

20 YEARS OF FREEDOM



BUDGET 2014 ESTIMATES OF NATIONAL EXPENDITURE

VOTE 9

**GOVERNMENT COMMUNICATION
AND INFORMATION SYSTEM**



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA



Estimates of National Expenditure 2014

National Treasury

Republic of South Africa

26 February 2014



ISBN: 978-0-621-42406-5

RP: 01/2014

The Estimates of National Expenditure 2014 e-publications are compiled with the latest available information from departmental and other sources. Some of this information is unaudited or subject to revision.

The Estimates of National Expenditure e-publications for individual votes are available on www.treasury.gov.za.

Compared to the abridged version of the Estimates of National Expenditure, which includes all national government budget votes, in respect of individual votes these e-publications contain more comprehensive coverage of goods and services, transfers and subsidies, and public entities. Additional tables are also included containing information on the main and adjusted appropriation, with revised spending estimates for the current financial year, on skills training, conditional grants to provinces and municipalities, public private partnerships and information on donor funding. Expenditure information at the level of service delivery is also included, where appropriate.



"We know it well that none of us acting alone can achieve success. We must therefore act together as a united people, for national reconciliation, for nation building, for the birth of a new world. Let there be justice for all. Let there be peace for all. Let there be work, bread, water and salt for all. Let each know that for each the body, the mind and the soul have been freed to fulfil themselves."

UNION BUILDINGS, PRETORIA, 10 MAY 1994



national treasury

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Foreword

The national development plan, Vision 2030 of the government of South Africa, states that ‘Alongside hard work and effort, capabilities and the opportunities that flow from development enable individuals to live the lives to which they aspire.’ The 2014 Budget has been prepared in the spirit of this statement.

While the medium term expenditure framework (MTEF) contained in the 2014 Budget ushers in the new administration after the May elections, the country faces a markedly different situation from that of 2009. In 2006/07 and 2007/08, South Africa achieved budget surpluses. In 2008, however, the worldwide economic crisis meant budget deficit forecasts were inevitable. It is now clear that the recovery in real economic growth has been less robust than initially anticipated. Despite this, the economy is growing and government revenue collection is broadly on target. The 2009 Budget announced a ‘haircut’ and reprioritisation within budget baselines. At that stage, the reassignment of R19 billion comprised 12 per cent of the total monetary value of amendments to budgets made, of R160.6 billion. By contrast, the reassignment of the R19.6 billion in the 2014 Budget comprises 51 per cent of the total of R38.8 billion in amendments to budgets. The quantum of amendments to the total budget that can be made has clearly decreased substantially over time.

Despite the fiscal environment becoming increasingly constrained, National Treasury has been able to sustain the intensity of the pursuit for budget efficiencies, with most of the fiscal space for improvements to service delivery being made through reprioritisation. This will be reinforced by procurement reform and expenditure review initiatives. While the current fiscal position no longer automatically creates room by making additional funding available, progress towards our country objectives of inclusive economic growth and employment creation must be made in the face of a tough fiscal environment. Therefore the main budget non-interest aggregate expenditure ceiling established in the 2013 Budget remains intact. New priorities and the expansion of existing programmes must be achieved through reprioritisation within the existing resource envelope.

The current fiscal context is necessitating hard trade-offs: difficult choices will need to be made in choosing between spending priorities and in deciding on the sequencing of programme implementation. Given the constraints brought to bear by the expenditure ceiling, all government institutions need to manage any cost pressures that may be related to changes in the inflation rate, exchange rate or any other factors affecting input prices with great efficiency. This means that not everything that we believe must be done, can be done at once. In the reprioritisation of existing funds, certain outputs will have to be delayed, or discontinued.

The issue is what goods and services tax-payers’ monies ‘buy’. In keeping with the ongoing endeavour to improve transparency and reinforce accountability, the focus of the sections on budget programme expenditure trends within each vote in the 2014 Estimates of National Expenditure (ENE) publications has shifted, to an explanation of the interrelationship between the significant changes in spending, performance outputs and outcomes, and in personnel.

National Treasury teams have worked closely with policy and budget teams of national and provincial departments, as well as with public entities and local government, ensuring the alignment of policy developments with the national development plan and scrutinising spending trends and cost drivers, ever mindful of service delivery. Without this cooperation and commitment across government, it would not be possible to submit the credible and comprehensive institutional budgets contained in this publication. The political guidance of the Minister of Finance, his Deputy and the members of the ministers’ committee on the budget, has been indispensable to the medium term expenditure committee of accounting officers of departments at the centre of government, in its task of providing the strategic direction in formulating the budget. I thank you all for your assistance.



Lungisa Fuzile
Director-General: National Treasury

Introduction

The Estimates of National Expenditure publications

The Estimates of National Expenditure (ENE) publications are important accountability documents, which set out the details of planned expenditure and planned performance at the time the Budget is tabled. The 2014 ENE publications largely retain the same layout of information as presented in previous years' publications. This allows information to be easily compared across publications and financial years. As in the past, information is presented for a seven-year period and contains details of all national departmental programmes and subprogrammes. Information is presented in a similar way for the national public entities related to each department. For the first time in the ENE publications, in 2014, information on changes in finances, personnel and performance is brought together with the focus on the significant interrelationships between these changes. This discussion, in the expenditure trends sections of the budget programmes in each chapter, allows the reader to assess the effectiveness of past, as well as of planned, spending.

When compared to the abridged version of the ENE, which includes all national government votes, the ENE e-publications provide more detailed expenditure information for individual votes on goods and services as well as transfers and subsidies. While the abridged version of the ENE contains one additional table at the end of each vote which has information on infrastructure spending, the ENE e-publications' additional tables also contain summaries of: the budgeted expenditure and revised estimate for 2013/14, and the audited outcome for 2012/13, by programme and economic classification; expenditure on training; conditional grants to provinces and municipalities; departmental public private partnerships; and donor funding. In selected cases more detailed information at the level of the site of service delivery is included. Budget information is also provided for the public entities that are simply listed in the abridged publication.

A separate ENE Overview e-publication is also available, which contains a description at the main budget non-interest level, summarising the Estimates of National Expenditure publication information across votes. The Overview contains this narrative explanation and summary tables; and also has a write-up on interpreting the information that is contained in each section of the publications.

Government Communication and Information System

**National Treasury
Republic of South Africa**



Contents

Budget summary	1
Aim	1
Mandate.....	1
Strategic goals.....	1
Programme purposes	2
Selected performance indicators	2
The national development plan	3
Expenditure estimates	4
Personnel information	5
Expenditure trends.....	5
Departmental receipts.....	6
Programme 1: Administration	6
Programme 2: Content Processing and Dissemination.....	8
Programme 3: Intergovernmental Coordination and Stakeholder Management.....	12
Programme 4: Communication Service Agency	16
Public entities and other agencies	19
Additional tables	22

Vote 9

Government Communication and Information System

Budget summary

R million	2014/15				2015/16	2016/17
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	141.4	140.3	0.0	1.1	146.8	155.4
Content Processing and Dissemination	99.9	99.8	–	0.1	104.0	110.1
Intergovernmental Coordination and Stakeholder Management	121.7	99.3	21.8	0.6	127.4	135.2
Communication Service Agency	50.1	48.6	–	1.5	52.5	55.6
Total expenditure estimates	413.1	388.0	21.8	3.3	430.8	456.4
Executive authority	Minister in the Presidency: Performance Monitoring and Evaluation as well as Administration					
Accounting officer	Chief Executive Officer Government Communication and Information System					
Website address	www.gcis.gov.za					

The Estimates of National Expenditure e-publications for individual votes are available on www.treasury.gov.za. These publications provide more comprehensive coverage of vote specific information, particularly about goods and services, transfers and subsidies, public entities, donor funding, public private partnerships, conditional grants to provinces and municipalities, expenditure on skills training, a revised spending estimate for the current financial year, and expenditure information at the level of service delivery, where appropriate.

Aim

Provide a comprehensive communication service on behalf of government to facilitate the involvement of the majority of South Africans in governance, reconstruction and development, nation building, and reconciliation.

Mandate

The Government Communication and Information System's mandate is derived from section 195 (g) of the Constitution of South Africa (1996), which stipulates that the public should be provided with information that is timely, accurate and accessible, in support of the constitutional principles of freedom of expression and transparency and openness of government. The Government Communication and Information System was established in terms of section 7 of the Public Service Act (1994) as a strategic unit located in the Presidency to meet the demands of the broader democratic human rights environment, and to find ways of alleviating the isolation of citizens who, through apartheid, poverty and current circumstance are being deprived of the information that can help them take control of their lives and engage in dialogue with government.

Government's mandate requires that its communication be expanded to: enhance access to information that enables the public to participate in the country's transformation and in bettering their own lives; bring the realities of an emergent and thriving democracy to the attention of the international community; and promote the African Renaissance, including regional integration and the implementation of people centred development programmes. Functioning as a separate department, the mandate of the Government Communication and Information System is to coordinate, guide and advise on government communication, including media liaison, development communication, and marketing. Its core vision is to achieve integrated, coordinated and clear communication between government and South African citizens to enable them to be involved, in line with the departmental aim, in the country's transformation.

Strategic goals

The Government Communication and Information System's strategic goals over the medium term are to:

- ensure coherent, responsive and cost effective communication services for all government programmes
- ensure that it is a responsive, cost effective, compliant and business focused organisation

- professionalise the government communication system, build a reliable knowledge base and enhance related communication products
- maintain and strengthen a well functioning communication system that proactively informs and engages the public
- provide efficient and effective communication services for government
- enhance the image of government and that of the state.

Programme purposes

Programme 1: Administration

Purpose: Provide overall support services to the department.

Programme 2: Content Processing and Dissemination

Purpose: Provide strategic leadership in government communication to ensure coherence, coordination, consistency, quality, impact and responsiveness of government communication.

Programme 3: Intergovernmental Coordination and Stakeholder Management

Purpose: Implement development communication through mediated and unmediated communication channels, and sound stakeholder relations and partnerships. Transfer funds to the Media Development and Diversity Agency.

Programme 4: Communication Service Agency

Purpose: Provide media bulk buying services and media production services to national government.

