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BUDGET 2015

ESTIMATES OF NATIONAL EXPENDITURE

VOTE 3

COMMUNICATIONS



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA

Estimates of National Expenditure

2015

National Treasury

Republic of South Africa

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The 2015 Estimates of National Expenditure 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 2015 ENE, the 2015 ENE e-publications provide more detailed information, including on goods and services, transfers and subsidies, as well as on programme specific personnel expenditure. The abridged version of the ENE contains one additional table at the end of a chapter that shows expenditure on infrastructure, whereas the vote ENE e-publications' additional tables also contain summaries of expenditure on conditional allocations to provinces and municipalities; departmental public private partnerships; and donor funding. Budget information is also provided for the public entities that are not shown in detail in the abridged publication. In some e-publications more detailed information at the level of site service delivery is included.

Foreword

Some of the tough economic conditions occasioned by the 2008 to 2009 global financial crisis continue to plague most parts of the world: Economic growth remains sluggish, unemployment and inequality levels are elevated, while financial markets tend to reposition themselves substantially at the slightest sign of unsettling news. As an open economy, South Africa is highly susceptible to global economic developments, often disproportionately so. In the face of all of this, the 2015 Medium Term Expenditure Framework (MTEF) response provides for positive real growth in expenditure averaging 2.1 per cent per year. The annual budget reaches R1.6 trillion by 2017/18.

True to the commitment government made in the Medium Term Budget Policy Statement (MTBPS) in October 2014, the budget framework sets out departmental programmes and plans that fit within the broad expenditure envelope published last year. To keep our fiscal accounts firmly on a sustainable path, the MTBPS proposed a fiscal policy package that has trimmed overall spending by R25 billion, which is the combined amount for 2015/16 and 2016/17. Government spending does continue to surpass inflation after these adjustments in both years, but growth is marginally slower. In addition, for 2017/18, R45 billion is placed in an unallocated reserve to cushion our plans against unforeseeable eventualities. Further, to achieve our fiscal objectives, government has had to institute carefully selected tax measures too. These are implemented within the framework of a progressive tax system and have been informed by the work of the Davies Tax Committee. The tax proposals are set out in detail in chapter 4 of the Budget Review.

The process of realigning expenditure in response to the closing of the fiscal space is being actively managed, in the context of government's 2014-2019 medium term strategic framework. Some of our aspirations might take longer to realise. Within government's institutions, more urgent and essential existing programmes are being prioritised above other programmes that are reduced. The implementation of some newly proposed programmes will either be phased in over a longer period or, in some cases, possibly even delayed. Social sector spending and key infrastructure spending, as well as other key areas of spending, continue to grow in real terms.

In addition to the reprioritisation of government programmes, the policy frameworks and implementation methodology of programmes are being re-evaluated, with a focus on service delivery of programmes. In line with the 2013/14 National Treasury instruction on cost containment measures, financing programmes must entail a greater share of goods and services budgets being devoted towards core areas of service delivery. The focus of government programmes is being sharpened, both in terms of spatial distribution, and in terms of their nature and emphasis. Effectiveness and efficiency of expenditure is our guiding mantra.

The spending plans contained in the 2015 Budget do respond to our short term needs for economic growth. However, to achieve our ambition of faster growth, which we unquestionably need for pushing back the frontiers of unemployment, poverty and inequality, we must continue to strive towards shifting the composition of expenditure more towards investment, away from consumption. Institutional spending, as always, is being closely monitored, and the ongoing process of realignment continues. The details of the spending of national government departments and its entities are encompassed in the chapters of this publication.

All the expenditure and service delivery information contained in the chapters of this publication result from a wide ranging intergovernmental consultative process, leading to executive approval of reprioritised and realigned spending allocations. Many people have contributed to making this publication possible, particularly my colleagues in national departments and agencies. Their collaboration and understanding during the budget allocation and document drafting processes has been invaluable. Appreciation is also due to the dedicated team at National Treasury for the publication of this highly valuable resource.



Lungisa Fuzile
Director-General: National Treasury

Introduction

The Estimates of National Expenditure publications

The Estimates of national Expenditure (ENE) publications provide comprehensive information on how budget resources are generated, how institutions have spent their budgets in previous years, and how institutions plan to spend the resources allocated to them over the MTEF period. Key performance indicators are included for each national government vote and entity showing what the institutions aim to achieve by spending their budget allocations in a particular manner. This information provides Parliament and the public with the necessary tools to hold government accountable against the 14 outcomes set out in the 2014-2019 medium term strategic framework.

The 2015 ENE publications largely retain the scope of information presented in previous years' publications. For ease of comprehension, however, in the 2015 publications information is presented in a more succinct and concise manner in data tables and their accompanying explanatory narratives. The reader can thus more readily understand what each institution is planning to spend its budget on and what it aims to achieve. Each chapter in the abridged 2015 ENE publication relates to a specific budget vote. A separate, more detailed, e-publication is also available for each vote.

Compared to the abridged version of the 2015 ENE, the 2015 ENE e-publications provide more detailed information, including on goods and services, transfers and subsidies, as well as on programme specific personnel expenditure. The abridged version of the ENE contains one additional table at the end of a chapter that shows expenditure on infrastructure, whereas the vote ENE e-publications' additional tables also contain summaries of expenditure on conditional allocations to provinces and municipalities; departmental public private partnerships; and donor funding. Budget information is also provided for the public entities that are not shown in detail in the abridged publication. In some e-publications more detailed information at the level of site service delivery is included.

A separate 2015 ENE Overview e-publication is also available, which contains a description at the main budget non-interest spending level, summarising the ENE publication information across votes. The 2015 ENE Overview contains this narrative explanation and summary tables; a description of the budgeting approach; and also has a write-up on how to interpret the information that is contained in each section of the publications.

Communications

**National Treasury
Republic of South Africa**



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Vote 3

Communications

Budget summary

R million	2015/16				2016/17	2017/18
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	42.4	42.4	–	0.0	45.1	47.5
Communications Policy, Research and Development	7.9	7.7	–	0.2	8.4	8.9
Industry and Capacity Development	10.2	10.0	–	0.2	10.9	11.6
Entity Oversight	1 220.4	9.9	1 210.2	0.3	1 280.3	1 350.9
Total expenditure estimates	1 280.9	70.1	1 210.2	0.7	1 344.7	1 418.9

Executive authority Minister of Communications
Accounting officer Director General of Communications
Website address www.doc.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, personnel, public entities, donor funding, public private partnerships, conditional allocations to provinces and municipalities and expenditure information at the level of service delivery, where appropriate.

Vote purpose

Create an enabling environment for the provision of inclusive communication services to all South Africans in a manner that promotes socioeconomic development and investment through broadcasting, new media, print media and other new technologies, and brand the country locally and internationally.

Mandate

The reorganisation of some national departments, announced by the president in May 2014, included a reconstituted Ministry of Communications, which will be responsible for overarching communications policy and strategy, information dissemination and publicity, and the branding of the country abroad. Improved communication and marketing will promote an informed citizenry and also assist the country to promote investments, economic growth and job creation. The department is guided by Section 192 of the Constitution which provides for the independence of broadcasting regulation in the public interest, the International Telecommunications Union and the World Intellectual Property Organisation, among others.

The department is responsible for the administration and implementation of the following legislation:

- Films and Publications Act (1996)
- Broadcasting Act (1999)
- Media Development and Diversity Agency Act (2002)
- Independent Communications Authority of South Africa Act (2000) – joint responsibility with the Minister of Telecommunications and Postal Services
- Electronic Communications and Transactions Act (2002) – joint responsibility with the Minister of Telecommunications and Postal Services
- Electronic Communications and Transactions Act (2005) – joint responsibility with the Minister of Telecommunications and Postal Services.

The department is also responsible for the oversight of its entities.

Selected performance indicators

Table 3.1 Performance indicators by programme and related outcome

Indicator ¹	Programme	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Number of policy papers on broadcasting international engagements tabled in parliament per year	Communications Policy, Research and Development	Outcome 14: Nation building and social cohesion	5	5	3	5	2	2	2

1. Other performance indicators will be selected for publication once the department has finalised its strategic plan.

Expenditure analysis

The reconstituted Department of Communications' revised medium term budget is a consolidation of: funds shifted to establish the new Department of Telecommunications and Postal Services; funds shifted from the Department of Home Affairs for the Film and Publication Board; funds shifted from the Presidency for Brand South Africa; and funds retained from the Government Communication and Information System, mainly for management and support staff, and related expenses. The current budget structure mirrors the start-up organisational structure approved by the Minister for Public Service and Administration. The department is currently reviewing its medium term strategic plan to align with its revised mandate. This will allow the department to set achievable performance indicators and targets, which will be included in the 2016 Budget.

Reviewing its medium term strategic plan also enables the department to link its strategic focus to the high level targets of the national development plan. The national development plan envisages an active citizenry that participates in the socioeconomic life of the country. Chapter 14 of the plan (nation building and social cohesion) states that in 2030, South Africans will be more conscious of the things they have in common than of their differences, and that their lived experiences will progressively undermine and cut across the divisions of race, gender, disability, space and class. This is achievable when government is at the centre of providing effective communication to support these aspirations.

The current function of the department is policy making and oversight.

Over the medium term, the Department of Communications will develop an overarching national communication policy to guide government communication. The department will support other government departments to realise, through their communication, the national development plan's aspirations for South African society. The department also plans on reviewing the 1998 White Paper on Broadcasting Policy to enable the broadcasting sector to contribute to building an inclusive society.

Over 90 per cent of the department's medium term budget is for transfers to the state owned entities and regulatory institutions it has oversight of. The spending is aimed at monitoring the implementation of government communication and branding policies, and of broadcasting and community media policies. The department will provide guidance on and oversight of governance issues in the state owned entities and regulatory institutions. The Independent Communications Authority of South Africa receives the biggest transfer over the medium term. The funds will be used to develop the broadband and digital terrestrial regulations, as well as for monitoring operators' compliance with licence conditions. The Government Communication and Information System receives the second largest transfer over the medium term. The funds will be used for implementing the national communication policy.

The Department of Communications' main agenda over the medium term is to address transformation in the communication industry and drive effective performance.

Cabinet approved budget reductions will be effected as follows: R33.8 million over the medium term on the Government Communication and Information System on goods and services and payments for capital assets; R2.6 million in 2015/16 and R3.9 million in 2016/17 on Brand South Africa; R564 000 in 2015/16 and R846 000 in 2016/17 on the Film and Publication Board; and R204.9 million over the medium term on the South African Broadcasting Corporation, related to the digital migration project, which was concluded in 2014/15.

Expenditure trends

Table 3.2 Vote expenditure trends by programme and economic classification

Programmes														
1. Administration														
2. Communications Policy, Research and Development														
3. Industry and Capacity Development														
4. Entity Oversight														
Programme	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Outcome/Annual budget Average (%)	Outcome/Adjusted appropriation Average (%)
R million	2011/12			2012/13			2013/14			2014/15			2011/12 - 2014/15	
Programme 1	8.7	8.7	8.7	12.4	9.0	9.0	11.4	11.4	11.4	12.8	24.8	24.8	118.9%	100.0%
Programme 2	4.2	4.2	4.2	5.0	3.7	3.7	5.7	5.7	5.7	6.5	6.5	6.5	94.0%	100.0%
Programme 3	5.5	5.5	5.5	7.6	6.3	6.3	9.0	9.0	9.0	9.3	9.3	9.3	95.9%	100.0%
Programme 4	1 021.1	1 019.1	999.6	1 179.6	1 304.9	1 238.9	1 249.1	1 327.8	1 322.4	1 193.0	1 226.6	1 226.6	103.1%	98.1%
Total	1 039.6	1 037.6	1 018.1	1 204.6	1 323.9	1 257.9	1 275.2	1 353.9	1 348.4	1 221.6	1 267.2	1 267.2	103.2%	98.2%
Change to 2014 Budget estimate											45.6			
Economic classification														
Current payments	20.0	20.0	20.0	26.7	20.7	20.7	26.2	26.2	27.9	32.0	44.0	44.0	107.4%	101.6%
Compensation of employees	17.2	17.2	17.2	23.7	17.7	17.7	23.0	23.0	24.7	28.1	40.1	40.1	108.4%	101.8%
Goods and services of which:	2.9	2.9	2.9	3.0	3.0	3.0	3.2	3.2	3.2	3.9	3.9	3.9	100.0%	100.0%
Consultants and professional services:	0.6	0.6	0.6	0.6	0.6	0.6	0.7	0.7	0.7	0.7	0.7	0.7	100.0%	100.0%
Business and advisory services														
Consultants and professional services:	2.1	2.1	2.1	2.2	2.2	2.2	2.3	2.3	2.3	2.4	2.4	2.4	100.0%	100.0%
Infrastructure and planning														
Travel and subsistence	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.8	0.8	0.8	100.0%	100.0%
Transfers and subsidies	1 019.6	1 017.6	997.9	1 177.8	1 303.2	1 237.0	1 249.0	1 327.5	1 320.3	1 189.3	1 222.9	1 222.9	103.1%	98.1%
Departmental agencies and accounts	875.8	873.8	854.1	1 027.0	1 087.3	1 021.6	1 019.9	1 060.4	1 063.7	1 024.1	1 057.7	1 057.7	101.3%	98.0%
Public corporations and private enterprises	143.8	143.8	143.8	150.8	215.8	215.4	229.1	267.1	256.6	165.2	165.2	165.2	113.4%	98.6%
Payments for capital assets	-	-	0.1	-	-	0.2	-	0.2	0.2	0.3	0.3	0.3	244.4%	154.5%
Machinery and equipment	-	-	0.1	-	-	0.2	-	0.2	0.2	0.3	0.3	0.3	244.4%	154.5%
Total	1 039.6	1 037.6	1 018.1	1 204.6	1 323.9	1 257.9	1 275.2	1 353.9	1 348.4	1 221.6	1 267.2	1 267.2	103.2%	98.2%

Expenditure estimates

Table 3.3 Vote expenditure estimates by programme and economic classification

Programmes									
1. Administration									
2. Communications Policy, Research and Development									
3. Industry and Capacity Development									
4. Entity Oversight									
Programme	Revised estimate	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/total: Average (%)	
R million	2014/15	2011/12 - 2014/15		2015/16	2016/17	2017/18	2014/15 - 2017/18		
Programme 1	24.8	41.7%	1.1%	42.4	45.1	47.5	24.3%	3.0%	
Programme 2	6.5	15.8%	0.4%	7.9	8.4	8.9	10.9%	0.6%	
Programme 3	9.3	19.1%	0.6%	10.2	10.9	11.6	7.5%	0.8%	
Programme 4	1 226.6	6.4%	97.9%	1 220.4	1 280.3	1 350.9	3.3%	95.6%	
Total	1 267.2	6.9%	100.0%	1 280.9	1 344.7	1 418.9	3.8%	100.0%	
Change to 2014 Budget estimate				(62.5)	(73.0)	(72.3)			

Table 3.3 Vote expenditure estimates by programme and economic classification

Economic classification	Revised estimate	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/total: Average (%)
				2014/15	2011/12 - 2014/15	2015/16		
R million								
Current payments	44.0	30.0%	2.3%	70.1	74.8	79.1	21.5%	5.0%
Compensation of employees	40.1	32.7%	2.0%	56.0	59.2	62.5	16.0%	4.1%
Goods and services	3.9	11.0%	0.3%	14.1	15.6	16.5	61.3%	0.9%
of which:								
Catering: Departmental activities	–	–	–	0.1	0.1	0.1	–	–
Communication	–	–	–	0.3	0.4	0.4	–	–
Computer services	–	3.8%	–	1.0	1.1	1.2	245.0%	0.1%
Consultants and professional services: Business and advisory services	0.7	5.3%	0.1%	–	–	–	-100.0%	–
Consultants and professional services: Infrastructure and planning	2.4	5.3%	0.2%	–	–	–	-100.0%	–
Contractors	–	–	–	3.4	3.6	3.8	–	0.2%
Fleet services (including government motor transport)	–	–	–	2.9	3.2	3.4	–	0.2%
Consumable supplies	–	–	–	0.1	0.1	0.1	–	–
Consumables: Stationery, printing and office supplies	–	–	–	0.3	0.3	0.3	–	–
Operating leases	–	–	–	0.1	0.1	0.1	–	–
Travel and subsistence	0.8	59.3%	–	5.7	6.3	6.7	102.1%	0.4%
Training and development	–	–	–	0.1	–	–	–	–
Operating payments	–	–	–	–	0.4	0.4	–	–
Transfers and subsidies	1 222.9	6.3%	97.7%	1 210.2	1 269.5	1 339.4	3.1%	94.9%
Departmental agencies and accounts	1 057.7	6.6%	81.7%	1 037.2	1 087.4	1 148.2	2.8%	81.5%
Public corporations and private enterprises	165.2	4.7%	16.0%	172.9	182.1	191.2	5.0%	13.4%
Payments for capital assets	0.3	–	–	0.7	0.4	0.4	8.6%	–
Machinery and equipment	0.3	–	–	0.7	0.4	0.4	8.6%	–
Total	1 267.2	6.9%	100.0%	1 280.9	1 344.7	1 418.9	3.8%	100.0%

Personnel information

Table 3.4 Vote personnel numbers and cost by salary level and programme¹

Programmes																			
1. Administration																			
2. Communications Policy, Research and Development																			
3. Industry and Capacity Development																			
4. Entity Oversight																			
Number of posts estimated for 31 March 2015		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 (%)				
		2013/14		Unit Cost	2014/15		Unit Cost	2015/16		Unit Cost	2016/17		Unit Cost			2017/18		Unit Cost	
Number	Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost
Communications	393	20	52	24.7	0.5	194	39.8	0.2	401	56.0	0.1	401	59.2	0.1	401	62.5	0.2	27.4%	100.0%
Salary level																			
1 – 6	50	3	8	1.5	0.2	50	3.0	0.1	50	3.8	0.1	50	4.0	0.1	50	4.2	0.1	–	14.3%
7 – 10	146	3	22	7.9	0.4	60	7.1	0.1	147	14.9	0.1	147	15.7	0.1	147	16.6	0.1	34.8%	35.9%
11 – 12	108	4	10	5.4	0.5	37	8.8	0.2	109	11.1	0.1	109	11.7	0.1	109	12.4	0.1	43.4%	26.1%
13 – 16	89	10	12	10.0	0.8	47	20.9	0.4	95	26.3	0.3	95	27.8	0.3	95	29.4	0.3	26.4%	23.8%
Programme	393	20	52	24.7	0.5	194	39.8	0.2	401	56.0	0.1	401	59.2	0.1	401	62.5	0.2	27.4%	100.0%
Programme 1	170	20	29	11.3	0.4	170	24.4	0.1	170	34.1	0.2	170	36.0	0.2	170	37.9	0.2	–	48.7%
Programme 2	62	–	9	4.6	0.5	9	5.4	0.6	62	5.8	0.1	62	6.2	0.1	62	6.6	0.1	90.3%	14.0%
Programme 3	84	–	11	7.0	0.6	11	7.1	0.6	92	7.6	0.1	92	8.1	0.1	92	8.7	0.1	103.0%	20.5%
Programme 4	77	–	3	1.8	0.6	4	2.8	0.7	77	8.6	0.1	77	8.9	0.1	77	9.5	0.1	168.0%	16.8%

