction of R2 million is effected on compensation of employees, and a reduction amounting to R27.3 million is effected on transfer payments to entities for compensation of employees.

An additional R84.7 million is allocated to the Independent Communications Authority of South Africa for the licensing of high-demand spectrum and the provision of wireless open access network services.

Programme 5: ICT Infrastructure Development and Support

A reduction of R2.4 million is effected on compensation of employees.

Programme 6: ICT Information Society and Capacity Development

A reduction of R2.7 million is effected on compensation of employees.

Funds shifted between votes

R38.481 million is transferred to the Department of Public Enterprises for the implementation of the South African Airways business rescue plan in terms of section 30(2)(e) of the Public Finance Management Act (1999).

Expenditure outcome for 2019/20 and actual expenditure for 2020/21

Programme	2019/20					2020/21			
	Adjusted appropriation	Outcome				Adjusted appropriation	Adjusted appropriation/ Total (%)	Actual expenditure	
		Apr 19 - Sep 19	% of adjusted appropriation	Apr 19 - Mar 20	% of adjusted appropriation			Apr 20 - Sep 20	% of adjusted appropriation
R thousand									
Administration	325 617	142 251	43.7	273 049	83.9	270 978	8.3	105 298	38.9
ICT International Relations and Affairs	57 624	41 926	72.8	53 149	92.2	59 823	1.8	48 202	80.6
ICT Policy Development and Research	48 624	24 525	50.4	32 274	66.4	56 922	1.7	23 270	40.9
ICT Enterprise and Public Entity Oversight	4 679 083	718 539	15.4	4 663 403	99.7	1 795 063	54.7	880 277	49.0
ICT Infrastructure Development and Support	597 657	202 491	33.9	578 849	96.9	1 039 854	31.7	238 879	23.0
ICT Information Society and Capacity Development	65 470	16 454	25.1	60 600	92.6	58 288	1.8	20 513	35.2
Subtotal	5 774 075	1 146 186	19.9	5 661 323	98.0	3 280 928	100.0	1 316 439	40.1
Total	5 774 075	1 146 186	19.9	5 661 323	98.0	3 280 928	100.0	1 316 439	40.1
Economic classification									
Current payments	747 740	203 625	27.2	644 370	86.2	683 786	20.8	177 990	26.0
Compensation of employees	321 924	137 104	42.6	272 687	84.7	302 203	9.2	131 746	43.6
Goods and services	425 816	66 521	15.6	371 683	87.3	381 583	11.6	46 244	12.1
Transfers and subsidies	1 803 019	940 354	52.2	1 804 518	100.1	2 565 392	78.2	1 130 121	44.1
Provinces and municipalities	17	4	23.5	15	88.2	19	0.0	7	36.8
Departmental agencies and accounts	817 936	370 047	45.2	817 936	100.0	1 566 655	47.8	507 509	32.4
Foreign governments and international organisations	30 025	30 025	100.0	30 025	100.0	32 724	1.0	38 712	118.3
Public corporations and private enterprises	924 577	509 348	55.1	924 577	100.0	962 478	29.3	580 126	60.3
Households	30 464	30 930	101.5	31 965	104.9	3 516	0.1	3 767	107.1
Payments for capital assets	23 316	2 166	9.3	12 361	53.0	31 750	1.0	8 301	26.1
Machinery and equipment	9 798	1 228	12.5	10 258	104.7	16 945	0.5	4 003	23.6
Software and other intangible assets	13 518	938	6.9	2 103	15.6	14 805	0.5	4 298	29.0
Payments for financial assets	3 200 000	41	0.0	3 200 074	100.0	-	-	27	-
Total	5 774 075	1 146 186	19.9	5 661 323	98.0	3 280 928	100.0	1 316 439	40.1

Expenditure trends

Total expenditure in 2019/20 was R5.7 billion, 98 per cent of the adjusted appropriation for the year. Mid-year expenditure in 2019/20 was R1.1 billion, 19.9 per cent of the adjusted appropriation for the year, whereas expenditure in the first half of 2020/21 was R1.3 billion, 40.1 per cent of the adjusted appropriation of R3.3 billion for the year. Compared to the first half of 2019/20, expenditure over the same period in

2020/21 increased by R170.3 million, 14.9 per cent. This was mainly due to higher expenditure on transfers and subsidies, and increased spending on capital assets.