Selected performance indicators

Table 9.1 Government Communication and Information System

Indicator	Programme	Outcome	Past		Current		Projections		
			2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Number of cluster reports on perceptions on government delivery and performance reports per year issued	Content Processing and Dissemination	Outcome 12: An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship	– ¹	– ¹	35	14	14	14	14
Number of copies of Vuk'uzenzele newspaper published per year	Content Processing and Dissemination		10 million	18.5 million	20.7 million	20.4 million	20.4 million	20.4 million	20.4 million
Number of media briefings requests per year	Intergovernmental Coordination and Stakeholder Management		140	68	93	100	100	100	100
Number of community and stakeholder liaison visits per year	Intergovernmental Coordination and Stakeholder Management		6 534	4 516	3 588	2 750	2 750	2 750	2 750
Number of development communication projects aligned to the government communication programme per year	Intergovernmental Coordination and Stakeholder Management		2 970	3 200	3 010	2 184	2 184	2 184	2 184
Number of rapid response facilitated reports per year	Intergovernmental Coordination and Stakeholder		– ¹	– ¹	337	311	311	311	311
Number of marketing events per Thusong service centre per year	Management Intergovernmental Coordination and Stakeholder Management		– ¹	170	519	484	484	484	484

Table 9.1 Government Communication and Information System

Indicator	Programme	Outcome	Past			Current	Projections		
			2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Number of radio advertisements and dramas produced per year	Communication Service Agency	Outcome 12: An efficient, effective and development oriented public service and an empowered, fair and inclusive citizenship	15	51	42	48	48	48	48
Number of video programmes produced per year	Communication Service Agency		13	30	316	120	120	120	120
Number of requests for photographic coverage handled per year	Communication Service Agency		600	553	926	500	500	500	500
Number of live broadcasts on community radio stations per year	Communication Service Agency		100	114	205	54	54	54	54
Number of government and national events covered on video per year	Communication Service Agency		150	386	341	400	400	400	400
Number of graphic designs produced per year	Communication Service Agency		100	254	359	160	160	160	160

1. Indicators with limited or no historical information were introduced in 2011/12 and 2012/13.

The national development plan

The national development plan highlights the need to unite South Africans around a common programme, have citizens be active in their own development, and build a capable and developmental state. In ensuring effective government communication and facilitating the involvement of citizens in governance, reconstruction and development, nation building and reconciliation, the Government Communication and Information System contributes to the fulfilment of an efficient, effective and development oriented public service and empowered fair, and inclusive citizenship (outcome 12).

The more citizens are informed about government programmes, plans and activities, the more they are empowered to hold government accountable to improve on service delivery. The department therefore contributes to citizen participation by facilitating two-way interaction between government and the public by organising imbizo public engagement programmes and publicising government's development-related initiatives through the media. The department will continue to use community and stakeholder liaison visits for the effective communication of Cabinet decisions.

The department has, over the past five years, working with other government departments, continued to communicate and facilitate communication campaigns informed by the following priorities: job creation, education, health, rural development, and the fight against crime and corruption. Through coordinating the activities of the social cluster, the department will assist with the strategic communication related to the popularisation of the Department of Basic Education's Bill of Responsibilities, which the plan identifies as an action towards nation building and social cohesion. The department will also continue to provide strategic communication support to government departments through transversal communication campaigns that place special emphasis on national priorities.

The department will further support government in building a capable state by maintaining good relations at provincial and local government levels, and establishing and strengthening provincial and district communication forums. The department also aims to professionalise the government communication and information system through the development of training course content and identifying, coordinating and implementing effective training programmes for government communicators. This will ensure more coordinated efforts in communicating government plans, programmes and achievements.

In addition, the department aims to take a direct role in communicating the national development plan by conducting research to measure the willingness and participation of citizens in their own development.

Expenditure estimates

Table 9.2 Government Communication and Information System

Programme	Audited outcome			Adjusted appropriation	Revised estimate	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/total: Average (%)
	2010/11	2011/12	2012/13					2014/15	2015/16	2016/17		
R million				2013/14		2010/11 - 2013/14					2013/14 - 2016/17	
Administration	89.3	101.3	133.9	181.4	183.5	27.1%	33.2%	141.4	146.8	155.4	-5.4%	36.1%
Content Processing and Dissemination	103.3	95.6	86.0	89.3	88.2	-5.1%	24.4%	99.9	104.0	110.1	7.7%	23.2%
Intergovernmental Coordination and Stakeholder Management	98.0	110.0	125.8	118.2	116.7	6.0%	29.4%	121.7	127.4	135.2	5.0%	28.8%
Communication Service Agency	61.6	36.6	51.5	48.2	48.8	-7.5%	13.0%	50.1	52.5	55.6	4.5%	11.9%
Total	352.2	343.6	397.2	437.2	437.2	7.5%	100.0%	413.1	430.8	456.4	1.4%	100.0%
Change to 2013 Budget estimate				40.5	40.5			-	-	-		
Economic classification												
Current payments	329.2	316.4	342.3	378.1	377.7	4.7%	89.2%	388.0	405.7	430.0	4.4%	92.2%
Compensation of employees	147.2	160.3	175.2	188.7	186.6	8.2%	43.7%	200.1	212.2	226.2	6.6%	47.5%
Goods and services	182.0	156.2	167.1	189.4	191.1	1.6%	45.5%	187.9	193.4	203.7	2.2%	44.7%
of which:												
Administration fees	0.1	0.3	0.6	0.5	0.5	50.5%	0.1%	0.6	0.6	0.7	9.3%	0.1%
Advertising	38.5	14.8	18.1	11.1	11.0	-34.1%	5.4%	9.9	10.1	10.7	-1.0%	2.4%
Assets less than the capitalisation threshold	1.0	1.3	1.7	18.5	16.6	152.3%	1.4%	0.8	0.8	0.8	-62.9%	1.1%
Audit costs: External	1.5	1.9	1.9	1.7	1.8	5.8%	0.5%	2.0	2.0	2.1	6.1%	0.4%
Bursaries: Employees	0.4	0.4	0.4	0.5	0.2	-26.4%	0.1%	0.5	0.5	0.5	48.3%	0.1%
Catering: Departmental activities	1.0	1.2	1.8	1.1	1.7	20.6%	0.4%	1.5	1.6	1.7	-0.7%	0.4%
Communication	13.0	10.0	12.5	10.4	10.5	-6.9%	3.0%	12.8	13.3	14.1	10.3%	2.9%
Computer services	17.4	11.1	15.2	15.0	16.6	-1.5%	3.9%	15.4	15.8	16.7	0.1%	3.7%
Consultants and professional services: Business and advisory services	1.1	1.5	1.1	1.7	2.1	23.5%	0.4%	1.8	1.9	1.9	-2.6%	0.4%
Consultants and professional services: Legal costs	0.2	4.2	3.5	0.6	0.6	38.6%	0.6%	0.7	0.7	0.7	7.1%	0.2%
Contractors	3.4	7.7	5.5	2.6	5.9	20.9%	1.5%	5.1	5.2	5.5	-2.3%	1.3%
Agency and support / outsourced services	13.3	5.5	9.2	8.9	9.3	-11.3%	2.4%	11.8	12.1	12.7	11.0%	2.6%
Fleet services (including government motor transport)	2.4	2.2	2.5	1.8	2.6	3.2%	0.6%	1.9	1.9	2.0	-8.3%	0.5%
Consumable supplies	1.5	2.2	2.4	1.4	1.2	-6.7%	0.5%	1.4	1.5	1.5	7.4%	0.3%
Consumable: Stationery, printing and office supplies	3.5	6.6	3.7	4.3	3.9	3.8%	1.2%	5.1	5.3	5.6	12.4%	1.1%
Operating leases	16.4	14.0	12.4	35.6	35.8	29.6%	5.1%	39.3	40.0	45.2	8.1%	9.2%
Property payments	3.1	2.5	5.2	7.6	6.7	29.2%	1.1%	7.6	8.0	5.4	-7.2%	1.6%
Travel and subsistence	15.7	20.0	20.8	18.5	18.2	5.0%	4.9%	19.7	20.4	21.5	5.8%	4.6%
Training and development	5.3	4.7	3.2	3.1	2.9	-17.8%	1.1%	5.6	5.8	6.1	27.5%	1.2%
Operating payments	39.2	39.4	41.2	42.1	41.0	1.4%	10.5%	43.2	44.5	46.8	4.6%	10.1%
Venues and facilities	3.7	4.4	3.5	2.3	1.8	-21.8%	0.9%	1.4	1.2	1.3	-10.4%	0.3%
Rental and hiring	-	0.1	0.7	0.1	0.1		0.1%	0.1	0.1	0.1	-22.9%	0.0%
Transfers and subsidies	17.5	19.5	20.7	21.1	21.2	6.6%	5.2%	21.8	22.6	23.8	3.9%	5.2%
Departmental agencies and accounts	17.3	19.2	20.0	20.8	20.8	6.3%	5.1%	21.8	22.6	23.8	4.6%	5.1%
Public corporations and private enterprises	-	-	0.1	-	-	-	0.0%	-	-	-	-	-
Households	0.2	0.3	0.7	0.3	0.4	27.6%	0.1%	-	-	-	-100.0%	0.0%
Payments for capital assets	5.3	7.6	34.2	38.0	38.3	93.3%	5.6%	3.3	2.5	2.5	-59.5%	2.7%
Buildings and other fixed structures	-	-	28.3	36.1	35.9	-	4.2%	-	-	-	-100.0%	2.1%
Machinery and equipment	5.3	7.1	5.8	1.6	2.1	-26.4%	1.3%	3.0	2.2	2.3	2.4%	0.6%
Software and other intangible assets	-	0.5	0.1	0.3	0.3	-	0.1%	0.3	0.2	0.3	-1.2%	0.1%
Payments for financial assets	0.2	0.0	0.0	-	-	-100.0%	0.0%	-	-	-	-	-
Total	352.2	343.6	397.2	437.2	437.2	7.5%	100.0%	413.1	430.8	456.4	1.4%	100.0%

Personnel information

Table 9.3 Details of approved establishment and personnel numbers according to salary level¹

Number of posts estimated for 31 March 2014			Number and cost ² of personnel posts filled / planned for on funded establishment															Number		
Number of funded posts	Number of posts additional to the establishment		Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Salary level/total: Average (%)	
			2012/13			2013/14			2014/15			2015/16			2016/17					2013/14 - 2016/17
			Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			
Government Communication and Information System																				
Salary level	514	47	471	175.2	0.4	513	186.6	0.4	514	200.1	0.4	514	212.2	0.4	514	226.2	0.4	0.1%	100.0%	
1 – 6	146	39	114	21.1	0.2	145	22.4	0.2	193	24.1	0.1	193	25.5	0.1	193	27.2	0.1	10.0%	28.5%	
7 – 10	225	5	225	68.1	0.3	225	70.8	0.3	201	76.4	0.4	201	81.0	0.4	201	86.4	0.4	-3.7%	43.8%	
11 – 12	89	3	79	40.4	0.5	89	46.2	0.5	82	49.0	0.6	82	51.9	0.6	82	55.4	0.7	-2.7%	17.2%	
13 – 16	54	–	53	45.6	0.9	54	47.3	0.9	38	50.7	1.3	38	53.7	1.4	38	57.3	1.5	-11.1%	10.5%	

¹ Data has been provided by the department and may not necessarily reconcile with official government personnel data.

² Rand million.