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

2. Rand million.

Departmental receipts

Table 3.5 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Receipt item/ total: Average (%)	Medium-term receipts estimate			Average growth rate (%)	Receipt item/ total: Average (%)
	2011/12	2012/13	2013/14					2014/15	2011/12 - 2014/15	2015/16		
Departmental receipts	901 358	943 612	1 196 370	976 478	976 478	2.7%	99.6%	1 025 126	1 025 434	1 025 912	1.7%	100.0%
Sales of goods and services produced by department	899 578	941 748	1 194 476	974 895	974 895	2.7%	99.4%	1 023 434	1 023 657	1 024 046	1.7%	99.8%
Administrative fees	891 500	933 774	1 194 470	967 600	967 600	2.8%	98.8%	1 015 759	1 015 759	1 015 759	1.6%	99.1%
of which:												
Private radio stations licenses	382 562	439 308	645 000	431 057	431 057	4.1%	47.0%	452 610	452 610	452 610	1.6%	44.1%
Private television licences	116 586	149 164	167 000	134 950	134 950	5.0%	14.1%	141 698	141 698	141 698	1.6%	13.8%
Telecommunication service licences	372 193	324 053	360 207	378 217	378 217	0.5%	35.6%	397 128	397 128	397 128	1.6%	38.7%
Post Office license fees	19 119	19 546	21 078	22 132	22 132	5.0%	2.0%	23 017	23 017	23 017	1.3%	2.2%
Cellular network license fees	1 040	1 703	1 185	1 244	1 244	6.2%	0.1%	1 306	1 306	1 306	1.6%	0.1%
Other sales	8 078	7 974	6	7 295	7 295	-3.3%	0.6%	7 675	7 898	8 287	4.3%	0.8%
of which:												
Commission on insurance	8	5	6	7	7	-4.4%	-	28	29	30	62.4%	-
Telephone equipment licenses	7 920	7 531	-	7 181	7 181	-3.2%	0.6%	7 540	7 762	8 150	4.3%	0.8%
Unreserved postal service fees	150	438	-	107	107	-10.6%	-	107	107	107	-	-
Sales of scrap, waste, arms and other used current goods	-	-	-	-	-	-	-	2	3	4	-	-
of which:												
Waste paper	-	-	-	-	-	-	-	2	3	4	-	-
Interest, dividends and rent on land	1 780	1 864	1 894	1 583	1 583	-3.8%	0.2%	1 662	1 745	1 832	5.0%	0.2%
Interest	1 780	1 864	1 894	1 583	1 583	-3.8%	0.2%	1 662	1 745	1 832	5.0%	0.2%
Transactions in financial assets and liabilities	-	-	-	-	-	-	-	28	29	30	-	-
National Revenue Fund receipts	8 276	-	8 795	-	-	-100.0%	0.4%	-	-	-	-	-
of which:												
Independent Communication Authority of South Africa	8 276	-	8 795	-	-	-100.0%	0.4%	-	-	-	-	-
Total	909 634	943 612	1 205 165	976 478	976 478	2.4%	100.0%	1 025 126	1 025 434	1 025 912	1.7%	100.0%

Programme 1: Administration

Programme purpose

Provide strategic leadership, management and support services to the department.

Expenditure trends and estimates

Table 3.6 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)	
	2011/12	2012/13	2013/14				2014/15	2011/12 - 2014/15	2015/16			2016/17
R thousand												
Ministry	-	-	-	12 000	-	22.4%	12 000	13 002	13 717	4.6%	31.8%	
Departmental Management	693	737	819	867	7.8%	5.8%	9 889	10 433	10 986	133.1%	20.2%	
Corporate Services	4 178	4 178	5 934	6 777	17.5%	39.4%	11 974	12 642	13 322	25.3%	28.0%	
Financial Management	3 842	4 084	4 610	4 797	7.7%	32.4%	8 551	9 025	9 507	25.6%	20.0%	
Total	8 713	8 999	11 363	24 441	41.0%	100.0%	42 414	45 102	47 532	24.8%	100.0%	
Change to 2014				12 000			12 000	13 002	13 717			
Budget estimate												

Table 3.6 Administration expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Expenditure/Total: Average (%)
	2011/12	2012/13	2013/14		2014/15	2011/12 - 2014/15	2015/16	2016/17	2017/18		
R thousand											
Current payments	8 706	8 992	11 355	24 432	41.1%	99.9%	42 374	45 058	47 486	24.8%	99.9%
Compensation of employees	8 681	8 966	11 328	24 404	41.1%	99.7%	34 067	35 953	37 861	15.8%	82.9%
Goods and services	25	26	27	28	3.8%	0.2%	8 307	9 105	9 625	600.5%	17.0%
of which:											
Advertising	–	–	–	–	–	–	30	33	35	–	0.1%
Catering: Departmental activities	–	–	–	–	–	–	24	26	28	–	–
Communication	25	26	27	28	3.8%	0.2%	222	243	256	109.1%	0.5%
Entertainment	–	–	–	–	–	–	40	44	46	–	0.1%
Fleet services (including government motor transport)	–	–	–	–	–	–	2 901	3 180	3 361	–	5.9%
Consumable supplies	–	–	–	–	–	–	46	51	53	–	0.1%
Consumables: Stationery, printing and office supplies	–	–	–	–	–	–	70	77	81	–	0.1%
Operating leases	–	–	–	–	–	–	35	38	41	–	0.1%
Travel and subsistence	–	–	–	–	–	–	4 935	5 409	5 719	–	10.1%
Operating payments	–	–	–	–	–	–	4	4	5	–	–
Payments for capital assets	7	7	8	9	8.7%	0.1%	40	44	46	72.3%	0.1%
Machinery and equipment	7	7	8	9	8.7%	0.1%	40	44	46	72.3%	0.1%
Total	8 713	8 999	11 363	24 441	41.0%	100.0%	42 414	45 102	47 532	24.8%	100.0%
Proportion of total programme expenditure to vote expenditure	0.9%	0.7%	0.8%	1.9%	–	–	3.3%	3.4%	3.3%	–	–

Personnel information

Table 3.7 Administration personnel numbers and cost by salary level¹

Administration	Number of posts estimated for 31 March 2015		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 (%)
			2013/14			2014/15			2015/16			2016/17			2017/18				
			Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost		
Salary level	170	20	29	11.3	0.4	170	24.4	0.1	170	34.1	0.2	170	36.0	0.2	170	37.9	0.2	–	100.0%
1 – 6	48	3	6	1.2	0.2	48	2.7	0.1	48	2.8	0.1	48	2.9	0.1	48	3.1	0.1	–	28.2%
7 – 10	55	3	17	6.2	0.4	55	5.4	0.1	55	13.2	0.2	55	13.8	0.3	55	14.6	0.3	–	32.4%
11 – 12	31	4	4	2.0	0.5	31	5.3	0.2	31	6.9	0.2	31	7.2	0.2	31	7.6	0.2	–	18.2%
13 – 16	36	10	2	1.9	0.9	36	10.9	0.3	36	11.3	0.3	36	12.0	0.3	36	12.6	0.3	–	21.2%

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

2. Rand million.

Programme 2: Communications Policy, Research and Development

Programme purpose

Conduct research and develop communications and broadcasting policies.

Objectives

- Conduct research in order to improve universal access to broadcasting services by 31 March 2019.
- Conduct research and develop media policies in order to broaden access to information to all citizens by 31 March 2019.
- Conduct research and develop the broadcasting spectrum policy and plan in order to ensure equitable allocation of spectrum to public, private and community players by 31 March 2017.
- Conduct research and develop branding policies that positively market the country locally and internationally in a manner that promotes socioeconomic development and investment by 31 March 2019.

Subprogrammes

- *Broadcasting Policy* oversees the development and implementation of public and community broadcasting policies and strategies, and policies and strategies to promote the commercial broadcasting tier; and facilitates the implementation of policies by regulatory institutions in the sector.

Expenditure trends and estimates

Table 3.8 Communications Policy, Research and Development expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2011/12	2012/13	2013/14		2011/12 - 2014/15	2014/15	2015/16	2016/17	2017/18	2014/15 - 2017/18	2017/18
R thousand											
Broadcasting Policy	4 216	3 714	5 671	6 547	15.8%	100.0%	7 897	8 400	8 931	10.9%	100.0%
Total	4 216	3 714	5 671	6 547	15.8%	100.0%	7 897	8 400	8 931	10.9%	100.0%
Economic classification											
Current payments	4 188	3 628	5 581	6 452	15.5%	98.5%	7 719	8 212	8 733	10.6%	97.9%
Compensation of employees	3 292	2 682	4 588	5 407	18.0%	79.3%	5 769	6 156	6 568	6.7%	75.2%
Goods and services	896	946	993	1 045	5.3%	19.3%	1 950	2 056	2 165	27.5%	22.7%
of which:											
Contractors	896	946	993	1 045	5.3%	19.3%	1 950	2 056	2 165	27.5%	22.7%
Payments for capital assets	28	86	90	95	50.3%	1.5%	178	188	198	27.7%	2.1%
Machinery and equipment	28	86	90	95	50.3%	1.5%	178	188	198	27.7%	2.1%
Total	4 216	3 714	5 671	6 547	15.8%	100.0%	7 897	8 400	8 931	10.9%	100.0%
Proportion of total programme expenditure to vote expenditure	0.4%	0.3%	0.4%	0.5%	-	-	0.6%	0.6%	0.6%	-	-

Personnel information

Table 3.9 Communications Policy, Research and Development personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015	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 (%)			
			2013/14		Unit Cost	2014/15		Unit Cost	2015/16		Unit Cost	2016/17		Unit Cost			2017/18		Unit Cost
Communications Policy, Research and Development			Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost		
Salary level	62	-	9	4.6	0.5	9	5.4	0.6	62	5.8	0.1	62	6.2	0.1	62	6.6	0.1	90.3%	100.0%
7 – 10	25	-	3	1.0	0.3	3	1.0	0.3	25	1.1	0.0	25	1.2	0.0	25	1.3	0.1	102.7%	40.0%
11 – 12	22	-	3	1.7	0.6	3	1.7	0.6	22	1.9	0.1	22	2.0	0.1	22	2.1	0.1	94.3%	35.4%
13 – 16	15	-	3	1.8	0.6	3	2.6	0.9	15	2.8	0.2	15	3.0	0.2	15	3.2	0.2	71.0%	24.6%

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

2. Rand million.

Programme 3: Industry and Capacity Development

Programme purpose

Manage enterprise development, broadcasting digital migration, industry research and analysis. Implement a structured programme of engagement with stakeholders in support of the department's programmes and projects.

Objectives

- Build a competitive communications industry through the implementation of targeted interventions to support the growth and development of the creative industries by 31 March 2019.
- Manage digital broadcasting migration to ensure the successful migration from analogue to digital television in South Africa within 2 years.
- Manage industry research and analysis on an ongoing basis to ensure evidence based policy making through the provision of qualitative and quantitative analysis.
- Develop and implement structured programmes of intergovernmental and stakeholders engagement in order to leverage support for strategic priorities of the department by 31 March 2018.

Subprogrammes

- *Enterprise Development* manages enterprise development; implements policy; manages and supports creative industries and media transformation; compiles skills profiles; and develops skills development programmes, including the development and implementation of broadcasting industry development strategies and plans.

- *Broadcasting Digital Migration* manages broadcasting digital migration with the aim of migrating from analogue to digital broadcasting, and plays an important role in creating and supporting SMMEs in the digital domain.

Expenditure trends and estimates

Table 3.10 Industry and Capacity Development expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/Total: Average (%)
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17		
R thousand					2011/12 - 2014/15		2015/16	2016/17	2017/18	2014/15 - 2017/18	
Enterprise Development	4 929	4 155	5 878	6 000	6.8%	69.5%	6 381	6 790	7 220	6.4%	62.9%
Broadcasting Digital Migration	586	2 135	3 138	3 323	78.3%	30.5%	3 816	4 104	4 356	9.4%	37.1%
Total	5 515	6 290	9 016	9 323	19.1%	100.0%	10 197	10 894	11 576	7.5%	100.0%
Economic classification											
Current payments	5 439	6 218	8 928	9 181	19.1%	98.7%	10 047	10 736	11 410	7.5%	98.5%
Compensation of employees	3 681	4 367	6 978	7 129	24.6%	73.5%	7 607	8 116	8 660	6.7%	75.0%
Goods and services	1 758	1 851	1 950	2 052	5.3%	25.2%	2 440	2 620	2 750	10.3%	23.5%
of which:											
Computer services	586	617	650	684	5.3%	8.4%	1 000	1 100	1 150	18.9%	9.4%
Contractors	1 172	1 234	1 300	1 368	5.3%	16.8%	1 440	1 520	1 600	5.4%	14.1%
Payments for capital assets	76	72	88	142	23.2%	1.3%	150	158	166	5.3%	1.5%
Machinery and equipment	76	72	88	142	23.2%	1.3%	150	158	166	5.3%	1.5%
Total	5 515	6 290	9 016	9 323	19.1%	100.0%	10 197	10 894	11 576	7.5%	100.0%
Proportion of total programme expenditure to vote expenditure	0.5%	0.5%	0.7%	0.7%	-	-	0.8%	0.8%	0.8%	-	-

Personnel information

Table 3.11 Industry and Capacity Development personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015	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 (%)			
			2013/14	Unit Cost	Unit Cost	2014/15	Unit Cost	Unit Cost	2015/16	Unit Cost	Unit Cost	2016/17	Unit Cost	Unit Cost			2017/18	Unit Cost	Unit Cost
Industry and Capacity Development			Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	2014/15 - 2017/18	
Salary level	84	-	11	7.0	0.6	11	7.1	0.6	92	7.6	0.1	92	8.1	0.1	92	8.7	0.1	103.0%	100.0%
1 – 6	2	-	2	0.3	0.1	2	0.3	0.1	2	0.3	0.1	2	0.3	0.2	2	0.3	0.2	-	2.8%
7 – 10	35	-	1	0.3	0.3	1	0.3	0.3	36	0.3	0.0	36	0.4	0.0	36	0.4	0.0	230.2%	38.0%
11 – 12	27	-	2	1.0	0.5	2	1.0	0.5	28	1.1	0.0	28	1.2	0.0	28	1.2	0.0	141.0%	30.0%
13 – 16	20	-	6	5.4	0.9	6	5.5	0.9	26	5.9	0.2	26	6.3	0.2	26	6.7	0.3	63.0%	29.3%

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

2. Rand million.

Programme 4: Entity oversight

Programme purpose

Monitor the implementation of policies by state owned enterprises and regulatory institutions and provide guidance and oversight on their governance matters.

Objectives

- Provide guidance in and oversight of the governance matters of state owned entities on an ongoing basis.
- Monitor the implementation of communications and branding policies by state owned entities to ensure the strategic alignment with the department's priorities, by 31 March 2018.
- Issue policy directions to the regulatory institutions as required from time to time.
- Ensure timeous submission of entity funding requests within the stipulated timelines in order to ensure their viability and sustainability.

Subprogrammes

- *Programme Management for Entity Oversight* strengthens the capacity of the department and that of its state owned enterprises to effectively deliver on their public mandates.
- *Broadcasting and Community Media* monitors the implementation of broadcasting and community media policies and provides guidance in and oversight of the governance matters of state owned entities.
- *Communication and Branding* monitors the implementation of communications and branding policies and provides guidance in and oversight of the governance matters of state owned entities.
- *Regulatory Institutions* monitors the implementation of policies and provides guidance in and oversight of the governance matters of regulatory institutions.

