

# Vote 30

## Communications and Digital Technologies

### Budget summary

R million	2020/21				2021/22	2022/23
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
<b>MTEF allocation</b>						
Administration	313.7	283.9	0.0	29.7	336.8	346.4
ICT International Relations and Affairs	60.8	27.5	32.7	0.6	60.9	63.4
ICT Policy Development and Research	69.8	69.4	–	0.4	61.3	64.7
ICT Enterprise and Public Entity Oversight	1 750.2	43.0	1 706.7	0.5	1 764.6	1 734.8
ICT Infrastructure Development and Support	1 127.5	283.8	843.4	0.4	1 620.0	358.0
ICT Information Society and Capacity Development	72.5	72.3	–	0.2	74.9	75.6
<b>Total expenditure estimates</b>	<b>3 394.5</b>	<b>780.0</b>	<b>2 582.8</b>	<b>31.8</b>	<b>3 918.6</b>	<b>2 643.0</b>
Executive authority	Minister of Communications and Digital Technologies					
Accounting officer	Director-General of Communications and Digital Technologies					
Website	<a href="http://www.doc.gov.za">www.doc.gov.za</a>					

The Estimates of National Expenditure e-publications for individual votes are available at [www.treasury.gov.za](http://www.treasury.gov.za). These publications provide more comprehensive coverage of vote-specific information, particularly about transfers and subsidies, personnel and other public institutions. Additional tables in Excel format can be found at [www.treasury.gov.za](http://www.treasury.gov.za) and [www.vulekamali.gov.za](http://www.vulekamali.gov.za).

### Vote purpose

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

### Mandate

The Department of Communications and Digital Technologies is mandated to enable South Africa's digital transformation to achieve digital inclusion and economic growth by creating an enabling policy and regulatory environment. This is done through the implementation of the 2016 National Integrated ICT Policy White Paper, which provides for the participation of multiple stakeholders for inclusive digital transformation; interventions to reinforce competition and facilitate innovation across the value chain; measures to address issues raised by ICT and convergence; and the establishment of a new national postal policy framework. It also provides for policies to address the digital divide and affordable access, supply-side issues and infrastructure rollout, and demand-side issues to facilitate inclusivity. The department derives its mandate from a number of acts and policies. Key among these are the:

- Broadcasting Act (1999), as amended, which establishes broadcasting policy in South Africa
- Electronic Communications Act (2005), as amended, which provides the legal framework for convergence in the broadcasting, broadcasting signal distribution, and telecommunications sectors. It also allows for the granting of new licences and social obligations; the control of the radio frequency spectrum; and the regulation of electronic communication network services, electronic communication services, and broadcasting services
- Film and Publications Act (1996), as amended, which provides for the classification of certain films and publications, and establishes the Film and Publication Board and Tribunal
- Independent Communications Authority of South Africa Act (2000), which establishes the regulator in the sector
- Postal Services Act (1998), as amended, which makes provision for the regulation of postal services.

## Selected performance indicators

**Table 30.1 Performance indicators by programme and related priority**

Indicator	Programme	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of approved country position papers to support the digital economy per year	International Relations and Affairs	Priority 1: Economic transformation and job creation	– <sup>1</sup>	– <sup>1</sup>	– <sup>1</sup>	– <sup>1</sup>	3	2	2
Number of broadband connections to government facilities sustained per year	ICT Infrastructure Development and Support		– <sup>1</sup>	– <sup>1</sup>	266	570	970	970	970

1. No historical data available.

## Expenditure analysis

Chapter 4 of the National Development Plan recognises that access to high-speed ICT is a key enabler for inclusive economic growth. The work of the Department of Communications and Digital Technologies is integral to the realisation of this recognition, and gives it effect through the department's contribution to priority 1 (economic transformation and job creation) of government's 2019–2024 medium-term strategic framework.

A priority for the department over the medium term is to develop and revise policies, strategies and legislation to align with the objectives of the 2016 National Integrated ICT Policy White Paper, taking into consideration developments necessitated by the fourth industrial revolution. As such, over the MTEF period, the department will focus on rolling out the South Africa Connect broadband policy, implementing the broadcasting digital migration policy, and submitting new bills to Parliament.