Expenditure trends

The spending focus over the medium term will be on implementing the national communication strategy, which was approved by Cabinet in June 2011. The strategy tasks the department with working with other departments to align their communication campaigns and programmes with the strategic priorities of government. The department is also responsible for taking the lead in communication projects and programmes of strategic significance to government, which include providing advertising and media buying expertise to other government departments over the medium term. The department will continue to conduct information campaigns, such as the state of the nation address; develop communication activations aligned with the government communication programme; coordinate the imbizo government programmes; and produce government publications, such as the South Africa Yearbook, over this period.

Almost 63.7 per cent of the department's allocation over the medium term is spent in the *Administration* and *Intergovernmental Coordination and Stakeholder Management programmes*, most of which is on compensation of employees and goods and services. The anticipated increase in spending on compensation of employees over the medium term is to provide for annual salary adjustments as the department's funded establishment is expected to remain at 514 posts, including 24 contract workers. Over the same period, expenditure in the *Administration programme* is expected to decrease due to the completion of the new head office building, for which funds were provided between 2010/11 and 2013/14.

The department had 30 vacant posts at the end of November 2013, mainly as a result of retirements, resignations and transfers to other government departments. There are plans to employ 25 interns in each year over the medium term to support skills development. 23 interns participated in the internship programme in 2013/14.

Spending on goods and services over the medium term is expected to be primarily on operating leases, travel and subsistence and operating expenses related to the publication of the monthly Vuk'uzenzele newspaper and the South Africa Yearbook. 20.4 million Vuk'uzenzele copies are set to be produced in 11 official languages and distributed monthly over the MTEF period. In addition, the department plans to issue 42 cluster reports on perceptions of government delivery and performance, conduct 8 250 community and stakeholder liaison visits and align 6 552 development communication projects with the government communication programme over the medium term. It is also projected that 3 846 media, photographic, video and graphic design products will be produced over this period.

The transfer to the Media Development and Diversity Agency accounts for 5.1 per cent of the department's total expenditure over the medium term. R68.2 million is allocated to the agency over this period to enable historically disadvantaged communities and individuals to gain access to the media.

Infrastructure spending

The department contracted a landlord and a developer to assist in designing and building the department's new head office in 2011/12. The construction process was completed at the end of November 2013, instead of the

end of July 2013, as was anticipated. The delays were mainly caused by the need to install additional ICT infrastructure, such as cabling for voice over internet protocol and fire suppression devices.

Although the building project began in 2011/12, legal and logistical delays resulted in funds of R20 million being rolled over to 2012/13. Additional allocations of R50 million towards the project were made in 2012/13, with R18.3 million being shifted in 2012/13 from the Office Accommodation subprogramme in the Administration programme to the project to fund the purchase of additional ICT infrastructure. Total project expenditure at the end of November 2013 was approximately R101 million, used mainly for ICT. Project shortfalls were funded through the reprioritisation of funds across the four departmental programmes.

Departmental receipts

Table 9.4 Receipts

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Receipt/ total: Average (%)	Medium-term receipts estimate			Average growth rate (%)	Receipt/ total: Average (%)
	2010/11	2011/12	2012/13					2014/15	2015/16	2016/17		
R thousand	2010/11	2011/12	2012/13	2013/14	2013/14	2010/11 - 2013/14	2010/11 - 2013/14	2014/15	2015/16	2016/17	2013/14 - 2016/17	2013/14 - 2016/17
Departmental receipts	1 558	948	1 013	904	794	-20.1%	100.0%	792	900	955	6.3%	100.0%
Sales of goods and services produced by department	1 177	213	405	294	225	-42.4%	46.8%	302	360	365	17.5%	36.4%
Other sales	1 177	213	405	294	225	-42.4%	46.8%	302	360	365	17.5%	36.4%
of which:												
Commission on insurance	46	51	53	53	53	4.8%	4.7%	57	60	60	4.2%	6.7%
Departmental publications	1 077	27	223	100	32	-69.0%	31.5%	100	150	150	67.4%	12.6%
Replacements of security cards	1	1	1	1	—	-100.0%	0.1%	—	—	—	—	—
Rental: Parking	53	134	128	140	140	38.2%	10.5%	145	150	155	3.5%	17.1%
Interest, dividends and rent on land	240	352	118	120	79	-31.0%	18.3%	140	160	180	31.6%	16.2%
Interest	240	352	118	120	79	-31.0%	18.3%	140	160	180	31.6%	16.2%
Transactions in financial assets and liabilities	141	383	490	490	490	51.5%	34.9%	350	380	410	-5.8%	47.4%
Total	1 558	948	1 013	904	794	-20.1%	100.0%	792	900	955	6.3%	100.0%

Programme 1: Administration

Expenditure estimates

Table 9.5 Administration

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/ total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ total: Average (%)
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17		
R thousand	2010/11	2011/12	2012/13	2013/14	2010/11 - 2013/14	2010/11 - 2013/14	2014/15	2015/16	2016/17	2013/14 - 2016/17	2013/14 - 2016/17
Departmental Management	10 890	7 771	7 796	7 083	-13.4%	6.6%	7 285	7 513	7 985	4.1%	4.8%
Corporate Services	38 123	44 644	53 741	52 058	10.9%	37.3%	56 430	58 884	62 423	6.2%	36.8%
Financial Administration	18 819	29 898	51 837	76 930	59.9%	35.1%	28 888	30 345	32 254	-25.2%	26.9%
Internal Audit	5 561	6 029	7 077	6 197	3.7%	4.9%	6 605	6 911	7 333	5.8%	4.3%
Office Accommodation	15 904	12 991	13 498	39 178	35.1%	16.1%	42 180	43 161	45 449	5.1%	27.2%
Total	89 297	101 333	133 949	181 446	26.7%	100.0%	141 388	146 814	155 444	-5.0%	100.0%
Change to 2013 Budget estimate				48 857			1 762	1 818	1 946		

Table 9.5 Administration

Economic classification				Adjusted appropriation	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/total: Average (%)
Audited outcome							2014/15	2015/16	2016/17		
R thousand	2010/11	2011/12	2012/13	2013/14	2010/11 - 2013/14		2014/15	2015/16	2016/17	2013/14 - 2016/17	
Current payments	87 002	98 291	101 402	145 217	18.6%	85.4%	140 297	146 091	154 746	2.1%	93.8%
Compensation of employees	39 961	46 090	52 609	56 471	12.2%	38.6%	60 913	64 601	68 863	6.8%	40.1%
Goods and services	47 041	52 201	48 793	88 746	23.6%	46.8%	79 384	81 490	85 883	-1.1%	53.7%
of which:											
Administration fees	100	123	241	196	25.1%	0.1%	226	235	248	8.2%	0.1%
Advertising	1 051	1 077	348	732	-11.4%	0.6%	841	864	910	7.5%	0.5%
Assets less than the capitalisation threshold	332	644	255	17 677	276.2%	3.7%	6	6	6	-93.0%	2.8%
Audit costs: External	1 489	1 911	1 860	1 747	5.5%	1.4%	1 950	1 997	2 103	6.4%	1.2%
Bursaries: Employees	417	445	372	500	6.2%	0.3%	500	514	541	2.7%	0.3%
Catering: Departmental activities	241	367	513	359	14.2%	0.3%	481	495	521	13.2%	0.3%
Communication	1 902	2 741	2 546	1 917	0.3%	1.8%	2 259	2 328	2 464	8.7%	1.4%
Computer services	7 236	8 611	12 232	11 888	18.0%	7.9%	11 418	11 730	12 353	1.3%	7.6%
Consultants and professional services: Business and advisory services	62	167	95	116	23.2%	0.1%	185	189	199	19.7%	0.1%
Consultants and professional services: Legal costs	219	4 238	1 847	639	42.9%	1.4%	686	706	743	5.2%	0.4%
Contractors	1 152	5 485	769	597	-19.7%	1.6%	2 255	2 325	2 453	60.2%	1.2%
Agency and support / outsourced services	5 122	255	902	388	-57.7%	1.3%	680	699	736	23.8%	0.4%
Fleet services (including government motor transport)	118	167	226	161	10.9%	0.1%	125	132	139	-4.8%	0.1%
Consumable supplies	265	675	488	604	31.6%	0.4%	661	689	730	6.5%	0.4%
Consumable: Stationery, printing and office supplies	796	972	1 052	1 246	16.1%	0.8%	1 430	1 485	1 571	8.0%	0.9%
Operating leases	15 173	12 743	10 904	34 675	31.7%	14.5%	38 505	39 270	44 426	8.6%	25.1%
Property payments	2 840	2 320	4 973	7 474	38.1%	3.5%	7 457	7 861	5 237	-11.2%	4.5%
Travel and subsistence	2 890	4 036	4 277	3 801	9.6%	3.0%	4 834	4 933	5 199	11.0%	3.0%
Training and development	2 069	1 707	1 591	1 587	-8.5%	1.4%	2 735	2 823	2 979	23.4%	1.6%
Operating payments	2 976	2 691	2 103	2 040	-11.8%	1.9%	2 130	2 188	2 303	4.1%	1.4%
Venues and facilities	591	826	811	402	-12.1%	0.5%	20	21	22	-62.0%	0.1%
Rental and hiring	—	—	388	—	—	0.1%	—	—	—	—	—
Transfers and subsidies	85	120	244	63	-9.5%	0.1%	24	25	26	-25.5%	—
Departmental agencies and accounts	21	44	—	—	-100.0%	—	24	25	26	—	—
Public corporations and private enterprises	—	—	10	—	—	—	—	—	—	—	—
Households	64	76	234	63	-0.5%	0.1%	—	—	—	-100.0%	—
Payments for capital assets	2 198	2 903	32 286	36 166	154.3%	14.5%	1 067	698	672	-73.5%	6.2%
Buildings and other fixed structures	—	—	28 326	36 088	—	12.7%	—	—	—	-100.0%	5.8%
Machinery and equipment	2 198	2 414	3 945	78	-67.1%	1.7%	1 067	698	672	105.0%	0.4%
Software and other intangible assets	—	489.0	15.0	—	—	0.1%	—	—	—	—	—
Payments for financial assets	12.0	19.0	17.0	—	-100.0%	—	—	—	—	—	—
Total	89 297.0	101 333.0	133 949.0	181 446.0	26.7%	100.0%	141 388.0	146 814.0	155 444.0	-5.0%	100.0%
Proportion of total programme expenditure to vote expenditure	25.4%	29.5%	33.7%	41.5%			34.2%	34.1%	34.1%		

Details of transfers and subsidies

Details of transfers and subsidies											
Households											
Social benefits											
Current	64	76	234	63	-0.5%	0.1%	—	—	—	-100.0%	—
Employee social benefits	64	76	234	63	-0.5%	0.1%	—	—	—	-100.0%	—
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	21	44	—	—	-100.0%	—	24	25	26	—	—
Communication	21	44	—	—	-100.0%	—	24	25	26	—	—
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	—	—	10	—	—	—	—	—	—	—	—
Communication	—	—	10	—	—	—	—	—	—	—	—

Personnel information

Table 9.6 Details of approved establishment and personnel numbers according to salary level¹

Number of posts estimated for 31 March 2014			Number and cost ² of personnel posts filled / planned for on funded establishment													Number			
Salary level	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)			
			2012/13			2013/14			2014/15		2015/16		2016/17				2013/14 - 2016/17		
			Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number			Cost	Unit Cost
Administration			Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost		
Salary level	183	41	156	52.6	0.3	182	56.5	0.3	183	60.9	0.3	183	64.6	0.4	183	68.9	0.4	0.2%	100.0%
1 – 6	88	36	63	11.1	0.2	87	11.3	0.1	89	13.2	0.1	89	14.0	0.2	89	14.9	0.2	0.8%	48.4%
7 – 10	53	3	52	15.3	0.3	53	16.2	0.3	53	16.8	0.3	53	17.9	0.3	53	19.0	0.4	–	29.0%
11 – 12	25	2	24	11.8	0.5	25	13.2	0.5	24	14.2	0.6	24	15.0	0.6	24	16.0	0.7	-1.4%	13.3%
13 – 16	17	–	17	14.4	0.8	17	15.8	0.9	17	16.7	1.0	17	17.8	1.0	17	18.9	1.1	–	9.3%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

Expenditure trends

The spending focus over the medium term will be on providing IT infrastructure and systems in the new head office, and addressing the office accommodation and corporate service needs of the department. The *Corporate Services*, *Financial Administration* and *Office Accommodation* subprogrammes therefore constitute the bulk of this programme's allocation over the medium term. These funds are mainly allocated towards compensation of employees, operating leases and computer services.