Expenditure trends and estimates

Table 3.12 Entity Oversight expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2011/12	2012/13	2013/14		2014/15	2011/12 - 2014/15	2015/16	2016/17	2017/18	2014/15 - 2017/18	
R thousand											
Programme Management for Entity Oversight	-	-	-	-	-	-	2 139	2 131	2 240	-	0.1%
Broadcasting and Community Media	164 615	237 350	279 427	252 699	15.4%	19.4%	200 253	210 950	221 560	-4.3%	17.3%
Communication and Branding	456 186	542 494	569 605	547 155	6.2%	43.9%	540 323	564 438	598 254	3.0%	44.1%
Regulatory Institutions	378 836	459 071	473 336	455 122	6.3%	36.7%	477 665	502 770	528 803	5.1%	38.5%
Total	999 637	1 238 915	1 322 368	1 254 976	7.9%	100.0%	1 220 380	1 280 289	1 350 857	2.5%	100.0%
Change to 2014 Budget estimate				(3)			(74 505)	(85 970)	(85 994)		
Economic classification											
Current payments	1 700	1 906	2 067	3 642	28.9%	0.2%	9 920	10 808	11 425	46.4%	0.7%
Compensation of employees	1 500	1 696	1 846	2 834	23.6%	0.2%	8 562	8 944	9 457	49.4%	0.6%
Goods and services	200	210	221	808	59.3%	-	1 358	1 864	1 968	34.5%	0.1%
of which:											
Administrative fees	-	-	-	-	-	-	40	44	44	-	-
Assets less than the capitalisation threshold	-	-	-	-	-	-	12	12	12	-	-
Catering: Departmental activities	-	-	-	-	-	-	40	44	44	-	-
Communication	-	-	-	-	-	-	124	132	140	-	-
Entertainment	-	-	-	-	-	-	2	-	-	-	-
Fleet services (including government motor transport)	-	-	-	-	-	-	6	8	8	-	-
Consumable supplies	-	-	-	-	-	-	32	32	36	-	-
Consumables: Stationery, printing and office supplies	-	-	-	-	-	-	220	232	244	-	-
Operating leases	-	-	-	-	-	-	32	36	36	-	-
Travel and subsistence	200	210	221	808	59.3%	-	758	896	948	5.5%	0.1%
Training and development	-	-	-	-	-	-	55	44	44	-	-
Operating payments	-	-	-	-	-	-	37	384	412	-	-
Transfers and subsidies	997 937	1 237 009	1 320 301	1 251 260	7.8%	99.8%	1 210 156	1 269 481	1 339 432	2.3%	99.3%
Departmental agencies and accounts	854 137	1 021 565	1 063 731	1 024 092	6.2%	82.3%	1 037 229	1 087 388	1 148 234	3.9%	84.1%
Public corporations and private enterprises	143 800	215 444	256 570	227 168	16.5%	17.5%	172 927	182 093	191 198	-5.6%	15.1%
Payments for capital assets	-	-	-	74	-	-	304	-	-	-100.0%	-
Machinery and equipment	-	-	-	74	-	-	304	-	-	-100.0%	-
Total	999 637	1 238 915	1 322 368	1 254 976	7.9%	100.0%	1 220 380	1 280 289	1 350 857	2.5%	100.0%
Proportion of total programme expenditure to vote expenditure	98.2%	98.5%	98.1%	99.0%	-	-	95.3%	95.2%	95.2%	-	-
Details of transfers and subsidies											
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	854 137	1 021 565	1 063 731	1 024 092	6.2%	82.3%	1 037 229	1 087 388	1 148 234	3.9%	84.1%
Media Development and Diversity Agency	19 115	20 000	20 790	21 815	4.5%	1.7%	22 615	23 814	25 005	4.7%	1.8%
Brand South Africa	140 089	154 779	160 434	167 686	6.2%	12.9%	173 160	181 186	194 300	5.0%	14.0%
Government Communication and Information System	316 097	387 715	409 171	379 469	6.3%	31.0%	365 476	381 435	402 040	1.9%	29.9%
The Independent Communications Authority of South Africa	313 378	389 797	390 661	376 221	6.3%	30.5%	393 619	414 481	435 205	5.0%	31.7%
Film and Publication Board	65 458	69 274	82 675	78 901	6.4%	6.2%	82 359	86 472	91 684	5.1%	6.6%

Table 3.12 Entity Oversight expenditure trends and estimates by subprogramme and economic classification

Details of transfers and subsidies			Adjusted appropriation	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)	
Audited outcome						2015/16	2016/17	2017/18			
R thousand	2011/12	2012/13	2013/14	2014/15	2011/12 - 2014/15	2015/16	2016/17	2017/18	2014/15 - 2017/18	2014/15 - 2017/18	
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	143 800	215 444	256 570	227 168	16.5%	17.5%	172 927	182 093	191 198	-5.6%	15.1%
South African Broadcasting Corporation: Channel Africa	41 230	43 292	44 673	47 413	4.8%	3.7%	49 640	52 271	54 885	5.0%	4.0%
South African Broadcasting Corporation: Public Broadcaster	84 907	154 152	127 055	97 199	4.6%	9.6%	101 785	107 180	112 539	5.0%	8.2%
South African Broadcasting Corporation: Community radio stations	7 663	8 000	8 842	9 373	6.9%	0.7%	9 804	10 324	10 840	5.0%	0.8%
South African Broadcasting Corporation: Programme productions	10 000	10 000	–	11 183	3.8%	0.6%	11 698	12 318	12 934	5.0%	0.9%
South African Broadcasting Corporation: Broadcasting digital migration	–	–	76 000	62 000	–	2.9%	–	–	–	-100.0%	1.2%

Personnel information

Table 3.13 Entity Oversight personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		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 2013/14			Revised estimate 2014/15			Medium-term expenditure estimate 2015/16			Medium-term expenditure estimate 2016/17			Medium-term expenditure estimate 2017/18			Average growth rate (%)	Salary level/total: Average (%)	
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			
Entity Oversight		77																	
Salary level		77			4	2.8	0.7	77	8.6	0.1	77	8.9	0.1	77	9.5	0.1	168.0%	100.0%	
1 – 6	–	–	–	–	–	–	–	–	0.7	–	–	0.7	–	–	0.8	–	–	–	
7 – 10	31	–	1	0.3	0.3	1	0.3	0.3	31	0.3	0.0	31	0.3	0.0	31	0.4	0.0	214.1%	40.0%
11 – 12	28	–	1	0.7	0.7	1	0.7	0.7	28	1.3	0.0	28	1.4	0.0	28	1.4	0.1	203.7%	36.2%
13 – 16	18	–	1	0.9	0.9	2	1.9	0.9	18	6.3	0.3	18	6.5	0.4	18	6.9	0.4	108.0%	23.8%

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

2. Rand million.

Other departments within the vote

Government Communication and Information System

Table 3.14 Budget summary

R million	2015/16				2016/17	2017/18
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	139.8	139.4	–	0.3	145.8	153.5
Content Processing and Dissemination	86.6	86.4	–	0.1	91.1	95.4
Intergovernmental Coordination and Stakeholder Management	94.7	94.5	–	0.2	99.5	105.2
Communication Service Agency	44.3	44.1	–	0.2	45.1	48.1
Total expenditure estimates	365.5	364.5	0.1	0.9	381.4	402.0

Executive authority

Minister of Communications

Accounting officer

Director General of 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, personnel, public entities, donor funding, public private partnerships, conditional allocations to provinces and municipalities and expenditure information at the level of service delivery, where appropriate.

Department purpose

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 Department of 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. This is in support of the constitutional principles of freedom of expression, and transparency and openness of government. The department is accordingly mandated to: develop overarching communication policies and strategies for government; disseminate information, publicity and marketing on government programmes; and promote an informed citizenry through facilitating integrated, coordinated and clear communication between government and South African citizens, to enable citizens to be involved in the country's transformation.

Selected performance indicators

Table 3.15 Performance indicators by programme and related outcome

Indicator	Programme	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Number of cluster reports on perceptions of government delivery and performance reports issued per year	Content Processing and Dissemination	Outcome 12: An efficient, effective and development-oriented public service	- ¹	35	14	14	14	14	14
Number of copies of Vuk'uzenzele newspaper published per year	Content Processing and Dissemination		18.5 million	20.7 million	21 million	20.4 million	20.4 million	20.4 million	20.4 million
Number of media briefing requests per year	Intergovernmental Coordination and Stakeholder Management		68	93	22	100	100	100	100
Number of community and stakeholder liaison visits per year	Intergovernmental Coordination and Stakeholder Management		4 516	3 588	3 588	2 750	1 800	1 800	1 800
Number of development communication projects aligned to the government communication programme per year	Intergovernmental Coordination and Stakeholder Management		3 200	3 010	2 184	1 806	1 200	1 200	1 200
Number of rapid response facilitated reports per year	Intergovernmental Coordination and Stakeholder Management		- ¹	337	301	311	311	311	311
Number of marketing events per Thusing service centre per year	Intergovernmental Coordination and Stakeholder Management		170	519	484	486	486	486	486
Number of radio advertisements and dramas produced per year	Communication Service Agency		51	42	51	48	100	48	48
Number of video programmes produced per year	Communication Service Agency		30	316	383	120	120	120	120
Number of requests for photographic coverage handled per year	Communication Service Agency		553	926	819	500	500	500	500
Number of live broadcasts on community radio stations per year	Communication Service Agency		114	205	70	54	54	54	54
Number of government and national events covered on video per year	Communication Service Agency		386	341	540	400	400	400	400
Number of graphic designs produced per year	Communication Service Agency		254	359	315	160	160	160	160

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

Expenditure analysis

The national development plan rallies South Africans towards a common goal of being active in their own development and working towards building a capable and developmental state. The Government Communication and Information System supports the achievement of this goal by facilitating a two-way interaction between government and the citizenry. The department provides information about government policies, plans, programmes and activities, thus empowering citizens to take advantage of government programmes and to hold government accountable. The interactions contribute to outcome 12 (an efficient, effective and development oriented public service) and outcome 14 (nation building and social cohesion) of government's 2014-2019 medium term strategic framework. In addition, the department's medium term and annual programmes are guided by the 2014-2019 national communication strategic framework.

Cabinet approved budget reductions of R33.8 million over the medium term are to be effected mainly on operating leases for office accommodation costs, operating payments mainly for printing and publication costs, and travel and subsistence. In accordance with the reorganisation of some national departments announced by the president in May 2014, some of the department's budget, mainly its personnel budget, will be retained in the reconstituted Department of Communications.

As the department's work is labour intensive, requiring personnel to write, interact and advise on communication content, compensation of employees is a significant spending item, set to comprise 48.8 per cent of the department's budget over the medium term. The department is expected to have 432 funded posts over the medium term.

The department will focus over the medium term on coordinating and professionalising government communication and making it as cost effective as possible.

Coordinating and professionalising government communication

The Government Communication and Information System will work with other government departments to implement the national communication strategy and intensify the implementation of the national development plan. The department will work with key individual departments as well as with the clusters. It will work in all three spheres of government, and support government's transversal communication campaigns, such as 16 Days of Activism for No Violence Against Women and Children, the state of the nation address, and National Disability Rights Awareness Month, among others. It will also provide communication support on national days. These campaigns contribute to nation building and social cohesion.

The department will support the national development plan priority of a capable and developmental state by extending and strengthening provincial and district communication forums. These forums are hubs for driving government communication programmes and processes in the different spheres. The hubs serve to cascade downwards content that is derived largely from the national communication strategy. They also develop the capacity of government communicators and deal with the coordination and management of communication programmes, such as the various imbizo programmes. There are 84 forums, and a further 25 planned.

In partnership with the National School of Government, over the medium term the department will provide content for training courses and identify, coordinate and implement training programmes for government communicators.

Providing cost effective communication

The Government Communication and Information System has been assigned the responsibility for advertising government vacancies in a cost effective, centralised way, using Vuk'uzenzele, the government newspaper. The newspaper is published in all South African languages, including Braille, and is aimed at rural and semi-urban people. It is the most widely distributed government publication. Due to the high demand for government information, the department intends to increase the projected print run of 20.4 million copies per year to 48 million copies per year over the MTEF period. Currently, Vuk'uzenzele is published monthly, but the department plans to enable a fortnightly print run of 2 million copies per month in 2015/16, increasing to 4 million per month by 2017/18. These increases, however, will depend on funding. In 2015/16, working with National Treasury, the department will explore a funding model for Vuk'uzenzele, which it expects to conclude over the medium term. The growth rate of expenditure on Vuk'uzenzele could increase as the department begins providing advertisements for vacancies.

The department has, in some instances, replaced its established marketing modes for government events with alternatives modes, such as social media. The department will explore working more closely with community based media to maximise limited resources to gain access to its target audience.

Expenditure trends

Table 3.16 Departmental expenditure trends by programme and economic classification

Programmes														
1. Administration														
2. Content Processing and Dissemination														
3. Intergovernmental Coordination and Stakeholder Management														
4. Communication Service Agency														
Programme														
R million	2011/12			2012/13			2013/14			2014/15			2011/12 - 2014/15	
	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Outcome/Annual budget Average (%)	Outcome/Adjusted appropriation Average (%)
Programme 1	113.2	122.5	97.5	170.8	192.6	149.2	132.6	181.4	178.8	141.4	135.5	141.4	101.6%	89.7%
Programme 2	96.0	99.5	92.0	109.1	94.9	82.2	97.0	89.3	78.3	99.9	90.3	97.9	87.2%	93.7%
Programme 3	118.6	113.8	90.6	116.5	126.1	105.5	120.0	118.2	99.4	121.7	99.3	121.7	87.5%	91.2%
Programme 4	28.5	28.5	36.1	32.6	47.4	51.0	47.2	48.2	52.7	50.1	54.4	52.1	121.1%	107.5%
Total	356.3	364.3	316.2	429.1	461.0	387.7	396.7	437.2	409.2	413.1	379.5	413.1	95.7%	92.9%
Change to 2014 Budget estimate											(33.6)			
Economic classification														
Current payments	334.8	342.8	308.2	405.6	427.5	332.2	374.3	367.5	362.2	388.0	375.5	387.3	92.5%	91.8%
Compensation of employees	165.4	166.9	152.0	176.4	178.3	165.1	188.4	178.1	171.3	200.1	188.3	200.1	94.3%	96.8%
Goods and services of which:	169.3	175.8	156.2	229.3	249.3	167.1	185.9	189.4	190.9	187.9	187.2	187.2	90.8%	87.5%
Communication	8.0	8.6	10.0	8.5	9.2	12.5	10.9	10.4	14.2	12.8	12.6	12.6	122.5%	120.9%
Computer services	13.3	13.1	11.1	14.3	14.2	15.2	16.0	15.0	15.3	15.4	16.1	16.1	97.8%	98.9%
Agency and support / outsourced services	9.6	9.7	5.5	21.7	11.0	9.2	9.4	8.9	8.1	11.8	10.9	10.9	64.1%	83.4%
Operating leases	32.9	32.2	14.0	37.9	33.9	12.4	35.4	35.6	39.4	39.3	40.0	40.0	72.7%	74.7%
Travel and subsistence	19.3	19.6	20.0	21.3	19.5	20.8	23.1	18.5	19.5	19.7	19.4	19.4	95.5%	103.4%
Operating payments	40.0	40.2	39.4	41.8	43.5	41.2	42.9	42.1	41.2	43.2	45.3	45.3	99.5%	97.7%
Transfers and subsidies	19.1	19.1	0.3	20.0	20.0	0.7	20.8	21.1	0.8	21.8	0.0	21.8	29.1%	39.4%
Departmental agencies and accounts	19.1	19.1	0.1	20.0	20.0	0.1	20.8	20.8	0.0	21.8	-	21.8	26.9%	36.7%
Households	-	-	0.3	-	-	0.7	-	0.3	0.8	-	-	-	-	554.2%
Payments for capital assets	2.4	2.4	7.6	3.4	13.4	54.7	1.6	38.0	46.0	3.3	3.9	3.9	1046.9%	194.4%
Buildings and other fixed structures	-	-	-	-	10.0	40.7	-	36.1	26.2	-	-	-	-	145.2%
Machinery and equipment	2.1	2.1	7.1	2.7	2.7	13.9	1.3	1.6	19.7	3.0	3.7	3.7	488.6%	443.0%
Software and other intangible assets	0.4	0.4	0.5	0.7	0.7	0.1	0.3	0.3	-	0.3	0.3	0.3	55.0%	55.0%
Payments for financial assets	-	-	-	-	-	-	-	-	0.1	-	-	-	-	-
Total	356.3	364.3	316.2	429.1	461.0	387.7	396.7	426.6	409.2	413.1	379.4	413.1	95.7%	93.6%

Expenditure estimates

Table 3.17 Departmental expenditure estimates by programme and economic classification

Programmes									
1. Administration									
2. Content Processing and Dissemination									
3. Intergovernmental Coordination and Stakeholder Management									
4. Communication Service Agency									
Programme									
R million	Revised estimate	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/total: Average (%)	
				2014/15	2015/16	2016/17			2017/18
Programme 1	141.4	4.9%	37.1%	139.8	145.8	153.5	2.8%	37.2%	
Programme 2	97.9	-0.5%	23.0%	86.6	91.1	95.4	-0.9%	23.7%	
Programme 3	121.7	2.2%	27.3%	94.7	99.5	105.2	-4.7%	27.0%	
Programme 4	52.1	22.3%	12.6%	44.3	45.1	48.1	-2.7%	12.1%	
Total	413.1	4.3%	100.0%	365.5	381.4	402.0	-0.9%	100.0%	
Change to 2014 Budget estimate				(6.5)	(13.0)	(14.3)			

Table 3.17 Departmental expenditure estimates by programme and economic classification

Economic classification	Revised estimate	Average growth rate (%)	Expenditure/total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/total: Average (%)
				2014/15	2011/12 - 2014/15	2015/16		
R million	387.3	4.2%	91.1%	364.5	380.4	401.0	1.2%	98.2%
Current payments								
Compensation of employees	200.1	6.2%	45.1%	210.0	221.7	233.5	5.3%	55.4%
Goods and services	187.2	2.1%	46.0%	154.5	158.7	167.5	-3.6%	42.8%
of which:								
Communication	12.6	13.5%	3.2%	8.4	8.6	8.5	-12.1%	2.4%
Computer services	16.1	7.1%	3.8%	12.5	15.4	15.4	-1.4%	3.8%
Agency and support / outsourced services	10.9	4.1%	2.2%	6.7	7.5	8.3	-8.5%	2.1%
Operating leases	40.0	7.5%	6.9%	48.0	47.7	50.2	7.9%	11.9%
Travel and subsistence	19.4	-0.4%	5.2%	17.4	17.9	19.8	0.6%	4.8%
Operating payments	45.3	4.1%	10.9%	35.3	35.6	37.2	-6.3%	9.8%
Transfers and subsidies	21.8	4.5%	1.6%	0.1	0.1	0.1	-86.4%	1.4%
Departmental agencies and accounts	21.8	4.5%	1.4%	0.1	0.1	0.1	-86.4%	1.4%
Payments for capital assets	3.9	17.4%	7.4%	0.9	1.0	1.0	-36.2%	0.4%
Machinery and equipment	3.7	21.2%	2.9%	0.7	0.7	0.8	-40.0%	0.4%
Software and other intangible assets	0.3	-11.4%	0.1%	0.2	0.2	0.2	-3.9%	0.1%
Total	413.1	4.3%	100.0%	365.5	381.4	402.0	-0.9%	100.0%

Personnel information

Table 3.18 Departmental personnel numbers and cost by salary level and programme¹

Programmes		Number and cost ² of personnel posts filled / planned for on funded establishment															Number		
1. Administration																	Average growth rate (%)	Salary level/total: Average (%)	
2. Content Processing and Dissemination																			
3. Intergovernmental Coordination and Stakeholder Management																			
4. Communication Service Agency																			
Number of posts estimated for 31 March 2015																	2014/15 - 2017/18		
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate											
		2013/14		Unit Cost	2014/15		Unit Cost	2015/16		2016/17		2017/18							
		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	490	55	474	171.3	0.4	477	188.3	0.4	432	210.0	0.5	431	221.7	0.5	432	233.5	0.5	-3.2%	100.0%
Salary level	490	55	474	171.3	0.4	477	188.3	0.4	432	210.0	0.5	431	221.7	0.5	432	233.5	0.5	-3.2%	100.0%
1 - 6	116	14	110	19.5	0.2	112	24.3	0.2	101	23.0	0.2	101	24.6	0.2	101	25.9	0.3	-3.4%	23.4%
7 - 10	218	14	206	64.1	0.3	210	67.9	0.3	202	79.8	0.4	202	84.4	0.4	202	89.1	0.4	-1.3%	46.0%
11 - 12	80	1	88	42.5	0.5	80	48.4	0.6	80	53.3	0.7	80	55.9	0.7	80	58.9	0.7	-	18.1%
13 - 16	51	1	47	44.3	0.9	50	46.7	0.9	49	53.9	1.1	48	56.8	1.2	49	59.6	1.2	-0.7%	11.1%
Other	25	25	23	0.9	-	25	0.9	-	-	-	-	-	-	-	-	-	-	-100.0%	1.4%
Programme	490	55	474	171.3	0.4	477	188.3	0.4	432	210.0	0.5	431	221.7	0.5	432	233.5	0.5	-3.2%	100.0%
Programme 1	173	44	164	49.7	0.3	163	54.7	0.3	128	63.2	0.5	128	66.4	0.5	128	69.8	0.5	-7.7%	30.9%
Programme 2	95	8	100	37.3	0.4	95	40.9	0.4	88	47.3	0.5	88	51.0	0.6	88	53.1	0.6	-2.5%	20.3%
Programme 3	166	1	155	65.0	0.4	166	71.1	0.4	165	74.5	0.5	164	78.8	0.5	165	83.3	0.5	-0.2%	37.2%
Programme 4	56	2	55	19.3	0.4	53	21.6	0.4	51	25.0	0.5	51	25.5	0.5	51	27.3	0.5	-1.3%	11.6%

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

2. Rand million.

Departmental receipts

Table 3.19 Departmental receipts by economic classification

Economic classification	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Receipt item/total: Average (%)	Medium-term receipts estimate			Average growth rate (%)	Receipt item/total: Average (%)
	2011/12	2012/13	2013/14					2014/15	2015/16	2016/17		
R thousand	948	1 013	794	803	-	-100.0%	100.0%	814	814	814	-	100.0%
Departmental receipts												
Sales of goods and services produced by department	213	405	225	321	-	-100.0%	30.6%	332	332	332	-	40.8%
Other sales	213	405	225	321	-	-100.0%	30.6%	332	332	332	-	40.8%
of which:												
Commission on insurance	51	53	53	76	-	-100.0%	5.7%	76	76	76	-	9.3%
Departmental publications	27	223	32	100	-	-100.0%	10.2%	100	100	100	-	12.3%
Replacements of security cards	1	1	-	-	-	-100.0%	0.1%	-	-	-	-	-
Rental: Parking	134	128	140	145	-	-100.0%	14.6%	156	156	156	-	19.2%

Table 3.19 Departmental receipts by economic classification

Departmental receipts	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Receipt item/ total: Average (%)	Medium-term receipts estimate			Average growth rate (%)	Receipt item/ total: Average (%)
	2011/12	2012/13	2013/14					2014/15	2011/12 - 2014/15	2015/16		
R thousand												
Sales of scrap, waste, arms and other used current goods	-	-	-	2	-	-	-	2	2	2	-	0.2%
of which:												
List item	-	-	-	2	-	-	-	2	2	2	-	0.2%
Interest, dividends and rent on land	352	118	79	122	-	-100.0%	19.9%	122	122	122	-	15.0%
Interest	352	118	79	122	-	-100.0%	19.9%	122	122	122	-	15.0%
Transactions in financial assets and liabilities	383	490	490	358	-	-100.0%	49.5%	358	358	358	-	44.0%
Total	948	1 013	794	803	-	-100.0%	100.0%	814	814	814	-	100.0%

Programme 1: Administration

Programme purpose

Provide strategic leadership, management and administrative support services to the department.