Cabinet has approved reductions to the department's baseline of R146.1 million over the medium term. Of this amount, R72.5 million is on Sentech's migration of digital signals project, as it is fully funded; R23 million on non-core goods and services items such as catering, and travel and subsistence; and R19.5 million on subsidy allocations to the South African Post Office.

The department is expected to spend a total of R10 billion over the medium term, of which R7.3 billion is earmarked to be transferred to public entities. As the entities within the department's portfolio are responsible for many of the deliverables emanating from these policies, the department will devote considerable attention to exercising its oversight role through signing shareholders compacts and governance agreements, analysing performance reports, and approving strategic and annual performance plans. Spending on compensation of employees is expected to amount to R1.1 billion over this period.

### **Rolling out broadband through South Africa Connect**

The department will continue to provide broadband connectivity to government buildings over the medium term by implementing the digital development pillar of the South Africa Connect broadband policy. By 2022/23, a targeted 970 government buildings will be connected in the pilot phase, resulting in projected expenditure of R739 million over the medium term in the *ICT Infrastructure Development and Support* programme. The business case for the second phase, which aims to connect government buildings throughout the country, will be developed over the medium term.

### **Migrating towards digital broadcasting**

The new model for the implementation of broadcasting digital migration over the medium term includes the provision of vouchers to indigent households for devices that will allow analogue televisions to receive digital signals, and compensation to the South African Post Office for the costs of administering the voucher and distribution systems. To subsidise the provision of these vouchers, R1.6 billion over the medium term is allocated to the Universal Services Access Fund, and R275 million is allocated to the Universal Service and Access Agency of South Africa to compensate the post office for the administration of the project. A further R100 million is allocated to Sentech in 2021/22 for dual illumination, which will allow the entity to operate both analogue and digital signals until digital migration is fully implemented. As a result, spending in the *Broadcasting Digital Migration* subprogramme in the *ICT Infrastructure Development and Support* programme is expected to increase

from R312.8 million in 2019/20 to R1.4 billion in 2021/22.

### Implementing the 2016 National Integrated ICT Policy White Paper

It is envisaged that a number of bills required for the implementation of the 2016 National Integrated ICT Policy White Paper will be developed and submitted to Parliament over the medium term. These include the Digital Development Fund Bill, State IT Company Bill, State ICT Infrastructure Company Bill, Digital Transformation Bill, and Audio-visual Content Bill. This will allow for, among other things, the rationalisation of state-owned ICT companies for greater efficiency, and ensure that communities and individuals have access to ICT services and skills for the digital economy. To achieve this, expenditure in the *ICT Policy Development and Research* programme is expected to increase from R48.6 million in 2019/20 to R64.7 million in 2022/23 at an average annual rate of 10 per cent.