Programme expenditure increased between 2010/11 and 2013/14, mainly due to a once-off allocation of R50 million in 2012/13, rollover funds of R20 million from 2011/12 to 2012/13 and R39.8 million between 2012/13 and 2013/14 in respect of the new head office. This resulted in a significant increase in spending on buildings and other infrastructure, which comprised of building, ICT and data line costs; as well as increased spending on assets valued at less than the capitalisation threshold for the purchase of office furniture. With the new head office now complete, it is projected that programme expenditure will decrease at an average annual rate of 5 per cent over the medium term. The increase in expenditure on operating leases over the same period is due to the increased lease cost of the new building.

The reprioritisation of funds augmented this programme's budget by R5.5 million over the medium term, mainly for social contributions in compensation of employees, and the installation of ICT infrastructure to enable the department to function efficiently in view of the significant increase in the supply chain management component of the *Financial Administration* subprogramme. This reprioritisation was mainly funded from the Content Processing and Dissemination programme.

The other significant increase of R5.5 million in medium term spending is on compensation of employees, mainly for annual salary adjustments in the *Corporate Services* and the *Financial Administration* subprogrammes. The number of personnel in this programme is expected to increase from 156 in 2012/13 to 183 by 2016/17, due in large part to the filling of intern positions and the recruitment of supply chain management clerks and support staff in critical areas. The personnel in this programme are mainly remunerated for financial management, human resource and administrative support skills. There were 12 vacant posts at the end of November 2013 as a result of retirements, resignations or transfers to other government departments. The recruitment process to fill these posts has begun. Consultants in this programme are mainly used for legal advice relating to labour relations, translations and transcriptions of programme products, qualification verifications and audit committees.

Programme 2: Content Processing and Dissemination

Objectives

- Inform government's communication strategy and decisions by:

- analysing the communication environment on a weekly, monthly and quarterly basis, and conducting communication research, on an ongoing basis
- providing strategic leadership and support in government communication through national and international media monitoring and impact assessments conducted on an ongoing basis.
- Intensify the provision of communication of government information to the general public, specifically through promoting greater application of public socioeconomic programmes by:
 - increasing the annual production and distribution of the Vuk'uzenzele newspaper from 10 million copies in 2009/10 to 20.4 million copies over the MTEF period
 - increasing the annual production of the South Africa Yearbook from 40 000 copies in 2009/10 to 45 000 copies over the MTEF period
 - updating the electronic version of Vuk'uzenzele newspaper every second month
 - disseminating the Braille version of Vuk'uzenzele newspaper to visually impaired individuals and organisations every second month.
- Provide professional language services to departments in support of government's efforts to communicate in all South African languages by increasing the number of language services requests handled from 1 226 in 2013/14 to 1 500 in 2016/17.
- Expand the knowledge base of Cabinet ministers by producing analytical reports that highlight issues and trends in national and international media on a fortnightly basis.
- Facilitate knowledge sharing on public sector management innovations and communication best practices for government communicators and public sector managers by producing the quarterly GovComms newsletter and the bimonthly Public Sector Manager magazine.

Subprogrammes

- *Programme Management for Content Processing and Dissemination* coordinates communication strategic planning in the department and other government departments, and ensures adherence to government communication standards. This subprogramme had a staff complement of 3 at the end of November 2013.
- *Policy and Research* conducts research to assess how government should better address the public's communication needs and monitors national and international media coverage relating to government programmes and campaigns. Outputs in 2013/14 included the annual Insight newsletter for internal staff members and government communicators, 2 annual cluster reports on perceptions of government priorities for political principals, an annual assessment of the media landscape for journalists and government communicators, 5 Pulse of the Nation reports, and weekly opinion pieces on communication and media issues. This subprogramme had a staff complement of 51 with 3 vacancies at the end of November 2013.
- *Products and Platforms* develops information products and communication platforms that enable government to communicate directly to citizens and public servants. In 2012/13, this subprogramme produced 45 000 copies of the South Africa Yearbook, 20 000 copies of the annual Pocket Guide to South Africa, 20.4 million issues of the monthly Vuk'uzenzele government newspaper, 170 091 copies of the Public Sector Manager magazine, 60 000 copies of the GovComms newsletter and 6 monthly Government Dialogue electronic newsletters. Funds for this subprogramme are also used for translation, editing and proofreading services. This subprogramme had a staff complement of 47 with 4 vacancies at the end of November 2013.
- *2010 Government Communication Project Management* produced marketing and communication material for the 2010 FIFA World Cup project. The activities of this subprogramme were concluded in 2010/11 after the successful hosting of the World Cup.

Expenditure estimates

Table 9.7 Content Processing and Dissemination

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/total: Average (%)
R thousand	2010/11	2011/12	2012/13	2013/14	2010/11 - 2013/14		2014/15	2015/16	2016/17	2013/14 - 2016/17	
Programme Management for Content Processing and Dissemination	2 281	3 410	2 491	2 965	9.1%	3.0%	3 022	3 325	3 538	6.1%	3.2%
Policy and Research	33 032	28 770	30 644	32 576	-0.5%	33.4%	35 661	37 154	39 408	6.6%	35.9%
Products and Platforms	60 509	63 415	52 828	53 763	-3.9%	61.6%	61 245	63 491	67 157	7.7%	60.9%
2010 Government Communication Project Management	7 463	—	—	—	-100.0%	2.0%	—	—	—	—	—
Total	103 285	95 595	85 963	89 304	-4.7%	100.0%	99 928	103 970	110 103	7.2%	100.0%
Change to 2013 Budget estimate				(7 681)			(1 650)	(1 903)	(2 031)		

Economic classification

Current payments	101 803	94 512	85 381	89 083	-4.4%	99.1%	99 826	103 970	110 103	7.3%	99.9%
Compensation of employees	38 184	38 870	38 801	44 039	-4.9%	42.7%	45 362	48 109	51 282	5.2%	46.8%
Goods and services	63 619	55 642	46 580	45 044	-10.9%	56.4%	54 464	55 861	58 821	9.3%	53.1%
of which:											
Administration fees	10	37	47	29	42.6%	—	46	50	52	21.5%	—
Advertising	582	1 044	870	440	-8.9%	0.8%	2 001	2 050	2 159	69.9%	1.6%
Assets less than the capitalisation threshold	172	163	68	500	42.7%	0.2%	350	349	367	-9.8%	0.4%
Catering: Departmental activities	93	56	61	56	-15.6%	0.1%	118	123	130	32.4%	0.1%
Communication	4 796	1 003	1 634	1 035	-40.0%	2.3%	1 150	1 203	1 266	6.9%	1.2%
Computer services	9 886	2 481	2 582	2 677	-35.3%	4.7%	3 605	3 699	3 896	13.3%	3.4%
Consultants and professional services:	1 047	1 108	921	1 500	12.7%	1.2%	1 575	1 609	1 695	4.2%	1.6%
Business and advisory services	—	—	996	—	—	0.3%	—	—	—	—	—
Consultants and professional services:	—	—	996	—	—	0.3%	—	—	—	—	—
Legal costs	—	—	996	—	—	0.3%	—	—	—	—	—
Contractors	652	916	621	560	-4.9%	0.7%	661	680	717	8.6%	0.6%
Agency and support / outsourced services	6 252	5 225	7 830	8 476	10.7%	7.4%	11 112	11 406	12 013	12.3%	10.7%
Entertainment	2	—	—	—	-100.0%	—	—	—	—	—	—
Fleet services (including government motor transport)	32	33	53	44	11.2%	—	24	23	24	-18.3%	—
Inventory: Food and food supplies	—	—	—	—	—	—	—	2	2	—	—
Consumable supplies	82	83	85	169	27.3%	0.1%	193	206	217	8.7%	0.2%
Consumable: Stationery, printing and office supplies	1 102	4 241	1 630	1 924	20.4%	2.4%	2 292	2 381	2 508	9.2%	2.3%
Operating leases	972	905	1 011	260	-35.6%	0.8%	204	180	187	-10.4%	0.2%
Property payments	85	104	118	28	-30.9%	0.1%	—	—	—	-100.0%	—
Travel and subsistence	1 873	2 473	2 225	2 269	6.6%	2.4%	2 789	2 947	3 104	11.0%	2.8%
Training and development	684	1 089	897	683	—	0.9%	1 175	1 207	1 270	23.0%	1.1%
Operating payments	35 118	34 206	24 679	24 185	-11.7%	31.6%	27 095	27 658	29 122	6.4%	26.8%
Venues and facilities	179	475	252	209	5.3%	0.3%	74	88	92	-23.9%	0.1%
Transfers and subsidies	11	167	91	30	39.7%	0.1%	—	—	—	-100.0%	—
Departmental agencies and accounts	11	—	—	19	20.0%	—	—	—	—	-100.0%	—
Public corporations and private enterprises	—	—	3	—	—	—	—	—	—	—	—
Households	—	167	88	11	—	0.1%	—	—	—	-100.0%	—
Payments for capital assets	1 456	900	491	191	-49.2%	0.8%	102	—	—	-100.0%	0.1%
Machinery and equipment	1 456	876	463	141	-54.1%	0.8%	102	—	—	-100.0%	0.1%
Software and other intangible assets	—	24.0	28.0	50.0	—	—	—	—	—	-100.0%	—
Payments for financial assets	15.0	16.0	—	—	-100.0%	—	—	—	—	—	—
Total	103 285.0	95 595.0	85 963.0	89 304.0	-4.7%	100.0%	99 928.0	103 970.0	110 103.0	7.2%	100.0%
Proportion of total programme expenditure to vote expenditure	29.3%	27.8%	21.6%	20.4%			24.2%	24.1%	24.1%		