Expenditure trends and estimates

Table 3.20 Administration expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)	
	2011/12	2012/13	2013/14				2014/15	2011/12 - 2014/15	2015/16			2016/17
R thousand												
Departmental Management	7 771	7 796	6 391	7 271	-2.2%	5.2%	6 688	6 921	7 209	-0.3%	4.9%	
Corporate Services	42 827	50 596	48 411	53 179	7.5%	34.8%	48 660	53 240	55 167	1.2%	36.6%	
Financial Administration	27 868	70 187	75 210	26 294	-1.9%	35.6%	28 259	29 465	31 999	6.8%	20.2%	
Internal Audit	6 029	7 077	6 912	6 594	3.0%	4.7%	7 289	7 585	7 988	6.6%	5.1%	
Office Accommodation	12 991	13 498	41 905	42 180	48.1%	19.7%	48 932	48 571	51 089	6.6%	33.2%	
Total	97 486	149 154	178 829	135 518	11.6%	100.0%	139 828	145 782	153 452	4.2%	100.0%	
Change to 2014 Budget estimate				(5 870)			(6 986)	(9 662)	(10 659)			
Economic classification												
Current payments	94 444	96 062	134 207	133 650	12.3%	81.7%	139 436	145 369	153 018	4.6%	99.5%	
Compensation of employees	42 243	47 269	49 667	54 672	9.0%	34.6%	63 228	66 401	69 777	8.5%	44.2%	
Goods and services	52 201	48 793	84 540	78 978	14.8%	47.2%	76 208	78 968	83 241	1.8%	55.2%	
of which:												
Administrative fees	123	241	180	228	22.8%	0.1%	253	184	186	-6.6%	0.1%	
Advertising	1 077	348	806	841	-7.9%	0.5%	479	431	454	-18.6%	0.4%	
Assets less than the capitalisation threshold	644	255	5 682	55	-56.0%	1.2%	20	4	4	-58.3%	-	
Audit costs: External	1 911	1 860	2 467	1 999	1.5%	1.5%	1 800	1 807	1 828	-2.9%	1.3%	
Bursaries: Employees	445	372	301	500	4.0%	0.3%	450	475	500	-	0.3%	
Catering: Departmental activities	367	513	445	251	-11.9%	0.3%	31	55	56	-39.3%	0.1%	
Communication	2 741	2 546	2 916	2 300	-5.7%	1.9%	1 261	1 256	1 291	-17.5%	1.1%	
Computer services	8 611	12 232	11 893	11 371	9.7%	7.9%	9 428	11 887	11 662	0.8%	7.7%	
Consultants and professional services: Business and advisory services	167	95	322	133	-7.3%	0.1%	80	80	83	-14.5%	0.1%	
Consultants and professional services: Legal costs	4 238	1 847	591	706	-45.0%	1.3%	107	143	149	-40.5%	0.2%	
Contractors	5 485	769	2 763	2 123	-27.1%	2.0%	1 549	2 405	2 515	5.8%	1.5%	
Agency and support / outsourced services	255	902	169	836	48.6%	0.4%	355	375	394	-22.2%	0.3%	
Fleet services (including government motor transport)	167	226	165	131	-7.8%	0.1%	37	99	100	-8.6%	0.1%	
Consumable supplies	675	488	907	816	6.5%	0.5%	270	519	525	-13.7%	0.4%	
Consumables: Stationery, printing and office supplies	972	1 052	1 397	1 567	17.3%	0.9%	902	874	393	-36.9%	0.7%	
Operating leases	12 743	10 904	38 349	39 151	45.4%	18.0%	47 167	47 022	49 439	8.1%	31.8%	
Property payments	2 320	4 973	6 787	6 789	43.0%	3.7%	6 381	4 839	6 852	0.3%	4.3%	
Travel and subsistence	4 036	4 277	4 006	4 475	3.5%	3.0%	2 523	2 738	3 141	-11.1%	2.2%	
Training and development	1 707	1 591	1 563	2 402	12.1%	1.3%	900	1 460	1 231	-20.0%	1.0%	
Operating payments	2 691	2 103	2 493	2 302	-5.1%	1.7%	2 215	2 315	2 438	1.9%	1.6%	
Venues and facilities	826	811	293	-	-100.0%	0.3%	-	-	-	-	-	
Rental and hiring	-	388	45	2	-	0.1%	-	-	-	-100.0%	-	
Transfers and subsidies	120	244	304	568	67.9%	0.2%	44	46	48	-56.1%	0.1%	
Departmental agencies and accounts	44	10	38	565	134.2%	0.1%	44	46	48	-56.0%	0.1%	
Households	76	234	266	3	-66.0%	0.1%	-	-	-	-100.0%	-	
Payments for capital assets	2 903	52 831	44 317	1 300	-23.5%	18.1%	348	367	386	-33.3%	0.4%	
Buildings and other fixed structures	-	40 679	26 224	-	-	11.9%	-	-	-	-	-	
Machinery and equipment	2 414	12 071	18 093	1 300	-18.6%	6.0%	348	367	386	-33.3%	0.4%	
Software and other intangible assets	489	81	-	-	-100.0%	0.1%	-	-	-	-	-	
Payments for financial assets	19	17	1	-	-100.0%	-	-	-	-	-	-	
Total	97 486	149 154	178 829	135 518	11.6%	100.0%	139 828	145 782	153 452	4.2%	100.0%	
Proportion of total programme expenditure to vote expenditure	30.8%	38.5%	43.7%	35.7%	-	-	38.3%	38.2%	38.2%	-	-	

Table 3.20 Administration expenditure trends and estimates by subprogramme and economic classification

Details of transfers and subsidies		Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
		2011/12	2012/13	2013/14		2014/15	2011/12 - 2014/15	2014/15 - 2017/18	2015/16	2016/17	2017/18	2014/15 - 2017/18
R thousand												
Households												
Social benefits												
Current		76	234	266	3	-66.0%	0.1%	-	-	-	-100.0%	-
Employee social benefits		76	234	266	3	-66.0%	0.1%	-	-	-	-100.0%	-
Departmental agencies and accounts												
Departmental agencies (non-business entities)												
Current		44	10	38	565	134.2%	0.1%	44	46	48	-56.0%	0.1%
Communication		44	10	38	35	-7.3%	-	44	46	48	11.1%	-
Public Service Sector Education and Authority		-	-	-	530	-	0.1%	-	-	-	-100.0%	0.1%

Personnel information

Table 3.21 Administration personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		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 (%)				
		2013/14		Unit Cost	2014/15		Unit Cost	2015/16		Unit Cost	2016/17		Unit Cost			2017/18		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		173	44		164	49.7	0.3	163	54.7	0.3	128	63.2	0.5	128	66.4	0.5	128	69.8	0.5
1 – 6		58	13		54	8.9	0.2	55	13.4	0.2	45	11.2	0.2	45	12.7	0.3	45	12.7	0.3
7 – 10		52	5		49	14.5	0.3	46	12.0	0.3	46	17.7	0.4	46	18.0	0.4	46	19.2	0.4
11 – 12		21	-		24	11.8	0.5	21	12.5	0.6	21	15.6	0.7	21	16.9	0.8	21	17.6	0.8
13 – 16		17	1		14	13.5	1.0	16	15.9	1.0	16	18.7	1.2	16	19.4	1.2	16	20.2	1.3
Other		25	25		23	0.9	-	25	0.9	-	-	-	-	-	-	-	-	-	-

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

² Rand million.

Programme 2: Content Processing and Dissemination

Programme purpose

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

Objectives

- Provide strategic leadership and support in government communication through public opinion research and analysis of media coverage to understand the communication environment and inform government messages, over the MTEF period.
- Enhance government's communication products and services to grow the share of government's voice and messages in the public domain, over the MTEF period.

Subprogrammes

- *Programme Management for Content Processing and Dissemination* coordinates strategic planning for communication in the department and other government departments, and ensures adherence to government communication standards.
- *Policy and Research* conducts research to assess how government should better address the public's communication needs; monitors national and international media coverage relating to government programmes and campaigns; provides analyses on media interpretation of government policies and programmes; formulates policy proposals where required; proposes government responses to media related issues; and assesses public perceptions in relation to government performance.
- *Products and Platforms* develops information products and communication platforms that enable government to communicate directly to citizens and public servants; and is responsible for the development of the government communication strategy.

Expenditure trends and estimates

Table 3.22 Content Processing and Dissemination expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2014/15	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2011/12	2012/13	2013/14		2011/12	2014/15	2015/16	2016/17	2017/18	2014/15	2017/18
R thousand											
Programme Management for Content Processing and Dissemination	3 410	2 491	2 481	3 015	-4.0%	3.3%	3 290	3 465	3 643	6.5%	3.7%
Policy and Research	27 468	29 260	28 259	33 478	6.8%	34.6%	31 554	34 491	35 676	2.1%	37.2%
Products and Platforms	61 129	50 399	47 538	53 829	-4.2%	62.1%	51 743	53 109	56 048	1.4%	59.1%
Total	92 007	82 150	78 278	90 322	-0.6%	100.0%	86 587	91 065	95 367	1.8%	100.0%
Change to 2014 Budget estimate				(9 606)			(17 383)	(19 038)	(20 907)		
Economic classification											
Current payments	90 924	81 568	77 710	89 799	-0.4%	99.2%	86 447	90 928	95 212	2.0%	99.7%
Compensation of employees	35 282	34 988	37 315	40 864	5.0%	43.3%	47 270	51 048	53 108	9.1%	52.9%
Goods and services	55 642	46 580	40 395	48 935	-4.2%	55.9%	39 177	39 880	42 104	-4.9%	46.8%
of which:											
Administrative fees	37	47	42	48	9.1%	0.1%	41	39	43	-3.6%	-
Advertising	1 044	870	1 588	5	-83.1%	1.0%	10	10	11	30.1%	-
Assets less than the capitalisation threshold	163	68	62	336	27.3%	0.2%	20	(21)	(24)	-141.5%	0.1%
Catering: Departmental activities	56	61	75	208	54.9%	0.1%	102	97	100	-21.7%	0.1%
Communication	1 003	1 634	853	1 140	4.4%	1.4%	1 042	1 070	1 127	-0.4%	1.2%
Computer services	2 481	2 582	2 854	4 296	20.1%	3.6%	2 635	3 118	3 314	-8.3%	3.7%
Consultants and professional services:	1 108	921	966	1 085	-0.7%	1.2%	1 180	198	163	-46.8%	0.7%
Business and advisory services											
Consultants and professional services:	-	996	-	30	-	0.3%	-	-	-	-100.0%	-
Legal costs											
Contractors	916	621	276	467	-20.1%	0.7%	150	(15)	(24)	-137.2%	0.2%
Agency and support / outsourced services	5 225	7 830	7 932	9 653	22.7%	8.9%	6 332	7 140	7 955	-6.2%	8.6%
Fleet services (including government motor transport)	33	53	11	31	-2.1%	-	26	24	25	-6.9%	-
Consumable supplies	83	85	101	125	14.6%	0.1%	98	12	9	-58.4%	0.1%
Consumables: Stationery, printing and office supplies	4 241	1 630	554	3 064	-10.3%	2.8%	838	1 609	1 735	-17.3%	2.0%
Operating leases	905	1 011	511	204	-39.1%	0.8%	215	219	232	4.4%	0.2%
Property payments	104	118	28	-	-100.0%	0.1%	-	-	-	-	-
Travel and subsistence	2 473	2 225	2 125	2 818	4.4%	2.8%	1 894	1 839	1 933	-11.8%	2.3%
Training and development	1 089	897	356	912	-5.7%	0.9%	300	103	71	-57.3%	0.4%
Operating payments	34 206	24 679	21 962	24 144	-11.0%	30.6%	24 274	24 395	25 387	1.7%	27.0%
Venues and facilities	475	252	99	369	-8.1%	0.3%	20	43	47	-49.7%	0.1%
Transfers and subsidies	167	91	105	12	-58.4%	0.1%	-	-	-	-100.0%	-
Departmental agencies and accounts	-	3	-	-	-	-	-	-	-	-	-
Households	167	88	105	12	-58.4%	0.1%	-	-	-	-100.0%	-
Payments for capital assets	900	491	398	511	-17.2%	0.7%	140	137	155	-32.8%	0.3%
Machinery and equipment	876	463	398	511	-16.4%	0.7%	140	137	155	-32.8%	0.3%
Software and other intangible assets	24	28	-	-	-100.0%	-	-	-	-	-	-
Payments for financial assets	16	-	65	-	-100.0%	-	-	-	-	-	-
Total	92 007	82 150	78 278	90 322	-0.6%	100.0%	86 587	91 065	95 367	1.8%	100.0%
Proportion of total programme expenditure to vote expenditure	29.1%	21.2%	19.1%	23.8%	-	-	23.7%	23.9%	23.7%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	167	88	105	12	-58.4%	0.1%	-	-	-	-100.0%	-
Employee social benefits	167	88	105	12	-58.4%	0.1%	-	-	-	-100.0%	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	-	3	-	-	-	-	-	-	-	-	-
Communication	-	3	-	-	-	-	-	-	-	-	-

Personnel information

Table 3.23 Content Processing and Dissemination personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015			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 (%)			
			2013/14			2014/15			2015/16		2016/17		2017/18						
			Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost			Number	Cost	Unit Cost
Content Processing and Dissemination			100	37.3	0.4	95	40.9	0.4	88	47.3	0.5	88	51.0	0.6	88	53.1	0.6	-2.5%	100.0%
Salary level	95	8	100	37.3	0.4	95	40.9	0.4	88	47.3	0.5	88	51.0	0.6	88	53.1	0.6	-2.5%	100.0%
1 – 6	12	–	13	2.9	0.2	12	2.7	0.2	12	2.8	0.2	12	2.9	0.2	12	3.1	0.3	–	13.4%
7 – 10	48	7	48	11.7	0.2	48	12.5	0.3	41	17.8	0.4	41	19.4	0.5	41	20.0	0.5	-5.1%	47.6%
11 – 12	24	1	28	12.7	0.5	24	14.9	0.6	24	14.9	0.6	24	15.9	0.7	24	16.6	0.7	–	26.7%
13 – 16	11	–	11	10.1	0.9	11	10.7	1.0	11	11.8	1.1	11	12.9	1.2	11	13.5	1.2	–	12.3%

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

2. Rand million.

Programme 3: Intergovernmental Coordination and Stakeholder Management

Programme purpose

Implement development communication through mediated and unmediated communication channels and foster sound stakeholder relations and partnerships.

Objectives

- Improve interdepartmental coordination by jointly planning and sharing communication messages across the three spheres of government to ensure coherence and alignment of government messages, over the MTEF period.
- Ensure an informed and empowered citizenry on government's policies, plans, programmes and achievements to increase public participation in government's activities, over the MTEF period.
- Implement a proactive media engagement system by building, maintaining and improving relations with the media and drive the government's communication agenda, over the MTEF period.

Subprogrammes

- *Programme Management for Intergovernmental Coordination and Stakeholder Management* ensures a well functioning communication system that proactively informs and engages the public; and manages and oversees roles regarding the implementation of development communication. It does this by building sound stakeholder relations and partnerships, and ensuring that the public is informed about government policies and programmes.
- *Provincial and Local Liaison* ensures that the national communication strategy is presented to all provinces and aligned with provincial and local communication strategies; implements development communication campaigns and programmes aligned with the government communication programme; ensures that government departments send different print products and materials to Thusong Service Centres; and coordinates the imbizo programme of government.
- *Media Engagement* promotes and facilitates effective communication between government and the media, ensures effective liaison between ministers and the media, and leads and drives the communication of government's programme of action and policies by building, maintaining and strengthening relations with the media.
- *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; and coordinates Cabinet cluster communications and the development of the government communications programme. It also develops communication strategies and key messages for the campaigns of the human development, social protection, and governance and administration clusters.
- *Cluster Supervision (Economic and Infrastructure, Justice and International)* provides strategic communication advice to the economic and infrastructure, justice and international clusters; supports national departments; 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.