## Expenditure trends and estimates

**Table 30.2 Vote expenditure trends and estimates by programme and economic classification**

<b>Programmes</b>											
1. Administration											
2. ICT International Relations and Affairs											
3. ICT Policy Development and Research											
4. ICT Enterprise and Public Entity Oversight											
5. ICT Infrastructure Development and Support											
6. ICT Information Society and Capacity Development											
<b>Programme</b>	<b>Audited outcome</b>			<b>Adjusted appropriation</b>	<b>Average growth rate (%)</b>	<b>Average Expenditure/ Total (%)</b>	<b>Medium-term expenditure estimate</b>			<b>Average growth rate (%)</b>	<b>Average Expenditure/ Total (%)</b>
R million	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2016/17 - 2019/20</b>		<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2019/20 - 2022/23</b>	
Programme 1	268.8	274.9	294.2	325.6	6.6%	6.1%	313.7	336.8	346.4	2.1%	8.4%
Programme 2	46.9	50.6	84.9	57.6	7.1%	1.3%	60.8	60.9	63.4	3.3%	1.5%
Programme 3	33.6	35.9	38.4	48.6	13.1%	0.8%	69.8	61.3	64.7	10.0%	1.6%
Programme 4	1 516.6	4 636.5	3 933.0	4 679.1	45.6%	77.3%	1 750.2	1 764.6	1 734.8	-28.2%	63.1%
Programme 5	897.9	630.9	411.2	597.7	-12.7%	13.3%	1 127.5	1 620.0	358.0	-15.7%	23.5%
Programme 6	57.3	55.2	64.9	65.5	4.5%	1.3%	72.5	74.9	75.6	4.9%	1.8%
<b>Total</b>	<b>2 821.2</b>	<b>5 684.1</b>	<b>4 826.6</b>	<b>5 774.1</b>	<b>27.0%</b>	<b>100.0%</b>	<b>3 394.5</b>	<b>3 918.6</b>	<b>2 643.0</b>	<b>-22.9%</b>	<b>100.0%</b>
Change to 2019				3 202.1			670.5	1 279.1	(95.2)		
Budget estimate											
<b>Economic classification</b>											
<b>Current payments</b>	<b>458.7</b>	<b>464.9</b>	<b>643.6</b>	<b>747.7</b>	<b>17.7%</b>	<b>12.1%</b>	<b>780.0</b>	<b>824.7</b>	<b>852.2</b>	<b>4.5%</b>	<b>20.4%</b>
Compensation of employees	270.7	283.2	292.5	321.9	5.9%	6.1%	348.3	371.0	386.8	6.3%	9.1%
Goods and services <sup>1</sup>	188.0	181.7	351.1	425.8	31.3%	6.0%	431.7	453.8	465.4	3.0%	11.3%
<i>of which:</i>											
Computer services	6.0	6.3	7.9	17.8	43.9%	0.2%	197.5	10.3	10.5	-16.2%	1.5%
Consultants: Business and advisory services	8.9	26.0	113.8	216.9	189.8%	1.9%	39.3	222.2	225.8	1.3%	4.5%
Agency and support/outsourced services	0.1	0.0	6.4	4.4	329.7%	0.1%	0.7	20.5	23.7	74.7%	0.3%
Operating leases	42.1	34.8	42.6	40.0	-1.7%	0.8%	28.9	47.5	46.5	5.1%	1.0%
Property payments	12.1	12.7	10.3	15.3	8.1%	0.3%	14.3	15.7	16.3	2.3%	0.4%
Travel and subsistence	45.0	46.4	58.1	51.0	4.2%	1.0%	57.1	57.6	58.8	4.8%	1.4%
<b>Transfers and subsidies<sup>1</sup></b>	<b>1 699.3</b>	<b>1 506.0</b>	<b>1 227.2</b>	<b>1 803.0</b>	<b>2.0%</b>	<b>32.6%</b>	<b>2 582.8</b>	<b>3 078.6</b>	<b>1 774.8</b>	<b>-0.5%</b>	<b>58.7%</b>
Provinces and municipalities	0.0	0.0	0.0	0.0	0.0%	0.0%	0.0	0.0	0.0	16.7%	0.0%
Departmental agencies and accounts	1 250.3	817.2	786.1	817.9	-13.2%	19.2%	1 587.6	2 137.2	974.3	6.0%	35.1%
Foreign governments and international organisations	26.1	26.0	28.5	30.0	4.7%	0.6%	32.7	31.6	32.8	3.0%	0.8%
Public corporations and private enterprises	422.1	659.8	391.3	924.6	29.9%	12.6%	962.5	909.8	767.7	-6.0%	22.7%
Non-profit institutions	0.0	-	-	-	-100.0%	0.0%	-	-	-	0.0%	0.0%
Households	0.7	3.0	21.3	30.5	256.0%	0.3%	-	-	-	-100.0%	0.2%
<b>Payments for capital assets</b>	<b>13.1</b>	<b>12.8</b>	<b>7.0</b>	<b>23.3</b>	<b>21.2%</b>	<b>0.3%</b>	<b>31.8</b>	<b>15.2</b>	<b>16.0</b>	<b>-11.9%</b>	<b>0.5%</b>
Machinery and equipment	8.9	6.8	5.3	9.8	3.3%	0.2%	16.9	7.3	7.5	-8.3%	0.3%
Software and other intangible assets	4.2	6.0	1.7	13.5	47.6%	0.1%	14.8	8.0	8.4	-14.6%	0.3%
<b>Payments for financial assets</b>	<b>650.1</b>	<b>3 700.3</b>	<b>2 948.7</b>	<b>3 200.0</b>	<b>70.1%</b>	<b>55.0%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>20.3%</b>
<b>Total</b>	<b>2 821.2</b>	<b>5 684.1</b>	<b>4 826.6</b>	<b>5 774.1</b>	<b>27.0%</b>	<b>100.0%</b>	<b>3 394.5</b>	<b>3 918.6</b>	<b>2 643.0</b>	<b>-22.9%</b>	<b>100.0%</b>