Details of transfers and subsidies

Households											
Social benefits											
Current	—	167	88	11	—	0.1%	—	—	—	-100.0%	—
Employee social benefits	—	167	88	11	—	0.1%	—	—	—	-100.0%	—
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	11	—	—	19	20.0%	—	—	—	—	-100.0%	—
Communication	11	—	—	19	20.0%	—	—	—	—	-100.0%	—
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	—	—	3	—	—	—	—	—	—	—	—
Communication	—	—	3	—	—	—	—	—	—	—	—

Personnel information

Table 9.8 Details of approved establishment and personnel numbers according to salary level¹

Number of posts estimated for 31 March 2014			Number and cost ² of personnel posts filled / planned for on funded establishment															Number	
Content Processing and Dissemination	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Salary level/total: Average (%)
			2012/13			2013/14			2014/15			2015/16			2016/17				
			Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost		
Salary level	101	2	93	38.8	0.4	101	42.9	0.4	101	45.4	0.4	101	48.1	0.5	101	51.3	0.5	-	100.0%
1 – 6	14	-	12	2.2	0.2	14	2.7	0.2	14	2.6	0.2	14	2.7	0.2	14	2.9	0.2	-	13.9%
7 – 10	47	1	45	14.2	0.3	47	15.3	0.3	47	16.2	0.3	47	17.2	0.4	47	18.4	0.4	-	46.5%
11 – 12	28	1	25	12.2	0.5	28	14.7	0.5	28	15.0	0.5	28	15.9	0.6	28	17.0	0.6	-	27.7%
13 – 16	12	-	11	10.2	0.9	12	10.3	0.9	12	11.6	1.0	12	12.3	1.0	12	13.1	1.1	-	11.9%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

Expenditure trends

The spending focus over the medium term will be on providing strategic leadership and support in government communication through media monitoring, research, surveys and analysis in order to better understand the communication environment. These activities will be conducted in the *Policy and Research* subprogramme, while the *Products and Platforms* subprogramme will be responsible for enhancing government communication products to strengthen the voice of government.

Expenditure decreased between 2010/11 and 2013/14, mainly due to the completion of activities and projects related to the 2010 FIFA World Cup in 2010/11, which accounts for the discontinuation of the allocations to the *2010 Government Communication Project Management* subprogramme in 2011/12.

The decrease in expenditure in the *Products and Platforms* subprogramme from 2010/11 to 2011/12 was mainly in operating payments of goods and services due to the shifting of distribution costs of the Vuk'uzenzele newspaper to the Communication Service Agency programme. Another contributing factor was the decrease in spending in electronic information resources between 2011/12 and 2012/13, due to the shifting of IT related functions, such as webserver administration of department-managed websites, to the Corporate Services subprogramme in the *Administration* programme.

The main achievements for this programme between 2010/11 and 2013/14 included the production of media content and the provision of support for the 2010 FIFA World Cup event, reports on government delivery and performance and media coverage, and reviews of the assessment of the media landscape reports.

The bimonthly Vuk'uzenzele magazine was also converted to a monthly newspaper, which resulted in efficiency gains on operating payments for the printing and distribution costs. These savings allowed the department to publish the Vuk'uzenzele newspaper more regularly. The Vuk'uzenzele newspaper comprises 54 per cent of the average annual expenditure of the *Products and Platforms* subprogramme.

Expenditure in the *Policy and Research* subprogramme over the medium term is set to increase in line with projected inflation escalation. This subprogramme provides government communication support through media monitoring, research, surveys and analysis. The main cost drivers of these activities are agency and outsourced services and operating payments.

The number of personnel in this programme is expected to increase from 93 in 2012/13 to 101 by 2016/17 mainly due to the timeous filling of vacant posts, as per departmental policy. The projected growth in expenditure on compensation of employees over the same period will be driven largely by improvements in conditions of service. There were 7 vacant posts at the end of November 2013 as a result of resignations and transfers to other government departments. Consultants in this programme are mainly used for translating the Vuk'uzenzele newspaper into the 11 official languages and Braille, and assisting in the production of the South African Yearbook and other departmental publications and media products. Spending on consultants is expected to increase over the medium term to provide additional capacity for translation services.

The department reprioritised funds of R5.6 million over the medium term, mainly from expenditure on compensation of employees in the *Policy and Research* and *Products and Platforms* subprogrammes, to the Administration programme. Efficiency measures that will be implemented to ensure minimal negative impact on service delivery include limiting hotel accommodation, air travel and car-hire expenses and using the head office instead of private venues for meetings.

Programme 3: Intergovernmental Coordination and Stakeholder Management

Objectives

- Implement a proactive media engagement system by building, maintaining and improving relations with the media and driving the communication agenda of government in the communication of policies, programmes, plans, as well as achievements and challenges on an ongoing basis.
- Maintain and strengthen a well functioning communication system that proactively informs and engages the public by:
 - aligning messages across the three spheres of government to ensure coherence through the coordination of national, provincial and district communication forums as and when required
 - undertaking community and stakeholder liaison visits on an ongoing basis and developing communication campaigns as and when required
 - improving interdepartmental coordination and planning across the three spheres of government to ensure coherence through the coordination of national, provincial and district communication forums as and when required
 - coordinating a proactive imbizo public participation programme of political principals, including the president and deputy president, throughout the year and during imbizo focus weeks.
 - ensure the centrality of government's voice in the media by driving and participating in a daily rapid response system that analyses and recommends proactive and reactive communication on issues in the national and international environment.
- Provide communication support in the parliamentary precinct by distributing parliamentary questions and programmes, and providing support for media briefings weekly.
- Address the communication and information needs of communities through monthly community and stakeholder liaison visits, information sessions and communication interventions.
- Improve access to government services and information by implementing marketing and promotion drives of the Thusong service centre programme at the local government level on an ongoing basis.

Subprogrammes

- *Programme Management for Intergovernmental Coordination and Stakeholder Management* ensures a well functioning communication system that proactively informs and engages the public. This entails managing and overseeing roles regarding the implementation of development communication by building sound stakeholder relations and partnerships, and ensuring that the public is informed about government policies and programmes. Key outputs in 2012/13 and 2013/14 included communication campaigns and programmes, community and stakeholder liaison visits and the provision of leadership in key cluster programmes. This subprogramme had a staff complement of 3 at the end of November 2013.
- *Provincial and Local Liaison* ensures that the national communication strategy is presented to all provinces and aligned with provincial and local communication strategies. Key functions include the cascading of the national communication strategic framework down to provincial and local stakeholders and partners, and implementing development communication campaigns and programmes aligned with the government communication programme. In the first half of 2013/14, 209 communication system forums were supported; 81 communicators and local government principals were trained in communication skills, and 10 local municipalities were supported in developing communication strategies. At the end of November 2013, there were 178 Thusong service centres in operation. Over the medium term, communication on how these centres can meet the public's information needs will be intensified. This subprogramme had a staff complement of

135 with 1 vacancy at the end of November 2013.

- *Media Engagement* promotes and facilitates effective communication between government and the media. This includes the strategic influencing of the media agenda through a robust, proactive and efficient rapid response system to ensure that government messages are communicated to the public. The subprogramme leads and drives the communication of government's programme of action and policies by building, maintaining and strengthening relations with the media. Key outputs and activities include cluster media briefings; coordinating government engagement with the South African National Editors' Forum, the Foreign Correspondents' Association and the Press Gallery Association; and managing the communication implications arising from parliamentary questions. By the end of November 2013, 526 media engagements had been facilitated and 228 rapid response reports had been produced. This subprogramme had a staff complement of 22 with 2 vacancies at the end of November 2013
- *Media Development and Diversity Agency* funds the Media Development and Diversity Agency in the form of a transfer payment to enable the entity to fulfil its purpose of promoting local media development and diversity.
- *Cluster Supervision (Human Development, Social Protection and Governance and Administration)* provides strategic cluster communication advice and support to national departments and leadership on key cluster communication issues and campaigns, coordinates Cabinet cluster communications and the development of the government communications programme, and develops communication strategies and key messages for the campaigns of the human development, social protection, and governance and administration clusters. This subprogramme had a staff complement of 8 with 2 vacancies at the end of November 2013.
- *Cluster Supervision (Economic and Infrastructure, Justice and International)* provides strategic communication advice to the economic and infrastructure, justice and international clusters; supports national departments and provides leadership on key cluster communication issues and campaigns; coordinates Cabinet cluster communications; and develops communication strategies and key messages for the campaigns of the clusters. This subprogramme had a staff complement of 7 with 1 vacancy at the end of November 2013.

In 2012/13, both Cluster Supervision subprogrammes presented, within their respective clusters, the national communication strategy to 14 departments and all heads of government communications; attended 113 communication meetings across the country; and assisted 28 public entities in implementing strategic principles. Over the medium term, the internal communication plan in departments in these clusters will be reviewed and the functioning of the internal communicators forum will be reported on. Communication strategies aligned with the government communication strategy and the government communicators programme will also be developed and 4 high level strategic meetings will be convened.

Expenditure estimates

Table 9.9 Intergovernmental Coordination and Stakeholder Management

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/total: Average (%)
R thousand	2010/11	2011/12	2012/13	2013/14	2010/11 - 2013/14		2014/15	2015/16	2016/17	2013/14 - 2016/17	
Programme Management for Intergovernmental Coordination and Stakeholder Management	1 596	6 249	2 091	2 295	12.9%	2.7%	2 432	2 564	2 727	5.9%	2.0%
Provincial and Local Liaison	69 503	72 347	72 109	69 005	-0.2%	62.6%	73 507	77 110	81 903	5.9%	60.0%
Media Engagement	9 651	12 314	12 844	13 872	12.9%	10.8%	14 371	15 096	16 036	5.0%	11.8%
Media Development and Diversity Agency	17 265	19 115	20 000	20 790	6.4%	17.1%	21 815	22 615	23 814	4.6%	17.7%
Cluster Supervision (Human Development, Social Protection and Governance and Administration)	–	–	14 916	7 733	–	5.0%	4 946	5 215	5 548	-10.5%	4.7%
Cluster Supervision (Economic and Infrastructure, Justice and International)	–	–	3 833	4 554	–	1.9%	4 583	4 828	5 136	4.1%	3.8%
Total	98 015	110 025	125 793	118 249	6.5%	100.0%	121 654	127 428	135 164	4.6%	100.0%
Change to 2013 Budget estimate				(1 744)			(556)	(269)	(292)		