Departmental receipts

R thousand	2019/20					2020/21				
	Adjusted estimate	Outcome			Budget estimate	Adjusted estimate	Adjusted receipts estimate/ Total (%)	Actual receipts		
		Apr 19 - Sep 19	Apr 19 - Sep 19 % of adjusted estimate	Apr 19 - Mar 20				Apr 19 - Mar 20 % of adjusted estimate	Apr 20 - Sep 20	Apr 20 - Sep 20 % of adjusted estimate
Departmental receipts	601 130	515 916	85.8	665 806	110,8	665 485	665 140	100.0	104 393	15.7
Sales of goods and services produced by department	166	72	43.4	108	65.1	55	75	0.0	55	73.3
Sales of scrap, waste, arms and other used current goods	–	–	–	1	–	–	–	–	–	–
Transfers received	–	–	–	360	–	377	–	–	–	–
Interest, dividends and rent on land	602 568	517 286	85.8	666 108	110.5	664 598	664 989	100.0	104 271	15.7
Sales of capital assets	19	19	100.0	484	2 547.4	15	15	0.0	6	40.0
Transactions in financial assets and liabilities	(1 623)	(1 461)	90.0	(1 255)	77.3	440	61	0.0	61	100.0
Total	601 130	515 916	85.8	665 806	110.8	665 485	665 140	100.0	104 393	15.7

Revenue trends

Mid-year revenue in 2019/20 was R515.9 million, 85.8 per cent of the 2019/20 adjusted estimate, whereas revenue for the first half of 2020/21 was R104.4 million, 15.7 per cent of the adjusted estimate of R665.1 million for the year. Compared to the first half of 2019/20, revenue over the same period in 2020/21 decreased by R411.5 million, 79.8 per cent. This was mainly due to the lower dividends received from Telkom. The negative revenue under financial transactions in assets and liabilities in 2019/20 was mainly due to the incorrect recognition of some revenue, resulting in more revenue being recognised and surrendered to the National Revenue Fund than should have been. This will be rectified in the department's 2019/20 annual report.

Changes to transfers and subsidies, including conditional grants

Summary of changes to transfers and subsidies per programme

R thousand	Appropriation	2020/21									
		Special appropriation	Adjustments appropriation	Second adjustments appropriation						Total second adjustments appropriation	Adjusted appropriation
				Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments			
Administration											
Households											
Social benefits											
Current	–	–	–	–	–	3 516	–	–	3 516	3 516	
Households	–	–	–	–	–	3 516	–	–	3 516	3 516	
ICT Enterprise and Public Entity											
Oversight											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	945 775	–	–	–	–	–	–	57 373	57 373	1 003 148	
Independent	477 721	–	–	–	–	–	–	65 998	65 998	543 719	
Communications Authority of South Africa											
Film and Publication Board	103 978	–	–	–	–	–	–	(3 382)	(3 382)	100 596	

Summary of changes to transfers and subsidies per programme

		2020/21								
		Second adjustments appropriation							Total second adjustments appropriation	Adjusted appropriation
R thousand	Appropriation	Special appropriation	Adjustments appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared unspent funds	Other adjustments		
National Electronic Media Institute of South Africa	99 195	-	-	-	-	-	-	(1 747)	(1 747)	97 448
Universal Service and Access Agency of South Africa	264 881	-	-	-	-	-	-	(3 496)	(3 496)	261 385
ICT Infrastructure Development and Support Departmental agencies and accounts										
Departmental agencies (non-business entities)										
Current	578 721	-	(78 300)	-	-	-	-	-	-	500 421
Universal Service and Access Fund: Broadcasting digital migration	578 721	-	(78 300)	-	-	-	-	-	-	500 421