1. Tables that detail expenditure trends, annual budget, adjusted appropriation and audited outcome are available at [www.treasury.gov.za](http://www.treasury.gov.za) and [www.vulekamali.gov.za](http://www.vulekamali.gov.za).

## Transfers and subsidies expenditure trends and estimates

Table 30.3 Vote transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2016/17	2017/18	2018/19		2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23		
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>1 250 328</b>	<b>817 248</b>	<b>786 094</b>	<b>817 936</b>	<b>-13.2%</b>	<b>58.9%</b>	<b>1 587 582</b>	<b>2 137 164</b>	<b>974 282</b>	<b>6.0%</b>	<b>59.7%</b>
Independent Communications Authority of South Africa	373 071	430 383	443 961	476 645	8.5%	27.6%	477 721	504 186	522 929	3.1%	21.4%
Film and Publication Board	86 472	91 684	94 577	99 373	4.7%	6.0%	103 978	109 731	113 772	4.6%	4.6%
National Electronic Media Institute of South Africa	77 200	85 785	90 761	95 347	7.3%	5.6%	99 195	104 651	109 712	4.8%	4.4%
Universal Service and Access Agency of South Africa	69 045	75 684	80 074	82 949	6.3%	4.9%	264 881	188 677	96 037	5.0%	6.8%
Universal Service and Access Fund	55 156	54 614	57 781	37 017	-12.4%	3.3%	63 086	66 556	69 766	23.5%	2.6%
Universal Service and Access Fund: Broadcasting digital migration	589 384	79 098	18 940	26 605	-64.4%	11.5%	578 721	1 163 363	62 066	32.6%	19.8%
<b>Households</b>											
<b>Social benefits</b>											
<b>Current</b>	<b>517</b>	<b>2 335</b>	<b>2 286</b>	<b>891</b>	<b>19.9%</b>	<b>0.1%</b>	-	-	-	<b>-100.0%</b>	-
Households	517	2 335	2 286	891	19.9%	0.1%	-	-	-	-100.0%	-
<b>Provinces and municipalities</b>											
<b>Municipal bank accounts</b>											
<b>Current</b>	-	<b>14</b>	<b>13</b>	<b>17</b>	-	-	<b>19</b>	<b>26</b>	<b>27</b>	<b>16.7%</b>	-
Vehicle licences	-	14	13	17	-	-	19	26	27	16.7%	-
<b>Households</b>											
<b>Other transfers to households</b>											
<b>Current</b>	<b>158</b>	<b>700</b>	<b>18 966</b>	<b>29 573</b>	<b>472.0%</b>	<b>0.8%</b>	-	-	-	<b>-100.0%</b>	<b>0.3%</b>
Claims against the state	-	-	18 940	29 573	-	0.8%	-	-	-	-100.0%	0.3%
Households	158	700	26	-	-100.0%	-	-	-	-	-	-
<b>Public corporations and private enterprises</b>											
<b>Other transfers to private enterprises</b>											
<b>Current</b>	<b>5</b>	-	-	-	<b>-100.0%</b>	-	-	-	-	-	-
Claims against the State	5	-	-	-	-100.0%	-	-	-	-	-	-
<b>Public corporations and private enterprises</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>422 098</b>	<b>413 766</b>	<b>187 421</b>	<b>673 643</b>	<b>16.9%</b>	<b>27.2%</b>	<b>697 848</b>	<b>740 036</b>	<b>767 657</b>	<b>4.5%</b>	<b>31.2%</b>
Claims against the state	5	-	-	-	-100.0%	-	-	-	-	-	-