Expenditure trends and estimates

Table 3.24 Intergovernmental Coordination and Stakeholder Management expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2011/12	2012/13	2013/14		2011/12 - 2014/15	2014/15	2015/16	2016/17	2017/18	2014/15 - 2017/18	2017/18
R thousand											
Programme Management for Intergovernmental Coordination and Stakeholder Management	6 249	2 091	2 495	2 627	-25.1%	3.4%	2 577	2 782	2 925	3.6%	2.7%
Provincial and Local Liaison	72 034	71 776	71 933	72 979	0.4%	73.1%	68 281	71 742	75 567	1.2%	72.4%
Media Engagement	12 314	12 844	12 876	14 144	4.7%	13.2%	13 922	14 488	15 635	3.4%	14.6%
Cluster Supervision (Human Development, Social Protection and Governance and Administration)	-	14 916	8 426	4 935	-	7.2%	4 941	5 212	5 488	3.6%	5.2%
Cluster Supervision (Economic and Infrastructure, Justice and International)	-	3 833	3 676	4 573	-	3.1%	5 000	5 274	5 553	6.7%	5.1%
Total	90 597	105 460	99 406	99 258	3.1%	100.0%	94 721	99 498	105 168	1.9%	100.0%
Change to 2014 Budget estimate				(22 396)			(32 707)	(35 666)	(37 806)		
Economic classification											
Current payments	88 216	104 368	98 784	98 528	3.8%	98.8%	94 529	99 304	104 963	2.1%	99.7%
Compensation of employees	58 653	63 609	65 043	71 106	6.6%	65.5%	74 478	78 786	83 298	5.4%	77.2%
Goods and services	29 563	40 759	33 741	27 422	-2.5%	33.3%	20 051	20 518	21 665	-7.6%	22.5%
of which:											
Administrative fees	66	243	212	284	62.7%	0.2%	267	106	109	-27.3%	0.2%
Advertising	4 010	7 315	4 801	1 759	-24.0%	4.5%	1 234	1 269	1 340	-8.7%	1.4%
Assets less than the capitalisation threshold	363	1 304	117	208	-16.9%	0.5%	61	203	213	0.8%	0.2%
Catering: Departmental activities	747	1 161	1 122	1 086	13.3%	1.0%	803	607	652	-15.6%	0.8%
Communication	2 805	5 646	5 685	4 890	20.4%	4.8%	4 155	4 297	3 998	-6.5%	4.3%
Computer services	10	-	-	-	-100.0%	-	-	1	1	-	-
Consultants and professional services: Business and advisory services	241	52	18	45	-42.8%	0.1%	10	30	31	-11.7%	-
Consultants and professional services: Legal costs	1	466	-	57	284.9%	0.1%	-	-	-	-100.0%	-
Contractors	1 003	3 861	4 918	1 919	24.1%	3.0%	876	1 078	1 140	-15.9%	1.3%
Agency and support / outsourced services	14	13	29	-	-100.0%	-	-	-	-	-	-
Fleet services (including government motor transport)	1 973	2 214	2 676	1 583	-7.1%	2.1%	1 266	1 003	1 074	-12.1%	1.2%
Consumable supplies	1 305	1 644	292	424	-31.3%	0.9%	194	253	276	-13.3%	0.3%
Consumables: Stationery, printing and office supplies	811	622	695	985	6.7%	0.8%	823	695	715	-10.1%	0.8%
Operating leases	268	371	510	542	26.5%	0.4%	543	427	447	-6.2%	0.5%
Property payments	106	106	73	148	11.8%	0.1%	124	100	105	-10.8%	0.1%
Travel and subsistence	9 068	9 488	8 222	8 736	-1.2%	9.0%	7 161	7 866	8 803	0.3%	8.2%
Training and development	1 669	450	269	808	-21.5%	0.8%	274	633	683	-5.4%	0.6%
Operating payments	2 079	3 116	2 848	2 751	9.8%	2.7%	1 643	1 340	1 442	-19.4%	1.8%
Venues and facilities	2 971	2 435	1 234	1 136	-27.4%	2.0%	455	576	600	-19.2%	0.7%
Rental and hiring	53	252	20	61	4.8%	0.1%	162	34	36	-16.1%	0.1%
Transfers and subsidies	26	313	285	39	14.5%	0.2%	9	7	7	-43.6%	-
Departmental agencies and accounts	8	43	9	9	4.0%	-	9	7	7	-8.0%	-
Households	18	270	276	30	18.6%	0.2%	-	-	-	-100.0%	-
Payments for capital assets	2 343	779	269	691	-33.4%	1.0%	183	187	198	-34.1%	0.3%
Machinery and equipment	2 343	779	269	691	-33.4%	1.0%	183	187	198	-34.1%	0.3%
Payments for financial assets	12	-	68	-	-100.0%	-	-	-	-	-	-
Total	90 597	105 460	99 406	99 258	3.1%	100.0%	94 721	99 498	105 168	1.9%	100.0%
Proportion of total programme expenditure to vote expenditure	28.7%	27.2%	24.3%	26.2%	-	-	25.9%	26.1%	26.2%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	18	270	276	30	18.6%	0.2%	-	-	-	-100.0%	-
Employee social benefits	18	260	276	30	18.6%	0.1%	-	-	-	-100.0%	-
Communication	-	10	-	-	-	-	-	-	-	-	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	8	43	9	9	4.0%	-	9	7	7	-8.0%	-
Communication	8	43	9	9	4.0%	-	9	7	7	-8.0%	-

Personnel information

Table 3.25 Intergovernmental Coordination and Stakeholder Management personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		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 (%)		
		2013/14			2014/15			2015/16			2016/17			2017/18					2014/15 - 2017/18	
		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		166	1	155	65.0	0.4	166	71.1	0.4	165	74.5	0.5	164	78.8	0.5	165	83.3	0.5	-0.2%	100.0%
Salary level																				
1 – 6	34	–	30	5.3	0.2	34	6.1	0.2	34	6.7	0.2	34	7.0	0.2	34	7.4	0.2	–	20.6%	
7 – 10	89	1	85	30.0	0.4	89	33.8	0.4	88	33.1	0.4	88	35.2	0.4	88	37.5	0.4	-0.4%	53.5%	
11 – 12	24	–	23	11.9	0.5	24	14.7	0.6	24	15.1	0.6	24	16.0	0.7	24	16.7	0.7	–	14.5%	
13 – 16	19	–	17	17.8	1.0	19	16.5	0.9	19	19.6	1.0	18	20.5	1.1	19	21.6	1.1	–	11.4%	

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

2. Rand million.

Programme 4: Communication Service Agency

Programme purpose

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

Objectives

- Provide effective and efficient communication services through:
 - cost effective media bulk-buying services for government by implementing all approved media-buying campaigns, on an ongoing basis
 - 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 9 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 developments in government's programmes by conducting community 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

- *Marketing, Advertising and Media Buying* provides media buying expertise; 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.
- *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.

Expenditure trends and estimates

Table 3.26 Communication Service Agency expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate		Medium-term expenditure estimate			Average growth rate		
	2011/12	2012/13	2013/14		2014/15	2011/12 - 2014/15	Average (%)	2015/16	2016/17	2017/18	2014/15 - 2017/18	Average (%)
R thousand												
Marketing, Advertising and Media Buying	17 033	32 565	28 095	33 182	24.9%	57.1%	21 815	23 015	24 612	-9.5%	53.5%	
Media Production	19 064	18 386	24 563	21 189	3.6%	42.9%	22 525	22 075	23 441	3.4%	46.5%	
Total	36 097	50 951	52 658	54 371	14.6%	100.0%	44 340	45 090	48 053	-4.0%	100.0%	
Change to 2014				4 272			(8 209)	(10 551)	(10 074)			
Budget estimate												
Economic classification												
Current payments	34 579	50 214	51 526	52 848	15.2%	97.5%	44 094	44 830	47 780	-3.3%	98.8%	
Compensation of employees	15 803	19 238	19 270	21 643	11.1%	39.1%	25 047	25 464	27 267	8.0%	51.8%	
Goods and services	18 776	30 976	32 256	31 205	18.5%	58.3%	19 047	19 366	20 513	-13.1%	47.0%	
of which:												
Administrative fees	42	86	144	109	37.4%	0.2%	113	120	125	4.7%	0.2%	
Advertising	8 690	9 614	5 062	8 263	-1.7%	16.3%	2 305	2 432	2 561	-32.3%	8.1%	
Assets less than the capitalisation threshold	166	120	103	77	-22.6%	0.2%	-	-	-	-100.0%	-	
Bursaries: Employees	-	-	1	-	-	-	-	-	-	-	-	
Catering: Departmental activities	37	37	41	46	7.5%	0.1%	246	259	274	81.3%	0.4%	
Communication	3 464	2 638	4 752	3 784	3.0%	7.5%	1 908	2 003	2 120	-17.6%	5.1%	
Computer services	3	389	580	407	413.8%	0.7%	410	433	455	3.8%	0.9%	
Consultants and professional services: Business and advisory services	-	4	-	-	-	-	-	-	-	-	-	
Consultants and professional services: Legal costs	-	170	-	15	-	0.1%	-	-	-	-100.0%	-	
Contractors	285	227	601	620	29.6%	0.9%	212	224	224	-28.8%	0.7%	
Agency and support / outsourced services	-	465	-	-	-	0.2%	-	-	-	-	-	
Fleet services (including government motor transport)	68	50	83	66	-1.0%	0.1%	68	72	76	4.8%	0.1%	
Consumable supplies	113	173	202	93	-6.3%	0.3%	133	141	148	16.8%	0.3%	
Consumables: Stationery, printing and office supplies	570	438	1 236	525	-2.7%	1.4%	361	381	401	-8.6%	0.9%	
Operating leases	126	78	67	76	-15.5%	0.2%	76	80	84	3.4%	0.2%	
Property payments	-	-	-	-	-	-	2	-	-	-	-	
Travel and subsistence	4 438	4 824	5 112	3 389	-8.6%	9.2%	5 869	5 472	5 885	20.2%	10.7%	
Training and development	208	278	298	314	14.7%	0.6%	155	164	172	-18.2%	0.4%	
Operating payments	410	11 323	13 922	13 391	219.7%	20.1%	7 139	7 534	7 933	-16.0%	18.8%	
Venues and facilities	156	27	35	30	-42.3%	0.1%	50	51	55	22.4%	0.1%	
Rental and hiring	-	35	17	-	-	-	-	-	-	-	-	
Transfers and subsidies	35	96	142	-	-100.0%	0.1%	-	-	-	-	-	
Departmental agencies and accounts	-	5	-	-	-	-	-	-	-	-	-	
Households	35	91	142	-	-100.0%	0.1%	-	-	-	-	-	
Payments for capital assets	1 483	626	983	1 523	0.9%	2.4%	246	260	273	-43.6%	1.2%	
Machinery and equipment	1 483	603	983	1 273	-5.0%	2.2%	46	49	51	-65.8%	0.7%	
Software and other intangible assets	-	23	-	250	-	0.1%	200	211	222	-3.9%	0.5%	
Payments for financial assets	-	15	7	-	-	-	-	-	-	-	-	
Total	36 097	50 951	52 658	54 371	14.6%	100.0%	44 340	45 090	48 053	-4.0%	100.0%	
Proportion of total programme expenditure to vote expenditure	11.4%	13.1%	12.9%	14.3%	-	-	12.1%	11.8%	12.0%	-	-	
Details of transfers and subsidies												
Households												
Social benefits												
Current	35	91	142	-	-100.0%	0.1%	-	-	-	-	-	
Employee social benefits	35	91	142	-	-100.0%	0.1%	-	-	-	-	-	
Departmental agencies and accounts												
Departmental agencies (non-business entities)												
Current	-	5	-	-	-	-	-	-	-	-	-	
Communication	-	5	-	-	-	-	-	-	-	-	-	

Personnel information

Table 3.27 Communication Service Agency personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		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 (%)					
		2013/14			2014/15			2015/16		2016/17		2017/18				2014/15 - 2017/18				
		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost				Number	Cost	Unit Cost	
Communication Service Agency		56	2	55	19.3	0.4	53	21.6	0.4	51	25.0	0.5	51	25.5	0.5	51	27.3	0.5	-1.3%	100.0%
Salary level		12	1	13	2.4	0.2	11	2.2	0.2	10	2.4	0.2	10	2.5	0.3	10	2.7	0.3	-3.1%	19.9%
1 – 6		29	1	24	8.0	0.3	27	9.6	0.4	27	11.1	0.4	27	11.8	0.4	27	12.3	0.5	–	52.4%
7 – 10		11	–	13	6.1	0.5	11	6.3	0.6	11	7.7	0.7	11	7.1	0.6	11	8.0	0.7	–	21.4%
11 – 12		4	–	5	2.8	0.6	4	3.6	0.9	3	3.8	1.3	3	4.0	1.3	3	4.3	1.4	-9.1%	6.3%
13 – 16																				

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

² Rand million.

Public entities and other agencies

South African Broadcasting Corporation

Mandate

The South African Broadcasting Corporation is listed as a schedule 2 public entity in terms of the Public Finance Management Act (1999). Its mandate is set out in its charter and in the Broadcasting Act (1999), as amended, and requires it to provide radio and television broadcasting services to South Africa.

Selected performance indicators

Table 3.28 South African Broadcasting Corporation performance indicators by programme/objective/activity and related outcome¹

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Value of operational expenditure: Digital terrestrial television per year	Digital terrestrial migration and technology	Outcome 12: An efficient, effective and development-oriented public service	– ²	– ³	R70m	R130m	R250m	R1.5bn	R2.4bn
Local content as a percentage of total public service television	Local content delivery: Television		75%	75%	75%	75%	75%	75%	75%
Local content as a percentage of total public commercial service television	Local content delivery: Television		35%	35%	35%	35%	35%	35%	35%
Local content as a percentage of total public service radio	Local content delivery: Radio		70%	70%	70%	70%	70%	70%	70%
Local content as a percentage of total public commercial service radio	Local content delivery: Radio		45%	45%	45%	45%	45%	45%	45%
Number of low power television transmitters switched on per year	Universal access transmitter rollout news		300	300	300	367	– ⁴	– ⁴	– ⁴
Number of low power radio transmitters switched on per year ⁴	Universal access transmitter rollout news		105	0	100	100	– ⁴	– ⁴	– ⁴

¹ The entity is reviewing its objectives in order to align it to its corporate plan, which means that new and existing programmes and special projects will be absorbed into others. Thus, the current performance indicators will be different in the upcoming reporting period.

² There was no data in 2011/12 as the project was delayed and the amounts reflected in the previous year were incorrect.

³ The operational expenditure on digital terrestrial television per year was zero in 2012/13, due to delays in implementation. Thus, the target was not achieved.

⁴ No data is available for 2015/16, 2016/17 and 2017/18. Furthermore, the rollout of low power transmitters has been put on hold.

Expenditure analysis

Although the South African Broadcasting Corporation does not directly contribute to the vision of the national development plan, it indirectly contributes to outcome 12 of government's 2014-2019 medium term strategic framework (an efficient, effective and development oriented public service). It achieves this through its programming content with an emphasis on audiences, editorial integrity, the development of local content, and the telling of authentic South African stories.

The corporation's focus over the MTEF period will be on realigning its operational model with requirements for digital broadcasting. Expenditure is expected to increase from R8 billion in 2014/15 to R9.9 billion in 2017/18, mainly due to activities involving improving the corporation's news and sporting content offered on radio and television. This includes the expansion of commercial radio stations to increase the organisation's audience share, and capital spending to replace or upgrade equipment. The corporation will also continue to digitise its value chain and distribution platforms, with radio broadcasting conducted digitally from production to distribution, and television broadcasting conducted in full high definition.

The corporation generates its revenue mainly from licence fees, commercial revenue (from advertising, programme and sport sponsorships across television, radio and online platforms), and transfers from government. Revenue growth over the medium term is expected to be constrained by the difficult economic environment, although the bulk of revenue growth is expected to be provided by commercial advertising as a result of the revised schedules and content strategy on television channels SABC 2 and SABC 3. Revenue is therefore expected to increase by 3.5 per cent over the medium term to reach R7.9 billion.

The increase in spending between 2011/12 and 2014/15 was due to higher broadcast costs, signal distribution costs, and the remuneration of contractors. Higher revenue collection costs for television licences also contributed to the increased expenditure over the period as the corporation attempted to improve liquidity. At the end of December 2012, the organisation had achieved a positive liquidity ratio of more than R1 billion and was able to settle its bank loan by September 2013, 14 months earlier than the expected loan term. This saved the corporation R17 million in interest costs.

Cabinet approved budget reductions of R204.9 million over the medium term are to be effected on the corporation's allocation for the digital migration project, which was concluded in 2014/15. This amount has been reprioritised to fund Sentech and the South African Post Office.

The corporation has 3 870 funded posts, of which 3 677 were filled at the end of November 2014. The number of filled posts is expected to increase to 3 720 over the medium term, which accounts for an expected increase in spending on compensation of employees of 6.7 per cent over the medium term. The additional appointments are to meet the requirements for implementing digital terrestrial television, and the organisation's strategy to expand regional content and thus contribute to job creation. Digitising the corporation's delivery platforms in line with the country's digital migration efforts remains a priority, and the organisation will continue to need to raise funding to improve its digital readiness.