Table 9.9 Intergovernmental Coordination and Stakeholder Management

Economic classification				Adjusted appropriation	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/total: Average (%)
Audited outcome											
R thousand	2010/11	2011/12	2012/13	2013/14	2010/11 - 2013/14		2014/15	2015/16	2016/17	2013/14 - 2016/17	
Current payments	79 728	88 529	104 701	97 164	6.8%	81.9%	99 277	104 573	111 097	4.6%	82.0%
Compensation of employees	55 301	58 966	63 942	67 757	7.0%	54.4%	71 528	75 859	80 860	6.1%	58.9%
Goods and services	24 427	29 563	40 759	29 407	6.4%	27.5%	27 749	28 714	30 237	0.9%	23.1%
of which:											
Administration fees	19	66	243	206	121.3%	0.1%	267	278	293	12.5%	0.2%
Advertising	1 502	4 010	7 315	5 514	54.3%	4.1%	1 735	1 789	1 883	-30.1%	2.2%
Assets less than the capitalisation threshold	449	363	1 304	318	-10.9%	0.5%	336	347	365	4.7%	0.3%
Catering: Departmental activities	611	747	1 161	635	1.3%	0.7%	868	905	955	14.6%	0.7%
Communication	2 690	2 805	5 646	5 090	23.7%	3.6%	5 449	5 635	5 934	5.2%	4.4%
Computer services	9	10	—	45	71.0%	—	—	1	1	-71.9%	—
Consultants and professional services:	10	241	52	46	66.3%	0.1%	50	52	54	5.5%	—
Business and advisory services											
Consultants and professional services:	8	1	466	—	-100.0%	0.1%	—	—	—	—	—
Legal costs											
Contractors	1 067	1 003	3 861	1 182	3.5%	1.6%	1 474	1 520	1 600	10.6%	1.1%
Agency and support / outsourced services	11	14	13	4	-28.6%	—	—	—	—	-100.0%	—
Fleet services (including government motor transport)	2 190	1 973	2 214	1 565	-10.6%	1.8%	1 632	1 683	1 775	4.3%	1.3%
Consumable supplies	1 146	1 305	1 644	353	-32.5%	1.0%	482	500	525	14.1%	0.4%
Consumable: Stationery, printing and office supplies	1 004	811	622	741	-9.6%	0.7%	975	1 016	1 070	13.0%	0.8%
Operating leases	263	268	371	556	28.3%	0.3%	556	575	606	2.9%	0.5%
Property payments	199	106	106	137	-11.7%	0.1%	138	137	149	2.8%	0.1%
Transport provided: Departmental activity	—	—	—	—	—	—	—	5	—	—	—
Travel and subsistence	7 317	9 068	9 488	8 340	4.5%	7.6%	8 696	9 015	9 492	4.4%	7.1%
Training and development	2 370	1 669	450	520	-39.7%	1.1%	1 183	1 230	1 295	35.5%	0.8%
Operating payments	737	2 079	3 116	2 512	50.5%	1.9%	2 599	2 890	3 045	6.6%	2.2%
Venues and facilities	2 825	2 971	2 435	1 638	-16.6%	2.2%	1 257	1 082	1 139	-11.4%	1.0%
Rental and hiring	—	53	252	5	—	0.1%	52	54	56	123.7%	—
Transfers and subsidies	17 425	19 141	20 313	20 900	6.2%	17.2%	21 817	22 617	23 816	4.4%	17.7%
Departmental agencies and accounts	17 281	19 123	20 000	20 790	6.4%	17.1%	21 817	22 617	23 816	4.6%	17.7%
Public corporations and private enterprises	—	—	43	—	—	—	—	—	—	—	—
Households	144	18	270	110	-8.6%	0.1%	—	—	—	-100.0%	—
Payments for capital assets	705	2 343	779	185	-36.0%	0.9%	560	238	251	10.7%	0.2%
Machinery and equipment	705	2 343	779	185	-36.0%	0.9%	560	238	251	10.7%	0.2%
Payments for financial assets	157.0	12.0	—	—	-100.0%	—	—	—	—	—	—
Total	98 015.0	110 025.0	125 793.0	118 249.0	6.5%	100.0%	121 654.0	127 428.0	135 164.0	4.6%	100.0%
Proportion of total programme expenditure to vote expenditure	27.8%	32.0%	31.7%	27.0%			29.5%	29.6%	29.6%		

Details of transfers and subsidies

Details of transfers and subsidies											
Households											
Social benefits											
Current	144	18	270	110	-8.6%	0.1%	-	-	-	-100.0%	-
Employee social benefits	144	18	260	110	-8.6%	0.1%	-	-	-	-100.0%	-
Communication	-	-	10	-	-	-	-	-	-	-	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	17 281	19 123	20 000	20 790	6.4%	17.1%	21 817	22 617	23 816	4.6%	17.7%
Communication	16	8	-	-	-100.0%	-	2	2	2	-	-
Media Development and Diversity Agency	17 265	19 115	20 000	20 790	6.4%	17.1%	21 815	22 615	23 814	4.6%	17.7%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	-	-	43	-	-	-	-	-	-	-	-
Communication	-	-	43	-	-	-	-	-	-	-	-

Personnel information

Table 9.10 Details of approved establishment and personnel numbers according to salary level¹

Number of posts estimated for 31 March 2014			Number and cost ² of personnel posts filled / planned for on funded establishment															Number		
Number of funded posts	Number of posts additional to the establishment		Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Salary level/total: Average (%)	
			2012/13			2013/14			2014/15			2015/16			2016/17					2013/14 - 2016/17
			Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			
Intergovernmental Coordination and Stakeholder Management																				
Salary level	175	–	172	63.9	0.4	175	66.1	0.4	175	71.5	0.4	175	75.9	0.4	175	80.9	0.5	–	100.0%	
1 – 6	31	–	28	4.6	0.2	31	5.3	0.2	31	5.8	0.1	31	6.1	0.1	31	6.5	0.1	35.4%	17.7%	
7 – 10	100	–	104	31.5	0.3	100	30.6	0.3	100	34.2	0.5	100	36.3	0.5	100	38.7	0.5	-8.7%	57.1%	
11–12	23	–	20	10.7	0.5	23	11.9	0.5	23	12.7	0.7	23	13.4	0.8	23	14.3	0.8	-9.6%	13.1%	
13–16	21	–	20	17.2	0.9	21	18.3	0.9	21	18.9	3.8	21	20.0	4.0	21	21.3	4.3	-38.0%	12.0%	

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data

2. Rand million.

Expenditure trends

The spending focus over the medium term will be on ensuring that provincial and local government departments and entities are aligned with the government communication strategy in order to maintain and strengthen a well-functioning communication system that proactively informs and engages the public. This is primarily the task of the *Provincial and Local Liaison* subprogramme, which uses 60 per cent of the programme's allocation over the medium term. With these funds, the programme expects to conduct 2 750 community and stakeholder liaison visits and 1 860 community media and outreach platforms each year over the medium term, and make more effective use of community media platforms linked especially to the public participation programmes of the president, deputy president and members of the executive. The aim is to increase the reach of citizens from all areas and living standards measure groups.

Expenditure increased between 2010/11 and 2013/14 mainly due to a once-off allocation of R10 million for advertising and communication in 2012/13 related to the preparations for the 2013 Africa Cup of Nations as well as advertising activities related to the country's hosting of the African Nations Championships, which took place in the first quarter of 2014.

To address the information and communication needs of communities, the programme received annual allocations of R5 million until 2012/13 towards the first generation Thusong service centres to improve access to government services and information. The first generation Thusong service centres project was discontinued in 2013/14 as the funding for the clean-up of these centres was allocated until 2012/13.

In 2012/13, the department conducted 3 588 community and stakeholder liaison visits and 3 010 development communication projects, distributed 1.6 million community communication packages, compiled 519 reports on marketing and promotion events for Thusong service centres, facilitated rapid response reports and promoted and facilitated the media's understanding of government's agenda. Allocations towards these activities were mainly spent on compensation of employees and travel and subsistence. Travelling expenditure comprises approximately 30 per cent of the operational budget allocation for the *Provincial and Local Liaison* subprogramme. The number of personnel in this programme is expected to increase from 172 in 2012/13 to 175 by 2016/17, mainly due to the filling of vacant posts. There were 6 vacant posts at the end of November 2013 as a result of resignations and transfers to other government departments. The vacancies are in the process of being filled.

The department reprioritised funds of R1 million over the medium term, mainly from expenditure on compensation of employees from the Media Engagement and the *Cluster Supervision (Economic and Infrastructure, Justice and International)* subprogrammes to the *Cluster Supervision (Human Development, Social Protection and Governance and Administration)* subprogramme. Efficiency measures that will be implemented to ensure minimal negative impact on service delivery include limiting hotel accommodation, air travel and car-hire expenses, and using the head office instead of private venues for meetings.

The department has also reprioritised funds of R5.2 million over the medium term from spending on travel and subsistence to spending on fleet services, including government vehicle transport. The reprioritisation provides for the travel needs of communication officers conducting outreach communication programmes.

Expenditure in the *Media Development and Diversity Agency* subprogramme is expected to increase over the medium term to cover the agency's operations going forward.

Programme 4: Communication Service Agency

Objectives

- Provide effective and efficient communication services through:
 - cost effective media bulk-buying services for government by implementing all approved media-buying campaigns
 - the production of high quality television commercials, video footage, photographs, radio commercials and programmes, print advertisements and graphic designs for client departments as and when required
 - the provision of effective and efficient marketing and distribution services for government, which includes conducting nine public sector manager forums annually over the MTEF period.
- Maintain a positive image of government and that of the state through managing government's corporate identity by conducting 10 corporate identity workshops annually over the MTEF period.
- Inform the public of government's programmes and developments by conducting phone-in radio programmes on government's programmes, and documenting the public programmes of the Presidency, both domestically and internationally, on video and in photographs to profile the work of government as and when required.
- Ensure that government's communication products reach the intended audience in a timely manner by providing distribution services as and when needed.

Subprogrammes

- *Programme Management for Communication Service Agency* provides strategic leadership in advertising communication development and production. This entails the management and strategic direction of media buying, media production, and marketing and distribution services provided to government. Key activities in 2013/14 included expanding media bulk buying services to include recruitment advertising, accelerating the conversion of analogue video archives to digital format, and the implementation of corporate identity management compliance systems.
- *Marketing, Advertising and Media Buying* provides media buying expertise and develops effective marketing, distribution and public relations and event management strategies for the department's products; manages and drives the distribution strategy of all the products produced for dissemination to the public; oversees the outsourcing of distribution services to service providers; and manages the corporate identity of government. In 2012/13, R11.3 million was used for operating expenses, such as the distribution costs of the Vuk'uzenzele newspaper and the South Africa Yearbook. In 2013/14, operating expenses covered the publication portfolio distribution costs. In 2014/15, marketing and distribution campaigns will be conducted and government print information products will be distributed on a monthly basis. This subprogramme had a staff complement of 23 with 5 vacant posts at the end of November 2013.
- *Media Production* provides for the production of videos, photographs and radio programmes in support of government communication programmes; and provides product development services to government. In 2012/13, 327 events were documented photographically, 258 events were documented on video, 205 radio programmes and live satellite broadcast link-ups were produced and 254 design products were completed. In 2013/14, concerted efforts were under way to digitise historical video footage and expand the network of syndicated community radio stations. In 2014/15, key activities and outputs are expected to be corporate identity management, graphic design, video production, photographs and the production of radio content for government communication programmes, the distribution of parliamentary media briefings, the facilitation of ministerial talk shows on community radio stations, and the production of audio material for use on

websites. This subprogramme had a staff complement of 32 at the end of November 2013.