Programmes/objectives/activities

Table 3.29 South African Broadcasting Corporation expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate 2014/15	Average growth rate (%) 2011/12 - 2014/15	Expenditure/ Total: Average (%) 2011/12 - 2014/15	Medium-term expenditure estimate			Average growth rate (%) 2014/15 - 2017/18	Expenditure/ Total: Average (%) 2014/15 - 2017/18
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18		
Administration	1 233 100	1 655 389	1 253 217	1 789 746	13.2%	21.3%	1 776 464	1 956 566	2 110 768	5.7%	21.1%
Local content delivery: Television	2 228 765	2 252 675	2 382 475	2 926 635	9.5%	35.3%	2 929 928	3 071 969	3 094 767	1.9%	33.3%
Local content delivery: Radio	850 310	846 021	768 245	1 025 698	6.5%	12.6%	1 076 496	1 149 247	1 224 008	6.1%	12.4%
Universal access transmitter rollout news	542 036	573 005	688 798	739 510	10.9%	9.2%	849 498	932 150	1 017 867	11.2%	9.7%
Sports of national Interest and mandate	493 715	711 823	581 674	472 253	-1.5%	8.2%	1 159 739	1 203 272	1 123 415	33.5%	10.7%
Digital terrestrial migration and technology	844 328	843 361	1 019 970	993 700	5.6%	13.4%	1 120 293	1 197 100	1 297 998	9.3%	12.7%
Total	6 192 254	6 882 274	6 694 379	7 947 542	8.7%	100.0%	8 912 418	9 510 304	9 868 823	7.5%	100.0%

Statements of historical financial performance and position

Table 3.30 South African Broadcasting Corporation statements of historical financial performance and position

Statement of financial performance									
R thousand	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Outcome/Budget Average (%)
	2011/12		2012/13		2013/14		2014/15		2011/12 - 2014/15
Revenue									
Non-tax revenue	6 703 228	6 003 510	6 126 650	6 108 053	6 120 298	6 525 576	7 023 136	7 394 623	100.2%
Sale of goods and services other than capital assets	6 614 357	5 931 115	6 125 598	6 007 921	6 087 706	6 460 596	6 969 220	7 372 678	99.9%
<i>of which:</i>									
Administrative fees	880 471	931 967	1 023 647	919 878	985 776	935 127	1 106 676	1 106 676	97.4%
Sales by market establishment	5 733 886	4 999 148	5 101 951	5 088 043	5 101 930	5 525 469	5 862 544	6 266 002	100.4%
Other non-tax revenue	88 871	72 395	1 052	100 132	32 592	64 980	53 916	21 945	147.1%
Transfers received	197 444	532 237	860 112	635 396	536 603	820 734	744 412	725 907	116.1%
Total revenue	6 900 672	6 535 747	6 986 762	6 743 449	6 656 901	7 346 310	7 767 548	8 120 530	101.5%
Expenses									
Current expenses	6 672 672	6 089 501	6 801 772	6 518 313	6 908 850	6 796 644	7 806 520	7 854 925	96.7%
Compensation of employees	1 275 680	1 576 044	1 522 334	1 814 763	1 455 365	2 073 843	2 320 550	2 431 122	120.1%
Goods and services	4 868 483	4 144 637	4 768 457	4 345 548	5 046 924	4 291 631	5 145 823	5 146 313	90.4%
Depreciation	391 000	266 914	391 656	284 071	318 794	398 069	324 997	271 848	85.6%
Interest, dividends and rent on land	137 509	101 906	119 325	73 931	87 767	33 101	15 150	5 642	59.6%
Transfers and subsidies	–	73 342	1 007	73 396	4 400	80 375	57 806	92 617	505.8%
Total expenses	6 672 672	6 192 254	6 802 779	6 882 274	6 913 250	6 694 379	7 864 326	7 947 542	98.1%
Surplus/(Deficit)	228 000	343 493	183 983	(138 825)	(256 349)	651 931	(96 778)	172 988	–
Statement of financial position									
Carrying value of assets	2 292 662	1 495 979	1 971 159	1 337 542	2 081 805	1 485 177	1 242 437	1 587 647	77.8%
<i>of which:</i>									
Acquisition of assets	794 280	104 530	1 379 753	124 509	2 659 847	104 455	350 000	350 000	13.2%
Investments	223 448	1 095 558	120 399	1 085 063	1 027 059	1 506 554	896 826	944 510	204.2%
Inventory	955 349	866 805	1 032 729	692 172	1 664 819	729 693	677 016	833 964	72.1%
Receivables and prepayments	1 060 975	1 034 886	1 232 283	923 064	1 046 353	1 251 580	1 055 816	1 284 894	102.3%
Cash and cash equivalents	(278 261)	217 732	–	145 447	200 000	59 243	20 000	20 000	-759.4%
Defined benefit plan assets	–	155 277	–	69 202	9 649	155 657	–	155 657	5 552.8%
Derivatives financial instruments	–	4 755	–	6 761	4 753	8 243	6 759	8 243	243.2%
Total assets	4 254 173	4 870 992	4 356 570	4 259 251	6 034 438	5 196 147	3 898 854	4 834 915	103.3%
Accumulated surplus/(deficit)	1 034 358	1 115 780	779 921	1 347 921	2 140 681	2 397 118	1 206 410	1 843 498	129.9%
Capital and reserves	2 000	3 138	2 455	5 766	3 147	6 977	5 765	6 976	171.0%
Capital reserve fund	–	435 710	–	368 552	337 777	348 739	326 650	393 159	232.7%
Borrowings	1 221 206	788 390	1 281 338	343 058	410 189	26 778	–	–	39.8%
Finance lease	–	389 031	256 046	57 201	1 137	92 239	224	–	209.2%
Deferred income	140 000	122 828	450 404	103 243	82 828	218 829	115 370	168 641	77.8%
Trade and other payables	942 430	932 770	964 885	700 849	1 668 948	725 475	899 616	778 164	70.1%
Taxation	–	62 988	–	69 034	–	134 945	–	200 993	–
Provisions	767 121	992 966	621 521	1 236 237	1 287 731	1 222 874	1 317 194	1 421 311	122.0%
Derivatives financial instruments	147 058	27 391	–	27 390	102 000	22 173	27 625	22 173	35.8%
Total equity and liabilities	4 254 173	4 870 992	4 356 570	4 259 251	6 034 438	5 196 147	3 898 854	4 834 915	103.3%

Statements of estimates of financial performance and position

Table 3.31 South African Broadcasting Corporation statements of estimates of financial performance and position

Statement of financial performance								
R thousand	Revised estimate	Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/Total: Average (%)
	2014/15	2011/12 - 2014/15		2015/16	2016/17	2017/18	2014/15 - 2017/18	
Revenue								
Non-tax revenue	7 394 623	7.2%	90.6%	7 571 701	7 903 602	8 231 623	3.6%	91.4%
Sale of goods and services other than capital assets	7 372 678	7.5%	89.6%	7 532 519	7 882 439	8 221 751	3.7%	91.1%
<i>of which:</i>								
Administrative fees	1 106 676	5.9%	13.6%	1 092 571	1 157 350	1 225 779	3.5%	13.5%
Sales by market establishment	6 266 002	7.8%	76.1%	6 439 948	6 725 089	6 995 972	3.7%	77.6%
Other non-tax revenue	21 945	-32.8%	0.9%	39 182	21 163	9 872	-23.4%	0.3%
Transfers received	725 907	10.9%	9.4%	702 637	735 563	767 302	1.9%	8.6%
Total revenue	8 120 530	7.5%	100.0%	8 274 338	8 639 165	8 998 925	3.5%	100.0%
Expenses								
Current expenses	7 854 925	8.9%	98.4%	8 676 554	9 212 730	9 560 124	6.8%	97.5%
Compensation of employees	2 431 122	15.5%	28.3%	2 419 876	2 681 222	2 957 387	6.7%	29.0%
Goods and services	5 146 313	7.5%	64.7%	5 925 507	6 204 941	6 231 474	6.6%	64.9%
Depreciation	271 848	0.6%	4.5%	341 848	337 750	362 372	10.1%	3.6%
Interest, dividends and rent on land	5 642	-61.9%	0.8%	(10 677)	(11 183)	8 891	16.4%	-0.0%
Transfers and subsidies	92 617	8.1%	1.2%	76 986	85 301	94 086	0.5%	1.0%
Total expenses	7 947 542	8.7%	100.0%	8 912 418	9 510 304	9 868 823	7.5%	100.0%
Surplus/(Deficit)	172 988	-20.4%		(638 080)	(871 139)	(869 898)	-271.3%	

Table 3.31 South African Broadcasting Corporation statements of estimates of financial performance and position

Statement of financial position	Revised estimate	Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/Total: Average (%)
				2014/15	2011/12 - 2014/15	2015/16		
R thousand								
Carrying value of assets	1 587 647	2.0%	30.9%	1 545 801	1 658 050	1 745 676	3.2%	36.4%
of which:								
Acquisition of assets	350 000	49.6%	3.6%	321 365	460 869	460 867	9.6%	8.9%
Investments	944 510	-4.8%	24.1%	687 180	261 865	195 024	-40.9%	11.4%
Inventory	833 964	-1.3%	16.3%	878 702	922 485	968 458	5.1%	20.1%
Receivables and prepayments	1 284 894	7.5%	23.4%	1 345 232	1 408 683	1 466 409	4.5%	30.7%
Cash and cash equivalents	20 000	-54.9%	2.4%	20 000	20 000	20 000	-	0.4%
Defined benefit plan assets	155 657	0.1%	2.8%	-	-	-	-100.0%	0.8%
Derivatives financial instruments	8 243	20.1%	0.1%	8 243	8 243	8 243	-	0.2%
Total assets	4 834 915	-0.2%	100.0%	4 485 158	4 279 326	4 403 810	-3.1%	100.0%
Accumulated surplus/(deficit)	1 843 498	18.2%	34.7%	1 501 672	1 029 776	559 482	-32.8%	27.1%
Capital and reserves	6 976	30.5%	0.1%	6 978	6 977	6 978	0.0%	0.2%
Capital reserve fund	393 159	-3.4%	8.1%	347 909	335 499	290 862	-9.6%	7.6%
Borrowings	-	-100.0%	6.2%	-	-	356 928	-	2.0%
Deferred income	168 641	11.1%	3.2%	207 966	219 334	231 045	11.1%	4.6%
Trade and other payables	778 164	-5.9%	16.4%	584 171	634 541	659 946	-5.3%	14.7%
Taxation	200 993	47.2%	2.4%	200 993	200 994	200 994	0.0%	4.5%
Provisions	1 421 311	12.7%	25.6%	1 613 296	1 830 032	2 075 402	13.4%	38.8%
Derivatives financial instruments	22 173	-6.8%	0.5%	22 173	22 173	22 173	-	0.5%
Total equity and liabilities	4 834 915	-0.2%	100.0%	4 485 158	4 279 326	4 403 810	-23.2%	100.0%

Brand South Africa

Mandate

Brand South Africa was established as a trust in 2002 and gazetted as a schedule 3A public entity in accordance with the Public Finance Management Act (1999) in 2006. Its purpose is to develop and implement a proactive and coordinated international marketing and communications strategy for South Africa, to contribute to job creation and poverty reduction, and to attract inward investment, trade and tourism.

Selected performance indicators

Table 3.32 Brand South Africa performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Brand ranking index	Brand strategy development and management	Outcome 11: Create a better South Africa, a better Africa and a better world	36	36	30-34	31-35	28-31	28-31	28-31
World Economic Forum global competitive index (148 countries registered)	Brand strategy development and management		50 (139)	52 (144)	53	43-53	40-42	40-42	40-42
Percentage of stakeholders trained for brand compliance per year ¹	Brand strategy development and management		23 departments 9 in provinces 24 companies	9 state owned enterprises 25 companies	100%(18)	100%(18)	100%(18)	100%(18)	100%(18)
International media reputation index	Reputation management		53	50-55	50-55	45-50	44-49	44-49	44-49
Domestic media reputation index ²	Reputation management		64	55-56	55-56	55-60	54-58	54-58	54-58
Institute of Management Development competitiveness yearbook ranking ³	Reputation management		59	50	52	- ³	- ³	- ³	- ³

1. This indicator has been measured as a percentage of stakeholders trained for brand compliance since 2013/14.

2. Some of the indices and rankings aim to achieve performance within a range.

3. The indicator has been discontinued from 2013/14, after which the entity will use the global competitiveness index.

Expenditure analysis

In support of the national development plan's vision, Brand South Africa is charged with building the brand reputation of the country in order to improve its global competitiveness and better position South Africa in the world, as well as promoting active citizenry and social cohesion across society. This is in line with outcome 14 of government's 2014-2019 medium term strategic framework (nation building and social cohesion). Such measures will improve South Africa's global competitiveness index ranking, and boost business confidence in the country and its standing in the region and the world, in line with the framework's outcome 11 (create a better South Africa, a better Africa and a better world).

The organisation's focus over the medium term will be on brand strategy development and management, and reputation management. This entails the development of communications strategies, marketing, and a range of other activities that position the country competitively, both domestically and in international markets. Further focus areas will assist various government and private sector entities to align their communications strategies with national messaging, and ensure that the implementation of key projects, events, and news on government policies and programmes receive appropriate coverage.

In line with this, the organisation intends to improve its standing in the brand ranking index to between 28 and 31 over the medium term, and improve its position in the global competitive index from 53 in 2013/14 to between 40 and 42 by 2017/18. The organisation will also host the second South African competitiveness forum in Johannesburg in 2015, and this year's theme will be: Active citizenship and its role in changing the South African brand reality. The forum is a strategic platform where leaders and influential people from business, civil society and government share insights and assist one another in shaping the South African brand. Expenditure on the forum is expected to be R2 million per year.

Domestically, Brand South Africa will intensify the Play Your Part campaign, develop and roll out the Play Your Part television series, and secure media partners to inspire all South Africans, including those living abroad, and thereby increase national pride and levels of patriotism. Expenditure on this campaign is expected to increase from R28 million in 2014/15 to R32.5 million in 2017/18.

Consequently, expenditure on compensation of employees over the medium term is expected to increase from R33.6 million in 2014/15 to R59.2 million in 2017/18 to accommodate the 12 additional posts that have been created in the organisation. Brand South Africa will deploy permanent staff members to Brazil and India in addition to personnel deployed to China, the United Kingdom and the United States.

Cabinet approved budget reductions of R2.6 million in 2015/16 and R3.9 million in 2016/17 will be effected on transfers to the organisation. However, these reductions are not expected to adversely affect the achievement of the organisation's outputs.

Programmes/objectives/activities

Table 3.33 Brand South Africa expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17		
					2011/12 - 2014/15					2014/15 - 2017/18	
Administration	173 063	163 276	205 439	186 101	2.5%	100.0%	173 160	186 586	194 300	1.4%	100.0%
Total	173 063	163 276	205 439	186 101	2.5%	100.0%	173 160	186 586	194 300	1.4%	100.0%

Statements of historical financial performance and position

Table 3.34 Brand South Africa statements of historical financial performance and position

Statement of financial performance									
R thousand	Budget		Audited outcome		Budget		Audited outcome		Outcome/ Budget Average (%)
	2011/12	2012/13	2012/13	2013/14	2013/14	2014/15	2014/15		
Revenue									
Non-tax revenue	21 005	4 320	11 000	6 269	3 200	34 481	8 759	5 756	115.6%
Other non-tax revenue	21 005	4 320	11 000	6 269	3 200	34 481	8 759	5 756	115.6%
Transfers received	140 089	140 089	148 779	154 779	160 434	160 434	167 686	167 686	101.0%
Total revenue	161 094	144 409	159 779	161 048	163 634	194 915	176 445	173 442	101.9%

Table 3.34 Brand South Africa statements of historical financial performance and position

Statement of financial performance									
R thousand	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Outcome/ Budget Average (%)
	2011/12		2012/13		2013/14		2014/15		2011/12 - 2014/15
Expenses									
Current expenses	140 087	173 063	159 779	163 276	163 634	205 439	176 202	186 101	113.8%
Compensation of employees	22 792	23 341	29 233	26 844	30 928	33 014	33 633	33 633	100.2%
Goods and services	115 752	148 316	129 890	135 128	132 706	171 318	141 366	151 185	116.6%
Depreciation	1 543	1 395	656	1 100	–	1 059	1 203	1 203	139.8%
Interest, dividends and rent on land	–	11	–	204	–	49	–	80	–
Total expenses	140 087	173 063	159 779	163 276	163 634	205 439	176 202	186 101	113.8%
Surplus/(Deficit)	21 007	(28 654)	–	(2 228)	–	(10 524)	243	(12 659)	–
Statement of financial position									
Carrying value of assets	1 205	2 193	2 164	2 461	300	2 843	3 524	3 541	153.5%
<i>of which:</i>									
<i>Acquisition of assets</i>	1 020	1 317	940	1 456	1 100	1 714	1 607	1 607	130.6%
Investments	–	397	–	1 209	–	660	–	220	–
Receivables and prepayments	2 300	33 793	5 260	5 497	1 100	10 484	1 250	1 370	516.1%
Cash and cash equivalents	3 000	81	42 854	30 510	10 585	16 090	14 104	6 000	74.7%
Total assets	6 505	36 464	50 278	39 677	11 985	30 077	18 878	11 131	133.9%
Accumulated surplus/(deficit)	1 208	8 229	36 883	6 001	–	(4 723)	6 645	1 033	23.6%
Finance lease	–	333	–	213	125	401	511	256	189.1%
Trade and other payables	4 497	26 824	12 707	32 370	11 210	33 054	10 547	8 407	258.3%
Provisions	800	1 079	688	1 094	650	1 157	1 175	1 175	136.0%
Derivatives financial instruments	–	–	–	–	–	188	–	260	–
Total equity and liabilities	6 505	36 465	50 278	39 678	11 985	30 077	18 878	11 131	133.9%

Statements of financial performance and position estimates

Table 3.35 Brand South Africa statements of estimates of financial performance and position

Statement of financial performance									
R thousand	Revised estimate	Average growth rate (%)	Expenditure/Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/Total: Average (%)	
	2014/15	2011/12 - 2014/15		2015/16	2016/17	2017/18	2014/15 - 2017/18		
Revenue									
Non-tax revenue	5 756	10.0%	7.0%	345	5 786	279	-63.5%	1.7%	
Other non-tax revenue	5 756	10.0%	7.0%	345	5 786	279	-63.5%	1.7%	
Transfers received	167 686	6.2%	93.0%	173 160	181 186	194 300	5.0%	98.3%	
Total revenue	173 442	6.3%	100.0%	173 505	186 972	194 579	3.9%	100.0%	
Expenses									
Current expenses	186 101	2.5%	100.0%	173 160	186 586	194 300	1.4%	100.0%	
Compensation of employees	33 633	12.9%	16.0%	51 627	55 891	59 243	20.8%	27.1%	
Goods and services	151 185	0.6%	83.3%	120 173	129 199	133 411	-4.1%	72.1%	
Depreciation	1 203	-4.8%	0.7%	1 275	1 403	1 543	8.7%	0.7%	
Interest, dividends and rent on land	80	93.7%	0.0%	85	93	103	8.7%	0.0%	
Total expenses	186 101	2.5%	100.0%	173 160	186 586	194 300	1.4%	100.0%	
Surplus/(Deficit)	(12 659)	-23.8%		345	386	279	-128.0%	–	
Statement of financial position									
Carrying value of assets	3 541	17.3%	13.4%	3 910	4 250	4 554	8.7%	36.0%	
<i>of which:</i>									
<i>Acquisition of assets</i>	1 607	6.9%	6.9%	2 346	2 699	2 861	21.2%	21.0%	
Investments	220	-17.9%	-2.1%	50	–	–	-100.0%	0.6%	
Receivables and prepayments	1 370	-65.6%	38.4%	1 465	1 566	1 674	6.9%	13.5%	
Cash and cash equivalents	6 000	320.0%	46.1%	5 000	5 500	6 050	0.3%	49.9%	
Total assets	11 131	-32.7%	100.0%	10 425	11 316	12 278	3.3%	100.0%	
Accumulated surplus/(deficit)	1 033	-49.9%	7.8%	1 378	1 764	2 043	25.5%	13.7%	
Finance lease	256	-8.4%	1.3%	659	560	420	17.9%	4.2%	
Trade and other payables	8 407	-32.1%	85.1%	6 895	7 370	8 051	-1.4%	68.1%	
Provisions	1 175	2.9%	5.0%	1 293	1 422	1 564	10.0%	12.1%	
Derivatives financial instruments	260	–	0.7%	200	200	200	-8.4%	1.9%	
Total equity and liabilities	11 131	-32.7%	100.0%	10 425	11 316	12 278	43.7%	100.0%	

Personnel information

Table 3.36 Brand South Africa personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		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 (%)				
		2013/14			2014/15			2015/16		2016/17		2017/18				2014/15 - 2017/18			
Brand SA		Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost		Unit Cost		
Salary level	-	-	41	33.0	0.8	45	33.6	0.7	57	51.6	0.9	57	55.9	1.0	57	59.2	1.0	20.8%	100.0%
7 - 10	-	-	9	9.8	1.1	16	9.8	0.6	10	4.7	0.5	10	4.9	0.5	10	5.2	0.5	-18.8%	22.0%
11 - 12	-	-	11	3.3	0.3	8	2.7	0.3	24	15.5	0.6	24	16.4	0.7	24	17.4	0.7	85.9%	36.0%
13 - 16	-	-	21	19.9	0.9	21	21.1	1.0	23	31.5	1.4	23	34.5	1.5	23	36.6	1.6	20.1%	41.9%

1. Rand million.

Film and Publication Board

Mandate

The Film and Publication Board regulates and controls the creation, production, possession, exhibition and distribution of films, interactive computer games and certain publications in terms of the Film and Publications Act (1996). The board is also responsible for monitoring age restricted business premises for compliance with their licence and registration terms.