Expenditure estimates

Table 9.11 Communication Service Agency

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/total: Average (%)
R thousand	2010/11	2011/12	2012/13	2013/14	2010/11 - 2013/14	2010/11 - 2013/14	2014/15	2015/16	2016/17	2013/14 - 2016/17	2013/14 - 2016/17
Marketing, Advertising and Media Buying	46 456	17 033	32 565	29 017	-14.5%	63.2%	28 617	29 740	31 458	2.7%	57.5%
Media Production	15 163	19 599	18 954	19 201	8.2%	36.8%	21 482	22 809	24 183	8.0%	42.5%
Total	61 619	36 632	51 519	48 218	-7.8%	100.0%	50 099	52 549	55 641	4.9%	100.0%
Change to 2013 Budget estimate				1 045			444	354	377		

Economic classification

Current payments	60 672	35 114	50 782	46 646	-8.4%	97.6%	48 576	51 019	54 030	5.0%	97.0%
Compensation of employees	13 757	16 338	19 806	20 436	14.1%	35.5%	22 312	23 663	25 224	7.3%	44.4%
Goods and services	46 915	18 776	30 976	26 210	-17.6%	62.1%	26 264	27 356	28 806	3.2%	52.6%
of which:											
Administration fees	19	42	86	55	42.5%	0.1%	60	63	66	6.3%	0.1%
Advertising	35 408	8 690	9 614	4 437	-50.0%	29.4%	5 278	5 439	5 727	8.9%	10.1%
Assets less than the capitalisation threshold	79	166	120	51	-13.6%	0.2%	88	94	106	27.6%	0.2%
Catering: Departmental activities	19	37	37	26	11.0%	0.1%	46	48	51	25.2%	0.1%
Communication	3 607	3 464	2 638	2 362	-13.2%	6.1%	3 930	4 180	4 401	23.1%	7.2%
Computer services	264	3	389	428	17.5%	0.5%	390	402	423	-0.4%	0.8%
Consultants and professional services: Business and advisory services	-	-	4	-	-	-	-	-	-	-	-
Consultants and professional services: Legal costs	-	-	170	-	-	0.1%	-	-	-	-	-
Contractors	486	285	227	238	-21.2%	0.6%	677	722	759	47.2%	1.2%
Agency and support / outsourced services	1 952	-	465	-	-100.0%	1.2%	-	-	-	-	-
Fleet services (including government motor transport)	50	68	50	59	5.7%	0.1%	78	82	86	13.4%	0.1%
Inventory: Food and food supplies	-	-	-	-	-	-	-	-	1	-	-
Consumable supplies	24	113	173	237	114.5%	0.3%	53	56	58	-37.5%	0.2%
Consumable: Stationery, printing and office supplies	608	570	438	361	-16.0%	1.0%	375	398	416	4.8%	0.8%
Operating leases	39	126	78	70	21.5%	0.2%	20	21	22	-32.0%	0.1%
Travel and subsistence	3 631	4 438	4 824	4 056	3.8%	8.6%	3 346	3 554	3 742	-2.7%	7.1%
Training and development	185	208	278	312	19.0%	0.5%	512	539	567	22.0%	0.9%
Operating payments	398	410	11 323	13 410	223.0%	12.9%	11 381	11 728	12 350	-2.7%	23.7%
Venues and facilities	146	156	27	53	-28.7%	0.2%	30	30	31	-16.4%	0.1%
Rental and hiring	-	-	35	55	-	-	-	-	-	-100.0%	-
Transfers and subsidies	-	35	96	135	-	0.1%	-	-	-	-100.0%	0.1%
Public corporations and private enterprises	-	-	5	-	-	-	-	-	-	-	-
Households	-	35	91	135	-	0.1%	-	-	-	-100.0%	0.1%
Payments for capital assets	939	1 483	626	1 437	15.2%	2.3%	1 523	1 530	1 611	3.9%	3.0%
Machinery and equipment	939	1 483	603	1 197	8.4%	2.1%	1 273	1 281	1 349	4.1%	2.5%
Software and other intangible assets	-	-	23.0	240.0	-	0.1%	250.0	249.0	262.0	3.0%	0.5%
Payments for financial assets	8.0	-	15.0	-	-100.0%	-	-	-	-	-	-
Total	61 619.0	36 632.0	51 519.0	48 218.0	-7.8%	100.0%	50 099.0	52 549.0	55 641.0	4.9%	100.0%
Proportion of total programme expenditure to vote expenditure	17.5%	10.7%	13.0%	11.0%			12.1%	12.2%	12.2%		

Details of transfers and subsidies

Households											
Social benefits											
Current	-	35	91	135	-	0.1%	-	-	-	-100.0%	0.1%
Employee social benefits	-	35	91	135	-	0.1%	-	-	-	-100.0%	0.1%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	-	-	5	-	-	-	-	-	-	-	-
Communication	-	-	5	-	-	-	-	-	-	-	-

Personnel information

Table 9.12 Details of approved establishment and personnel numbers according to salary level¹

Number of posts estimated for 31 March 2014			Number and cost ² of personnel posts filled / planned for on funded establishment															Number	
Number of funded posts	Number of posts additional to the establishment		Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)			
			2012/13			2013/14			2014/15		2015/16		2016/17				2013/14 - 2016/17		
			Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost				Number	Cost
Communication Service Agency			Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost		
Salary level	55	4	50	19.8	0.4	55	21.0	0.4	55	22.3	0.4	55	23.7	0.4	55	25.2	0.5	-	100.0%
1 – 6	13	3	11	3.2	0.3	13	3.0	0.2	13	2.6	0.2	13	2.7	0.2	13	2.9	0.2	-	23.6%
7 – 10	25	1	24	7.1	0.3	25	8.7	0.3	25	9.1	0.4	25	9.7	0.4	25	10.3	0.4	-	45.5%
11 – 12	13	-	10	5.7	0.6	13	6.4	0.5	13	7.1	0.5	13	7.6	0.6	13	8.1	0.6	-	23.6%
13 – 16	4	-	5	3.8	0.8	4	2.9	0.7	4	3.5	0.9	4	3.7	0.9	4	4.0	1.0	-	7.3%

1. Data has been provided by the department and may not necessarily reconcile with official government personnel data.

2. Rand million.

Expenditure trends

The spending focus over the medium term will be on consolidating the media production, media bulk buying and advertising agency functions for government departments. This includes: buying media for campaigns; producing radio advertisements and dramas, video programmes and live broadcasts on community radio stations; and providing photographic coverage and cost effective and efficient electronic media products and services. To support these objectives, funds are mainly allocated to compensation of employees, advertising, travel and subsistence and operating payments. The expected increase in spending on operating payments in 2016/17 is mainly due to an increase in costs related to the distribution of the Vuk'uzenzele newspaper and the South African Yearbook. Expenditure in this programme is expected to increase marginally over the medium term mainly to cater for allocations for improved conditions of service and other inflation related adjustments.

Expenditure for advertising in the *Marketing, Advertising and Media Buying* subprogramme decreased between 2010/11 and 2013/14 mainly due to the cancellation of the energy efficiency campaign in 2010/11 and the conclusion of the CNBC Africa communication programmes. Expenditure on compensation of employees increased over the same period, as a result of an increased staff complement. The increase in programme capacity was aimed at implementing the media bulk buying strategy adopted by Cabinet and distributing more copies of the Vuk'uzenzele newspaper. The allocation for the *Marketing, Advertising and Media Buying* subprogramme will allow the department to spend a projected R4.7 million on designing print advertisements for various communication campaigns in 2013/14. Approximately 20.5 million copies of departmental publications were distributed in 2012/13 at a total cost of R11.1 million and R11.2 million communication packages had been produced by the end of September 2013. It is expected that the distribution costs for departmental publications and products will amount to R13 million by the end of 2013/14. The Media Production subprogramme documented the local and international public programmes of the president and deputy president and sent photographs of all presidential events to a range of print media publications in 2013/14. Travel and subsistence is the main cost driver in rendering this service and is expected to amount to R4.1 million at the end of 2013/14.

In addition, as more services were provided to other government departments, increases are also expected in video, photography, radio products and services, as well as in graphic designs of print products.

The number of personnel in this programme is expected to increase from 50 in 2012/13 to 55 by 2016/17, mainly due to the filling of vacant posts. There were 5 vacant posts at the end of November 2013 as a result of resignations and transfers to other government departments. These posts are in the process of being filled. The allocation will increase by R1.2 million over the medium term. The projected growth in expenditure on compensation of employees over the same period will be driven largely by improvements in conditions of service. The personnel in this programme are mainly being remunerated for marketing, advertising, photography, video, and graphic design skills.

The department reprioritised funds of R1.2 million over the medium term, mainly to the *Media Production* subprogramme. The reprioritisation increased compensation of employees and contractors. Spending on travel

and subsistence was reduced by R5.2 million to increase the allocation for community radio stations to broadcast government messages such as Talk to your Minister radio shows and the state of the nation address. Efficiency measures that will be implemented to ensure that there is minimal negative impact on service delivery include limiting hotel accommodation, air travel and car-hire expenses and using the head office instead of private venues for meetings.

Public entities and other agencies

Media Development and Diversity Agency

Mandate and goals

The Media Development and Diversity Agency was set up in terms of the Media Development and Diversity Agency Act (2002) to enable historically disadvantaged communities and individuals to gain access to the media.

The mandate of the agency is to create an enabling environment for media development and diversity which reflects the needs and aspirations of all South Africans; redress the exclusion and marginalisation of disadvantaged communities and people from access to the media and the media industry; and promote media development and diversity by providing support primarily to community and small commercial media projects. The overall objective of the agency is to ensure that all citizens can access information in a language of their choice, and to transform media access, ownership and control patterns in South Africa.

The agency's strategic focus over the medium term will be on: maintaining and enhancing ownership of small commercial and community media, controlling and encouraging access to information and content production by communities; enhancing ownership and control by independent media entrepreneurs; developing and strengthening a vibrant, innovative, people centred and diversified media; cultivating an environment and capabilities that deliver the agency's value products and services; enhancing the agency's brand as a leader in media development and diversity; enhancing the agency's governance and accountability standards; and strengthening, growing and protecting the funding base of the agency in order to deliver on its mandate.