Expenditure analysis

The national development plan envisages that, by 2030, people living in South Africa should have no fear of crime, and special attention should be paid to preventing crimes against women and children. This is in line with outcome 3 of government's 2014-2019 medium term strategic framework (all people in South Africa are and feel safe).

To support this vision, the Film and Publication Board's focus over the medium term will be to protect children against premature exposure to adult experiences and harmful materials, particularly films, games and publications. The Films and Publications Act (1996) makes the use of children in pornography a punishable criminal offence. The board's outreach and public campaigns will focus on encouraging adults to take messaging to members of the public to foster responsible viewing, gaming and reading choices. The board will also monitor compliance with the act, focusing on both physical and online distribution platforms; and the proliferation of online, digital distribution platforms, which is a complex undertaking. The board plans to develop and implement a content regulation framework over the medium term that ensures 100 per cent classification and labelling of classifiable content distributed on online, mobile and related platforms by 2017. Furthermore, the board will also implement programmes aimed at cyber safety and child online protection.

The board's activities are informed by: programmes that aim to prevent child pornography on the internet; outreach and awareness programmes that aim to inform and educate the public about films, videos and games that are harmful to children; research on human trafficking; and the monitoring of distributors and traders for compliance. These objectives are expected to be achieved over the medium term through 10 industry workshops and 18 parent workshops each year of the MTEF period that focus on child protection with regards to the internet. In previous years, the workshops have proved to be an invaluable tool to educate parents about the dangers of the internet with regards to child pornography and other undesirable content not suitable for children.

The board's spending priorities over the medium term will be to: implement leading edge technology in the classification of content for films, games and adult publications; inform and educate society to empower adults and protect children against harmful content; review existing legislation to align with new developments in technology; conduct research; and implement compliance, and monitoring and evaluation. The board has prioritised funds towards these activities from its existing budget.

The board is a member of the International Association of Internet Hotlines, which coordinates a global network to support countries in responding to reports of illegal content in order to make the internet safer. The new technology implemented will assist the board to field complaints about apparent illegal content from the public.

Once complaints are received, teams of analysts then assess the content in accordance with legislation and, if they consider it to be illegal, trace it to a host country. If the content is illegal in the host country, the hotline takes steps to have the material removed in consultation with that country's law enforcement partners, and also in partnership with mobile network operators and internet service providers. In implementing this, the bulk of expenditure will go towards compensation of employees, travel and subsistence (through conducting campaigns and outreach programmes in various regions), workshops and meetings, consulting and professional fees, IT maintenance and infrastructure, and public relations campaigns.

Cabinet approved budget reductions of R564 000 in 2015/16 and R846 000 in 2016/17 will mainly be effected on non-essential spending items of the board's operations, such as venues and facilities, and catering and entertainment. The reductions are not expected to have any adverse effects on service delivery.

Programmes/objectives/activities

Table 3.37 Film and Publication Board expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate 2014/15	Average growth rate (%) 2011/12 - 2014/15	Expenditure/Total: Average (%) 2011/12 - 2014/15	Medium-term expenditure estimate			Average growth rate (%) 2014/15 - 2017/18	Expenditure/Total: Average (%) 2014/15 - 2017/18
	2011/12	2012/13	2013/14				2015/16	2016/17	2017/18		
Administration	69 031	53 037	54 274	53 938	-7.9%	72.9%	57 597	60 679	66 429	7.2%	65.6%
Public awareness and education (SO 2)	-	7 851	9 507	10 541	-	8.3%	10 891	10 590	9 881	-2.1%	11.6%
Organisational capacity and capability (SO 3)	-	23 135	14 480	4 985	-	12.5%	5 483	6 031	6 635	10.0%	6.3%
Online and mobile content regulation (SO 4)	-	926	1 838	7 906	-	3.2%	8 168	8 210	6 823	-4.8%	8.6%
Administration and compliance (SO 5)	-	2 540	1 581	6 149	-	3.1%	6 353	7 941	8 417	11.0%	7.9%
Total	69 031	87 489	81 680	83 519	6.6%	100.0%	88 492	93 451	98 185	5.5%	100.0%

Statements of historical financial performance and position

Table 3.38 Film and Publication Board statements of historical financial performance and position

Statement of financial performance									
R thousand	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Outcome/Budget Average (%) 2011/12 - 2014/15
	Budget	2011/12	Budget	2012/13	Budget	2013/14			
Revenue									
Non-tax revenue	10 001	7 527	11 050	5 896	10 952	4 439	11 904	5 059	52.2%
Other non-tax revenue	10 001	7 527	11 050	5 896	10 952	4 439	11 904	5 059	52.2%
Transfers received	65 458	65 458	69 274	69 835	82 675	82 675	78 901	78 901	100.2%
Total revenue	75 459	72 985	80 324	75 731	93 627	87 114	90 805	83 960	94.0%
Expenses									
Current expenses	75 459	69 031	79 918	87 489	93 627	81 680	90 805	83 519	94.7%
Compensation of employees	32 613	27 250	36 356	31 299	39 820	36 116	36 503	36 503	90.3%
Goods and services	40 859	38 896	41 600	53 522	52 460	42 381	54 302	43 833	94.4%
Depreciation	1 952	2 831	1 962	2 668	1 347	3 183	-	3 183	225.5%
Interest, dividends and rent on land	35	54	-	-	-	-	-	-	154.3%
Total expenses	75 459	69 031	79 918	87 489	93 627	81 680	90 805	83 519	94.7%
Surplus/(Deficit)	-	3 954	406	(11 758)	-	5 434	-	441	-
Statement of financial position									
Carrying value of assets	3 850	5 530	4 654	6 608	3 677	5 748	2 822	3 522	142.7%
of which:									
Acquisition of assets	2 445	3 941	1 700	3 746	370	2 338	-	2 571	279.0%
Receivables and prepayments	502	598	245	216	521	340	521	521	93.6%
Cash and cash equivalents	4 157	7 892	2 262	1 640	4 478	3 523	5 648	4 214	104.4%
Total assets	8 509	14 021	7 161	8 464	8 676	9 611	8 991	8 257	121.0%
Accumulated surplus/(deficit)	4 822	5 235	1 821	(5 874)	2 196	(441)	2 546	-	-9.5%
Finance lease	-	281	702	2 164	1 220	1 291	1 185	451	134.8%
Trade and other payables	1 889	5 953	2 570	10 108	2 882	6 702	2 882	5 428	275.8%
Provisions	1 798	2 553	2 068	2 066	2 378	2 059	2 378	2 378	105.0%
Total equity and liabilities	8 509	14 021	7 161	8 464	8 676	9 611	8 991	8 257	121.0%

Statements of financial performance and position estimates

Table 3.39 Film and Publication Board statements of estimates of financial performance and position

Statement of financial performance		Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2014/15				2011/12 - 2014/15	2015/16	2016/17		
R thousand									
Revenue									
Non-tax revenue	5 059	-12.4%	7.3%	6 133	6 979	6 501	8.7%	6.8%	
Other non-tax revenue	5 059	-12.4%	7.3%	6 133	6 979	6 501	8.7%	6.8%	
Transfers received	78 901	6.4%	92.7%	82 359	86 472	91 684	5.1%	93.2%	
Total revenue	83 960	4.8%	100.0%	88 492	93 451	98 185	5.4%	100.0%	
Expenses									
Current expenses	83 519	6.6%	100.0%	88 492	93 451	98 185	5.5%	100.0%	
Compensation of employees	36 503	10.2%	40.8%	40 153	44 168	48 585	10.0%	46.5%	
Goods and services	43 833	4.1%	55.5%	45 156	46 100	46 417	1.9%	50.0%	
Depreciation	3 183	4.0%	3.7%	3 183	3 183	3 183	-	3.5%	
Total expenses	83 519	6.6%	100.0%	88 492	93 451	98 185	5.5%	100.0%	
Surplus/(Deficit)	441	-51.9%	-	-	-	-	-100.0%	-	
Statement of financial position									
Carrying value of assets	3 522	-14.0%	55.0%	3 800	4 250	4 600	9.3%	51.0%	
of which:									
Acquisition of assets	2 571	-13.3%	32.0%	2 828	3 111	3 422	10.0%	37.6%	
Receivables and prepayments	521	-4.5%	4.2%	550	600	650	7.7%	7.3%	
Cash and cash equivalents	4 214	-18.9%	40.8%	3 538	2 700	2 850	-12.2%	41.7%	
Total assets	8 257	-16.2%	100.0%	7 888	7 550	8 100	-0.6%	100.0%	
Finance lease	451	17.1%	11.6%	388	300	300	-12.7%	4.5%	
Trade and other payables	5 428	-3.0%	74.3%	5 000	4 500	4 800	-4.0%	62.0%	
Provisions	2 378	-2.3%	23.2%	2 500	2 750	3 000	8.1%	33.5%	
Total equity and liabilities	8 257	-16.2%	100.0%	7 888	7 550	8 100	-8.7%	100.0%	

Personnel information

Table 3.40 Film and Publication Board personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015			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 (%)			
			2013/14		2014/15		2015/16		2016/17		2017/18		2014/15 - 2017/18						
			Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost	Number	Cost	Unit Cost		
Film and Publication Board																			
Salary level	80	80	80	36.1	0.5	80	36.5	0.5	80	40.2	0.5	80	44.2	0.6	80	48.6	0.6	10.0%	100.0%
7 - 10	64	64	64	17.8	0.3	64	16.4	0.3	64	23.2	0.4	64	25.6	0.4	64	28.3	0.4	19.9%	80.0%
11 - 12	11	11	11	12.7	1.2	11	13.8	1.3	11	13.0	1.2	11	14.2	1.3	11	15.4	1.4	3.7%	13.8%
13 - 16	5	5	5	5.7	1.1	5	6.3	1.3	5	4.0	0.8	5	4.4	0.9	5	4.8	1.0	-8.2%	6.3%

1. Rand million.

The Independent Communications Authority of South Africa

Mandate

The Independent Communications Authority of South Africa was established by the Independent Communications Authority of South Africa Act (2000), as amended, to regulate the South African communications, broadcasting and postal services sectors. The regulator's mandate is defined in the Electronic Communications Act (2005) as licensing and regulating electronic communications and broadcasting services, and in the Postal Services Act (1998) as regulating the postal services sector. Enabling legislation also empowers the regulator to monitor licensee compliance with licence terms and conditions, develop regulations for the three sectors, plan and manage the radio frequency spectrum, and protect consumers in relation to these services.

Selected performance indicators

Table 3.41 The Independent Communications Authority of South Africa performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Number of pre-assigned spectrum licences processed per year	Licensing and compliance	Outcome 6: An efficient, competitive and responsive economic infrastructure network	1 485	1 634	1 600	1 600	1 700	1 850	1 900
Number of licences issued per year (class broadcasting services, class electronic communications services, electronic network services and unreserved postal services)	Licensing and compliance		30	35	Class ECNS=82; Class ECS=72; Class Broadcasting Services=40 and Unreserved Postal Services=21	Class ECNS=50; Class ECS=51; Class Broadcasting Services=31 and Unreserved Postal Services=23	Class ECNS=55; Class ECS=56; Class Broadcasting Services=36 and Unreserved Postal Services=28	Class ECNS=60; Class ECS=60; Class Broadcasting Services=40 and Unreserved Postal Services=30	Class ECNS=69; Class ECS=65; Class Broadcasting Services=40 and Unreserved Postal Services=35
Number of tariff lodgements per year	Markets and competition		52	52	72	70	80	90	95
Percentage of consumer complaints resolved per year	Consumer affairs		68% (total of 4 553 received)	64% (total of 4 317 received)	53% (total of 2 444 received)	58% (total of 4 500 projected)	64% (total of 4 500 projected)	67% (total of 4 700 projected)	70% (total of 4 700 projected)
Number of people who participate in public awareness campaigns per year	Consumer affairs		705	740	450	500	550	600	600

Expenditure analysis

The national development plan explicitly states the need to strengthen the Independent Communications Authority of South Africa's mandate for nation building, thereby contributing to outcome 14 of government's 2014-2019 medium term strategic framework (nation building and social cohesion). This is in addition to the authority's indirect contribution to outcome 6 (an efficient, competitive and responsive economic infrastructure network).

The authority continued to reduce costs while serving the sector and without compromising the quality of service to consumers in 2011/12 and 2012/13. Ringfenced funds were made available in 2012/13 to promote advocacy, run public awareness programmes, and monitor spectrum interferences during the 2013 Africa Cup of Nations. Projects relating to digital terrestrial television and availing broadband, as well as additional commercial radio services for both primary and secondary markets, were also funded from the budget allocation for that year. Further ringfenced funds were made available in 2012/13 to procure R25 million worth of equipment to monitor the activities of postal and broadcasting licensees, but due to challenges experienced in securing the equipment locally, these funds could not be utilised in the same year. In addition to this, R10 million was availed towards customer relationship management and spectrum management tools to ensure the optimal use of the high demand radio frequency spectrum by licence holders, but this amount was not fully utilised.

Adequate allocation towards projects such as monitoring the 2014 elections was made available in 2013/14 for goods and services to continue with projects that spanned over more than 1 year. Broadcasting monitoring equipment was acquired in 2013/14 at a cost of R13 million. The acquisition of assets is expected to decrease significantly in 2015/16 as most items that were required were procured between 2011/12 and 2013/14, and as a result, a significant portion of the budget will be channelled towards goods and services in order to maintain and operate these capital assets.

It is anticipated that spending patterns will stabilise over the medium term as a result of the completion of the restructuring and migration exercise. A review of capital requirements is planned for 2017/18, with minor additions anticipated in the following year.

The authority has managed to keep the cost of living adjustment for compensation of employees below 10 per cent from the 2009/10 financial period to date in order to bring salaries in line with other entities within the ministry and the ICT sector at large, and has maintained spending on compensation of employees below 60 per cent of total expenditure.

Programmes/objectives/activities

Table 3.42 The Independent Communications Authority of South Africa expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate	Average growth rate (%)		Expenditure/Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/Total: Average (%)
	2011/12	2012/13	2013/14		2014/15	2011/12 - 2014/15		2015/16	2016/17	2017/18		
Administration	229 570	232 337	226 694	249 207	2.8%	68.3%	289 486	307 078	334 218	10.3%	69.9%	
Licensing and compliance	22 463	22 348	29 391	38 629	19.8%	8.1%	28 462	29 885	42 296	3.1%	8.2%	
Engineering and technology	33 172	37 493	36 043	45 690	11.3%	11.0%	36 185	38 226	58 213	8.4%	10.5%	
Markets and competition	17 741	21 014	27 393	33 219	23.3%	7.1%	23 405	24 344	32 026	-1.2%	6.7%	
Consumer affairs	10 859	21 736	19 671	22 476	27.4%	5.4%	14 724	15 459	26 067	5.1%	4.6%	
Total	313 805	334 928	339 192	389 221	7.4%	100.0%	392 262	414 992	492 820	8.2%	100.0%	

Statements of historical financial performance and position

Table 3.43 The Independent Communications Authority of South Africa statements of historical financial performance and position

Statement of financial performance									
R thousand	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Outcome/Budget Average (%)
	Budget	2011/12	Budget	2012/13	Budget	2013/14			
Revenue									
Non-tax revenue	8 012	6 971	6 581	6 289	4 707	23 242	5 512	10 101	187.8%
Sale of goods and services other than capital assets	-	7	12	-	12	-	-	-	29.2%
of which:									
Administrative fees	-	7	12	-	12	-	-	-	29.2%
Other non-tax revenue	8 012	6 964	6 569	6 289	4 695	23 242	5 512	10 101	188.0%
Transfers received	313 378	313 378	389 797	342 385	390 661	360 764	376 221	376 221	94.7%
Total revenue	321 390	320 349	396 378	348 673	395 368	384 006	381 733	386 322	96.3%
Expenses									
Current expenses	272 588	314 153	359 748	336 034	395 368	340 822	384 103	389 221	97.8%
Compensation of employees	185 146	186 210	195 329	194 269	206 072	204 158	232 007	235 959	100.2%
Goods and services	75 342	118 571	146 619	128 047	173 246	120 651	133 314	138 105	95.6%
Depreciation	12 100	9 023	17 800	12 612	16 050	14 383	18 782	15 157	79.1%
Interest, dividends and rent on land	-	349	-	1 107	-	1 630	-	-	-
Transfers and subsidies	1 200	-	-	-	-	-	-	-	-
Total expenses	273 789	314 153	359 748	336 034	395 368	340 822	384 103	389 221	97.7%
Surplus/(Deficit)	47 601	6 196	36 629	12 639	-	43 184	(2 370)	(2 899)	
Statement of financial position									
Carrying value of assets	108 545	99 579	134 293	99 264	210 410	108 455	208 000	187 146	74.8%
of which:									
Acquisition of assets	5 512	12 421	46 358	17 105	72 000	26 949	31 412	72 498	83.1%
Investments	577 706	-	-	-	-	-	-	-	-
Inventory	-	508	-	530	-	582	530	530	405.7%
Receivables and prepayments	10 500	666 190	12 820	720 733	14 400	710 514	8 100	8 100	4 595.2%
Cash and cash equivalents	64 000	45 551	23 735	155 117	25 500	321 594	23 000	31 954	406.8%
Total assets	760 751	811 828	170 848	975 644	250 310	1 141 145	239 630	227 730	222.0%
Accumulated surplus/(deficit)	-	119 586	139 864	133 589	215 430	181 928	207 006	207 006	114.2%
Capital and reserves	33 731	-	-	-	-	-	-	-	-
Capital reserve fund	-	-	-	63 412	-	93 309	-	-	-
Borrowings	10 000	-	-	-	-	-	-	-	-
Finance lease	-	1 604	-	988	680	455	324	324	335.8%
Trade and other payables	21 000	15 475	30 984	19 753	34 200	29 242	4 000	4 000	75.9%
Benefits payable	-	-	-	0	-	-	-	-	-
Provisions	10 000	9 154	-	10 185	-	20 804	28 300	16 400	147.6%
Managed funds (e.g. poverty alleviation fund)	-	665 837	-	747 716	-	815 407	-	-	-
Derivatives financial instruments	686 020	-	-	-	-	-	-	-	-
Total equity and liabilities	760 751	811 656	170 848	975 644	250 310	1 141 145	239 630	227 730	222.0%