Selected performance indicators

Table 9.13 Media Development Diversity Agency

Indicator	Programme/Activity/Objective	Outcome	Past			Current	Projections		
			2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17
Number of community media projects funded per year	Grant funding: Community media	Entity mandate	28	29	20	24	31	33	36
Number of small commercial media projects funded per year	Grant funding: Small commercial media		20	19	10	10	9	9	10
Number of research and training projects undertaken/funded per year	Research, knowledge management, monitoring and evaluation		30	30	98	45	36	35	35
Number of seminars/media summits conducted in all provinces per year	Advocacy for media development and diversity		12	12	13	13	15	20	25
Number of programming and production projects funded per year	Quality programming and production in community broadcasting sector		5	7	4	4	4	4	6

Programmes/activities/objectives

Table 9.14 Media Development Diversity Agency

	Audited outcome			Revised estimate	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/total: Average (%)
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17		
R thousand	2010/11	2011/12	2012/13	2013/14	2010/11 - 2013/14		2014/15	2015/16	2016/17	2013/14 - 2016/17	
Administration	11 195	13 225	13 125	15 582	11.7%	26.1%	15 683	16 213	17 205	3.4%	27.0%
Grant funding	28 292	31 672	47 103	47 037	18.5%	73.9%	42 013	42 613	43 512	-2.6%	73.0%
Total expense	39 487	44 897	60 228	62 619	16.6%	100.0%	57 696	58 826	60 717	-1.0%	100.0%

Expenditure estimates

Table 9.15 Media Development Diversity Agency

Statement of financial performance	Audited outcome			Revised estimate	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/total: Average (%)
	2010/11	2011/12	2012/13				2014/15	2015/16	2016/17		
R thousand	2010/11	2011/12	2012/13	2013/14	2010/11 - 2013/14		2014/15	2015/16	2016/17	2013/14 - 2016/17	
Revenue											
Non-tax revenue	4 147	3 962	4 026	6 890	18.4%	8.6%	7 378	7 709	8 400	6.8%	12.7%
Other non-tax revenue	4 147	3 962	4 026	6 890	18.4%	8.6%	7 378	7 709	8 400	6.8%	12.7%
Transfers received	42 144	49 255	52 644	55 729	9.8%	91.4%	50 318	51 117	52 317	-2.1%	87.3%
Total revenue	46 291	53 217	56 670	62 619	10.6%	100.0%	57 696	58 826	60 717	-1.0%	100.0%
Expenses											
Current expenses	11 195	13 225	13 125	15 582	11.7%	26.1%	15 683	16 213	17 205	3.4%	27.0%
Compensation of employees	4 673	5 490	5 489	7 197	15.5%	11.2%	7 896	8 364	8 924	7.4%	13.5%
Goods and services	6 266	7 522	7 451	8 189	9.3%	14.5%	7 601	7 654	8 073	-0.5%	13.1%
Depreciation	256	213	185	196	-8.5%	0.4%	186	195	208	2.0%	0.3%
Transfers and subsidies	28 292	31 672	47 103	47 037	18.5%	73.9%	42 013	42 613	43 512	-2.6%	73.0%
Total expenses	39 487	44 897	60 228	62 619	16.6%	100.0%	57 696	58 826	60 717	-1.0%	100.0%
Surplus/(Deficit)	6 804	8 320	(3 558)	-	-100.0%		-	-	-	-	
Statement of financial position											
Carrying value of assets of which:	352	340	414	298	-5.4%	0.6%	281	369	321	2.5%	1.5%
Acquisition of assets	105	201	259	93	-4.0%	0.2%	86	88	-	-100.0%	0.3%
Inventory	6	19	23	-	-100.0%	0.0%	-	-	-	-	-
Receivables and prepayments	15 968	8 555	8 772	8 239	-19.8%	17.1%	8 005	8 005	8 005	-1.0%	36.7%
Cash and cash equivalents	65 895	79 041	75 675	19 933	-32.9%	82.3%	13 268	13 268	10 000	-20.5%	61.9%
Total assets	82 221	87 955	84 884	28 470	-29.8%	100.0%	21 554	21 642	18 326	-13.7%	100.0%
Accumulated surplus/(deficit)	37 422	77 188	73 630	5 471	-47.3%	59.8%	2 810	8 226	-	-100.0%	17.6%
Capital reserve fund	43 677	9 509	9 003	21 576	-20.9%	37.6%	16 478	12 000	16 918	-7.8%	75.0%
Finance lease	160	54	285	-	-100.0%	0.1%	-	-	-	-	-
Trade and other payables	962	1 204	1 966	1 180	7.0%	2.3%	2 001	1 180	1 180	-	6.3%
Provisions	-	-	-	199	-	0.2%	228	199	228	4.6%	1.0%
Total equity and liabilities	82 221	87 955	84 884	28 426	-29.8%	100.0%	21 517	21 605	18 326	-13.6%	99.9%

Personnel information

Table 9.16 Media Development Diversity Agency

Number of posts estimated for 31 March 2014		Number and cost ¹ of personnel posts filled / planned for on funded establishment															Number		
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Salary level/total: Average (%)	
		2012/13			2013/14			2014/15			2015/16			2016/17					
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			
		2013/14 - 2016/17																	
Salary level	26	31	26	5.5	0.2	21	7.2	0.3	26	7.9	0.3	26	8.4	0.3	26	8.9	0.3	7.4%	100.0%
7 – 10	14	18	15	1.6	0.1	12	1.7	0.1	14	1.8	0.1	14	2.0	0.1	14	2.2	0.2	8.4%	54.7%
11 – 12	8	9	7	0.7	0.1	6	2.3	0.4	8	3.0	0.4	8	3.2	0.4	8	3.1	0.4	10.9%	30.2%
13 – 16	4	4	4	3.2	0.8	3	3.2	1.1	4	3.1	0.8	4	3.2	0.8	4	3.6	0.9	4.2%	15.1%

1. Rand million.

Expenditure trends

The Media Development and Diversity Agency is funded mainly by transfers from the Government Communication and Information System and grants from broadcast and print media. The agency also earns non-tax revenue from interest generated on short term investments. Between 2010/11 and 2012/13, transfers received increased due to a service level agreement with both print and broadcast media stakeholders. The total annual revenue generated is anticipated to remain stable over the medium term.

The agency's spending focus over the MTEF period will shift from taking on new projects to ensuring the sustainability of existing projects by maintaining their level of funding. Community media and small commercial media grants are the largest item of expenditure over the medium term as the agency continues to carry out its core function of developing the sector. Between 2010/11 and 2013/14, spending on transfers and subsidies for approved grant applicants averaged 3.9 per cent of expenditure, with an average annual growth of 18.5 per cent. The increase was a result of retained surplus and increased contributions from the print and broadcast media. Spending increased significantly over this period in order to meet the agency's grant making objective of promoting and strengthening the small commercial print and community media sectors. Accordingly, the number of funded community media projects increased from 20 in 2012/13 to 24 in 2013/14. Spending on transfers and subsidies to small commercial and community media grant recipients is expected to decrease by an average of 2.6 per cent over the MTEF period, and covers an average of 73 per cent of the total expenditure. As the medium term focus is on existing projects, the number of small commercial media sector and research and training projects is expected to decrease slightly in 2014/15 and 2015/16. This is the consequence of smaller contributions from the print sector. The number of projects supported in any given year depends on the quality and quantity of the applications received, and has averaged 431 from 2010/11 to 2013/14.

Between 2010/11 and 2013/14, spending on compensation of employees grew at an average annual rate of 15.5 per cent as a result of the expansion of the organisational structure. The number of personnel is expected to increase from 21 in 2012/13 to 26 in 2016/17, mainly due to the expected filling of 5 critical vacant posts by the end of the 2013/14. In addition, expenditure on compensation of employees over the MTEF period is expected to grow at an average annual rate of 7.4 per cent, driven mainly by improvements in conditions of service. The agency aims to retain its skilled workforce by offering and maintaining competitive salaries over the medium term. Consultants provide internal audit and risk management services, as the agency does not have the personnel to perform these tasks. Spending on consultants over the MTEF period is expected to be R682 000.

Additional tables

Table 9.A Summary of expenditure trends and estimates per programme and economic classification

Programme	Appropriation		Audited outcome	Appropriation			Revised estimate
	Main	Adjusted		Main	Adjustments	Adjusted	
R thousand	2012/13		2012/13	2013/14			2013/14
Administration	170 839	192 587	133 949	132 589	48 857	181 446	183 520
Content Processing and Dissemination	109 087	94 884	85 962	96 985	(7 681)	89 304	88 219
Intergovernmental Coordination and Stakeholder Management	116 524	126 089	125 794	119 993	(1 744)	118 249	116 668
Communication Service Agency	32 645	47 421	51 519	47 173	1 045	48 218	48 810
Total	429 095	460 981	397 224	396 740	40 477	437 217	437 217

Economic classification

Current payments	405 648	427 534	342 266	374 321	3 789	378 110	377 715
Compensation of employees	176 370	178 256	175 158	188 391	312	188 703	186 581
Goods and services	229 278	249 278	167 108	185 930	3 477	189 407	191 134
Transfers and subsidies	20 000	20 000	20 744	20 809	319	21 128	21 242
Departmental agencies and accounts	20 000	20 000	20 000	20 809	–	20 809	20 810
Public corporations and private enterprises	–	–	61	–	–	–	–
Households	–	–	683	–	319	319	432
Payments for capital assets	3 447	13 447	34 182	1 610	36 369	37 979	38 260
Buildings and other fixed structures	–	10 000	28 326	–	36 088	36 088	35 875
Machinery and equipment	2 721	2 721	5 790	1 320	281	1 601	2 113
Software and other intangible assets	726	726	66	290	–	290	272
Payments for financial assets	–	–	32	–	–	–	–
Total	429 095	460 981	397 224	396 740	40 477	437 217	437 217

Table 9.B Summary of expenditure on training

	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
	2010/11	2011/12	2012/13		2014/15	2015/16	2016/17
Compensation of employees (R thousand)	147 203	160 264	175 158	188 703	200 115	212 232	226 229
Training expenditure (R thousand)	5 308	4 673	3 216	3 102	5 605	5 799	6 111
Training spend as percentage of compensation	3.6%	2.9%	1.8%	1.6%	2.8%	2.7%	2.7%
Total number trained (headcount)	358	216	267	350			
<i>of which:</i>							
Employees receiving bursaries (headcount)	19	12	45	41			
Internships (headcount)	–	10	13	25			

Table 9.C Summary of expenditure on infrastructure

Project name	Service delivery outputs	Current project stage	Total project cost	Audited outcome			Adjusted appropriation	Medium-term expenditure estimate		
				2010/11	2011/12	2012/13		2013/14	2014/15	2015/16
R thousand										
Departmental infrastructure										
Office Space for GCIS Head Office	Office space not exceeding 20 000 square metre	Hand over	109 992	–	–	48 871	52 763	–	–	–
Total			109 992	–	–	48 871	52 763	–	–	



BUDGET 2014

ESTIMATES OF NATIONAL EXPENDITURE

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