Statements of financial performance and position estimates

Table 3.44 The Independent Communications Authority of South Africa statements of estimates of financial performance and position

Statement of financial performance		Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
Revised estimate	2014/15			2011/12 - 2014/15	2015/16	2016/17		
R thousand								
Revenue								
Non-tax revenue	10 101	13.2%	3.2%	10 000	10 500	11 000	2.9%	2.5%
Other non-tax revenue	10 101	13.2%	3.2%	10 000	10 500	11 000	2.9%	2.5%
Transfers received	376 221	6.3%	96.8%	393 619	414 981	435 205	5.0%	97.5%
Total revenue	386 322	6.4%	100.0%	403 619	425 481	446 205	4.9%	100.0%
Expenses								
Current expenses	389 221	7.4%	100.0%	392 262	414 992	492 820	8.2%	100.0%
Compensation of employees	235 959	8.2%	59.4%	253 685	261 294	274 360	5.2%	61.0%
Goods and services	138 105	5.2%	36.7%	120 577	135 198	200 460	13.2%	34.9%
Depreciation	15 157	18.9%	3.7%	18 000	18 500	18 000	5.9%	4.1%
Total expenses	389 221	7.4%	100.0%	392 262	414 992	492 820	8.2%	100.0%
Surplus/(Deficit)	(2 899)	-177.6%	-	11 357	10 489	(46 615)	152.4%	-
Statement of financial position								
Carrying value of assets of which:	187 146	23.4%	28.5%	203 000	197 300	209 138	3.8%	85.0%
Acquisition of assets	72 498	80.0%	9.4%	9 300	-	13 000	-43.6%	10.3%
Inventory	530	1.4%	0.1%	550	560	594	3.8%	0.2%
Receivables and prepayments	8 100	-77.0%	55.4%	8 300	8 600	9 116	4.0%	3.6%
Cash and cash equivalents	31 954	-11.1%	15.9%	23 500	23 500	24 910	-8.0%	11.1%
Total assets	227 730	-34.5%	100.0%	235 350	229 960	243 758	2.3%	100.0%
Accumulated surplus/(deficit)	207 006	20.1%	33.8%	198 900	190 560	201 994	-0.8%	85.3%
Finance lease	324	-41.3%	0.1%	2 250	1 400	1 484	66.1%	0.6%
Trade and other payables	4 000	-36.3%	2.1%	4 500	5 000	5 300	9.8%	2.0%
Provisions	16 400	21.5%	2.8%	29 700	33 000	34 980	28.7%	12.1%
Total equity and liabilities	227 730	-34.5%	100.0%	235 350	229 960	243 758	103.8%	100.0%

Personnel information

Table 3.45 The Independent Communications Authority of South Africa personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2015		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 (%)					
		2013/14		Unit Cost	2014/15		Unit Cost	2015/16		Unit Cost	2016/17		Unit Cost			2017/18		Unit Cost		
The Independent Communications Authority of South Africa		408	408	405	204.2	0.5	408	236.0	0.6	410	253.7	0.6	410	261.3	0.6	412	274.4	0.7	5.2%	100.0%
Salary level																				
1 - 6	35	35	32	4.0	0.1	35	4.3	0.1	37	4.7	0.1	37	4.9	0.1	37	4.9	0.1	4.6%	8.9%	
7 - 10	80	80	80	24.0	0.3	80	25.2	0.3	80	26.4	0.3	80	27.8	0.3	80	27.8	0.3	3.3%	19.5%	
11 - 12	219	219	219	104.1	0.5	219	122.5	0.6	219	134.4	0.6	219	136.1	0.6	221	149.1	0.7	6.8%	53.5%	
13 - 16	73	73	73	70.2	1.0	73	81.9	1.1	73	86.0	1.2	73	90.3	1.2	73	90.3	1.2	3.3%	17.8%	
17 - 22	1	1	1	1.9	1.9	1	2.0	2.0	1	2.1	2.1	1	2.2	2.2	1	2.2	2.2	3.3%	0.2%	

1. Rand million.

Media Development Diversity Agency

Mandate

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.

Selected performance indicators

Table 3.46 Media Development Diversity Agency performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18
Number of research and training projects undertaken/funded per year	Grant funding and non-financial support	Entity mandate	30	98	12	36	35	35	35
Number of seminars/media summits conducted in all provinces per year	Grant funding and non-financial support		12	13	12	15	20	25	25
Number of programming and production projects funded per year	Grant funding and non-financial support		7	4	12	4	4	6	6
Number of community media projects trained in the learning forum per year	Grant funding and non-financial support		25	45	45	60	65	75	75
Number of small commercial media projects trained in learning forum per year	Grant funding and non-financial support		35	50	55	60	65	65	65
Number of grantees orientation workshops conducted per year	Grant funding and non-financial support		1	1	1	1	1	1	1
Number of trainers/mentors trained for community and small commercial media per year	Grant funding and non-financial support		50	50	40	40	50	55	55
Number of media literacy summits supported per year	Grant funding and non-financial support		1	1	1	1	1	1	1
Frequency of conducting a social impact monitoring and evaluation study	Grant funding and non-financial support		- ¹	1	- ¹	1	- ¹	1	- ¹
Number of projects monitored through site visits per year	Grant funding and non-financial support		40	45	60	65	80	90	110

1. The social impact monitoring and evaluation study is conducted biannually.

Expenditure analysis

The delivery imperatives of the Media Development and Diversity Agency Act (2002), the national development plan and national communication strategy framework have resulted in a review of the Media Development and Diversity Agency's programmes. The agency will over the MTEF period focus on providing technical, non-financial and financial support to diverse media platforms and intensify its efforts to support the increased participation of communities in ownership and control of community and small commercial media. In so doing, the agency will contribute to outcome 14 of government's 2014-2019 medium term strategic framework (nation building and social cohesion).

Flowing from this, the agency will seek to provide technical, non-financial and financial support to diverse media platforms over the medium term, and increase the participation of communities in the ownership and control of community and small commercial media. The agency's key focus over the medium term will be on: promoting ownership of, control of and access to information and content production by communities; enhancing ownership, participation and control of print and digital media by independent media entrepreneurs; creating and enhancing a body of knowledge of the media landscape; and building capacity for a diverse media industry.

The agency will also focus over the MTEF period on ensuring the sustainability of existing small commercial projects through building capacity and maintaining the funding level for the community media projects. Community media grants are expected to be the largest expenditure item, constituting of 46.4 per cent of the agency's total expenditure over the medium term as the organisation continues to carry out its core function of developing the sector.

Between 2011/12 and 2014/15, spending on transfers and subsidies for approved grant applicants averaged 67.1 per cent of expenditure, with an average annual growth of negative 0.9 per cent. This slight decrease is attributed to the decline in the broadcast and print revenues. Although there is growth in the broadcast sector, the agency will find it difficult to fulfil its mandate in terms of the promotion of ownership of small commercial media projects due to decreasing funding.

The act defines the small commercial media as independent publishers, and community media as community owned and controlled broadcast and print projects. The number of funded community media projects increased from 20 in 2013/14 to 25 in 2014/15, while the number of small commercial media projects decreased significantly, from 9 to 3, over the same period. The number of small commercial projects funded is expected to

remain constant at 2 per year over the medium term. Through grant and seed funding, the number of community and small commercial projects participating in capacity building initiatives is projected to increase from 120 in 2014/15 to 140 in 2017/18.

The agency will also focus on increasing the number of projects undergoing monitoring and evaluation over the medium term. Spending on transfers and subsidies to recipients of small commercial and community media grants is expected to increase by an average of 4.6 per cent over the medium term, accounting for an average of 62.3 per cent of planned total expenditure, although the funding agreement between the agency and Print and Digital Media South Africa will not be renewed. The number of projects supported through grant funding in any given year depends on the quality and quantity of the applications received and funds available, although this number averaged 570 between 2011/12 to 2013/14.

The agency is funded mainly by transfers received from the Department of Communications and grants received from broadcast media, and earns non-tax revenue from interest generated on short term investments. The contract between the agency and print funders Print and Digital Media South Africa expired at the end of 2013/14, and its renewal is dependent on the conclusion of an impact assessment study that will be conducted in 2015/16. As a result, the agency does not expect to offer any further financial support to small commercial projects over the MTEF period in addition to what has already been committed. This is due to the anticipated growth of the broadcast industry.

Between 2011/12 and 2014/15, spending on compensation of employees grew at an average annual rate of 40.2 per cent as a result of the expansion of the organisational structure from 19 to 29, which included filling 5 critical executive and management posts. The agency's number of personnel is expected to remain stable at 29 over the medium term. The filling of these positions will optimise the performance of the agency, as it will be fully capacitated. Consequently, expenditure on compensation of employees is expected to grow at an average annual rate of 7.8 per cent over the medium term, 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 services, as the agency does not have the personnel to perform these tasks. Spending on consultants over the medium term is expected to be R1 million.

Programmes/objectives/activities

Table 3.47 Media Development Diversity Agency expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate	Average growth rate (%)	Expenditure/ Total: Average (%)	Medium-term expenditure estimate			Average growth rate (%)	Expenditure/ Total: Average (%)
	2011/12	2012/13	2013/14				2014/15	2015/16	2016/17		
Administration	13 225	13 125	15 670	10 009	-8.9%	24.8%	10 570	11 256	13 752	11.2%	22.1%
Grant funding and non-financial support	31 672	47 103	42 089	38 013	6.3%	75.2%	38 613	39 512	44 254	5.2%	77.9%
Total	44 897	60 228	57 759	48 022	2.3%	100.0%	49 183	50 768	58 006	6.5%	100.0%

Statements of historical financial performance and position

Table 3.48 Media Development Diversity Agency statements of historical financial performance and position

Statement of financial performance									
R thousand	Budget		Audited outcome		Budget		Audited outcome		Outcome/ Budget Average (%)
	2011/12	2012/13	2013/14	2014/15	2011/12	2012/13	2013/14	2014/15	
Revenue									
Non-tax revenue	6 703	3 962	7 374	4 026	7 465	4 103	7 378	7 378	67.3%
Other non-tax revenue	6 703	3 962	7 374	4 026	7 465	4 103	7 378	7 378	67.3%
Transfers received	37 221	49 255	44 834	52 644	46 629	56 594	50 318	46 318	114.4%
Total revenue	43 924	53 217	52 208	56 670	54 094	60 697	57 696	53 696	107.9%
Expenses									
Current expenses	13 180	13 225	14 858	18 205	15 247	20 850	15 683	17 241	117.9%
Compensation of employees	5 724	5 490	6 993	10 569	7 149	12 029	7 896	15 128	155.7%
Goods and services	7 047	7 522	7 587	7 451	7 902	8 610	7 601	1 927	84.6%
Depreciation	409	213	278	185	196	211	186	186	74.4%
Transfers and subsidies	30 744	31 672	37 350	42 023	38 514	36 909	42 013	30 781	95.1%
Total expenses	43 924	44 897	52 208	60 228	53 761	57 759	57 696	48 022	101.6%
Surplus/(Deficit)	-	8 320	-	(3 558)	333	2 938	-	5 674	-

Table 3.48 Media Development Diversity Agency statements of historical financial performance and position

Statement of financial position									
R thousand	2011/12		2012/13		2013/14		2014/15		Outcome/ Budget Average (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
Carrying value of assets	460	340	245	414	254	437	281	281	118.7%
<i>of which:</i>									
Acquisition of assets	113	201	133	259	93	234	86	86	183.5%
Inventory	-	19	-	23	-	19	-	15	-
Accrued investment interest	-	-	-	-	-	-	-	190	-
Receivables and prepayments	180	8 555	451	8 772	234	9 194	8 005	8 005	389.2%
Cash and cash equivalents	45 568	79 041	42 591	75 675	27 938	76 498	13 268	13 268	189.0%
Total assets	46 208	87 955	43 287	84 884	28 426	86 148	21 554	21 759	201.3%
Accumulated surplus/(deficit)	19 927	77 188	37 422	73 630	5 471	76 568	2 810	2 810	350.7%
Capital reserve fund	-	9 509	-	9 003	-	6 882	16 478	16 478	254.1%
Finance lease	-	54	4 367	285	-	393	-	-	16.8%
Trade and other payables	26 106	1 204	1 299	1 966	1 180	1 721	2 038	2 001	22.5%
Provisions	175	-	199	-	199	584	228	470	131.6%
Managed funds (e.g. poverty alleviation fund)	-	-	-	-	21 576	-	-	-	-
Total equity and liabilities	46 208	87 955	43 287	84 884	28 426	86 148	21 554	21 759	201.3%

Statements of estimates of financial performance and position**Table 3.49 Media Development Diversity Agency statements of estimates of financial performance and position**

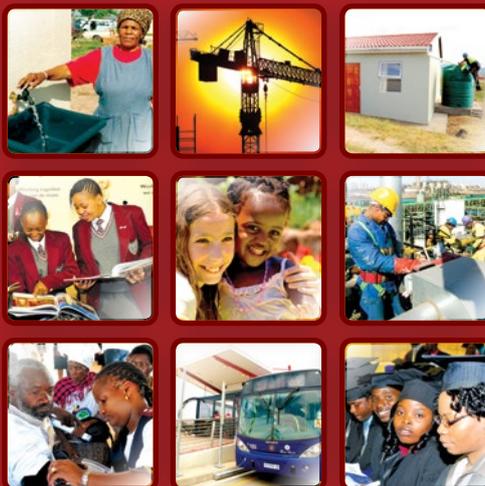
Statement of financial performance									
R thousand	Revised estimate	Average growth rate (%)	Expen- diture/ Total: Average (%)	Medium-term estimate			Average growth rate (%)	Expen- diture/ Total: Average (%)	
				2014/15	2011/12 - 2014/15	2015/16			2016/17
Revenue									
Non-tax revenue	7 378	23.0%	8.8%	7 708	8 400	9 853	10.1%	14.5%	
Other non-tax revenue	7 378	23.0%	8.8%	7 708	8 400	9 853	10.1%	14.5%	
Transfers received	46 318	-2.0%	91.2%	47 117	48 317	53 783	5.1%	85.5%	
Total revenue	53 696	0.3%	100.0%	54 825	56 717	63 636	5.8%	100.0%	
Expenses									
Current expenses	17 241	9.2%	32.9%	18 301	19 476	22 794	9.8%	37.7%	
Compensation of employees	15 128	40.2%	20.5%	16 095	17 144	18 954	7.8%	32.7%	
Goods and services	1 927	-36.5%	12.0%	2 011	2 124	3 560	22.7%	4.6%	
Depreciation	186	-4.4%	0.4%	195	208	280	14.6%	0.4%	
Transfers and subsidies	30 781	-0.9%	67.1%	30 882	31 292	35 212	4.6%	62.3%	
Total expenses	48 022	2.3%	100.0%	49 183	50 768	58 006	6.5%	100.0%	
Surplus/(Deficit)	5 674	-12.0%	-	5 642	5 949	5 630	-0.3%	-	
Statement of financial position									
Carrying value of assets	281	-6.2%	0.7%	301	493	760	39.3%	2.3%	
<i>of which:</i>									
Acquisition of assets	86	-24.6%	0.3%	-	-	1 730	172.0%	2.3%	
Inventory	15	-7.6%	0.0%	10	10	10	-12.6%	0.1%	
Accrued investment interest	190	-	0.2%	-	-	-	-100.0%	0.2%	
Receivables and prepayments	8 005	-2.2%	16.9%	8 005	8 010	8 010	0.0%	38.9%	
Cash and cash equivalents	13 268	-44.8%	82.2%	14 500	10 500	10 500	-7.5%	58.6%	
Total assets	21 759	-37.2%	100.0%	22 816	19 013	19 280	-4.0%	100.0%	
Accumulated surplus/(deficit)	2 810	-66.9%	69.1%	20 951	17 363	17 709	84.7%	72.0%	
Capital reserve fund	16 478	20.1%	26.3%	-	-	-	-100.0%	18.9%	
Trade and other payables	2 001	18.5%	3.7%	1 500	1 200	1 200	-15.7%	7.1%	
Provisions	470	-	0.7%	365	450	371	-7.6%	2.0%	
Total equity and liabilities	21 759	-37.2%	100.0%	22 816	19 013	19 280	-38.5%	100.0%	

Personnel information**Table 3.50 Media Development Diversity Agency personnel numbers and cost by salary level¹**

Number of posts estimated for 31 March 2015			Number and cost ¹ of personnel posts filled / planned for on funded establishment												Number				
Number of funded posts	Number of posts on approved establishment	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Salary level/total: Average (%)			
			2013/14		2014/15		2015/16		2016/17		2017/18		2014/15 - 2017/18						
Media Development Diversity Agency	Number	Cost	Unit	Number	Cost	Unit	Number	Cost	Unit	Number	Cost	Unit	Number	Cost	Unit	Number	Cost		
Salary level	29	25	24	12.0	0.5	29	15.1	0.5	29	16.1	0.6	29	17.1	0.6	29	19.0	0.7	7.8%	100.0%
7 - 10	2	2	2	3.7	1.9	2	0.5	0.3	2	0.5	0.2	2	0.5	0.2	2	0.6	0.3	2.7%	6.9%
11 - 12	16	12	12	3.9	0.3	16	4.1	0.3	16	4.6	0.3	16	4.7	0.3	16	5.2	0.3	8.4%	55.2%
13 - 16	10	10	9	2.5	0.3	10	6.3	0.6	10	7.5	0.7	10	8.2	0.8	10	9.0	0.9	12.8%	34.5%
17 - 22	1	1	1	1.9	1.9	1	4.2	4.2	1	3.6	3.6	1	3.8	3.8	1	4.1	4.1	-0.7%	3.4%

1. Rand million.

Photos provided by GCIS.



BUDGET 2015

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national treasury

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REPUBLIC OF SOUTH AFRICA