South African Broadcasting Corporation: Channel Africa	52 271	54 885	58 068	61 320	5.5%	3.6%	63 399	66 886	69 371	4.2%	2.8%
South African Broadcasting Corporation: Public broadcaster	107 180	105 947	115 669	123 246	4.8%	7.2%	127 424	134 432	139 429	4.2%	5.7%
South African Broadcasting Corporation: Community radio stations	10 324	-	-	-	-100.0%	0.2%	-	-	-	-	-
South African Broadcasting Corporation: Programme productions	12 318	12 934	13 684	14 450	5.5%	0.9%	14 940	15 761	16 337	4.2%	0.7%
South African Post Office	-	-	-	474 627	-	7.6%	492 085	522 957	542 520	4.6%	22.0%
South African Post Office: Broadcasting digital migration	240 000	240 000	-	-	-100.0%	7.7%	-	-	-	-	-
<b>Capital</b>	-	<b>246 000</b>	<b>203 900</b>	<b>250 934</b>	-	<b>11.2%</b>	<b>264 630</b>	<b>169 746</b>	-	<b>-100.0%</b>	<b>7.4%</b>
Sentech: Migration of digital signals	-	53 000	-	58 440	-	1.8%	60 586	69 746	-	-100.0%	2.0%
Sentech: Dual illumination costs relating to the digital migration project	-	193 000	203 900	192 494	-	9.5%	204 044	100 000	-	-100.0%	5.4%
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>26 136</b>	<b>25 964</b>	<b>28 538</b>	<b>30 025</b>	<b>4.7%</b>	<b>1.8%</b>	<b>32 724</b>	<b>31 632</b>	<b>32 806</b>	<b>3.0%</b>	<b>1.4%</b>
Organisation for Economic Cooperation and Development	166	158	200	186	3.9%	-	198	600	622	49.5%	-
Universal Postal Union	5 960	5 522	6 311	6 443	2.6%	0.4%	7 044	6 602	6 847	2.0%	0.3%
International Telecommunication Union	17 581	16 816	17 077	18 829	2.3%	1.1%	20 584	19 969	20 710	3.2%	0.9%
African Telecommunications Union	1 044	1 006	988	1 114	2.2%	0.1%	1 186	1 357	1 407	8.1%	0.1%
Pan-African Postal Union	1 033	1 031	1 061	1 142	3.4%	0.1%	1 215	1 247	1 294	4.3%	0.1%
Commonwealth Telecommunications Organisation	352	426	440	462	9.5%	-	493	518	536	5.1%	-
DONA Foundation	-	1 005	1 007	1 108	-	0.1%	1 214	1 339	1 390	7.9%	0.1%
Smart Africa Alliance	-	-	1 454	741	-	-	790	-	-	-100.0%	-
<b>Total</b>	<b>1 699 242</b>	<b>1 506 027</b>	<b>1 227 218</b>	<b>1 803 019</b>	<b>2.0%</b>	<b>100.0%</b>	<b>2 582 803</b>	<b>3 078 604</b>	<b>1 774 772</b>	<b>-0.5%</b>	<b>100.0%</b>

## Personnel information

**Table 30.4 Vote personnel numbers and cost by salary level and programme<sup>1</sup>**

Number of posts estimated for 31 March 2020		Number and cost <sup>2</sup> 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 (%)	Average: Salary level/ Total (%)						
		2018/19		2019/20		2020/21		2021/22		2022/23		2019/20 - 2022/23								
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number				Cost	Unit cost				
<b>Communications and Digital Technologies</b>		<b>347</b>	<b>6</b>	<b>360</b>	<b>292.5</b>	<b>0.8</b>	<b>382</b>	<b>314.9</b>	<b>0.8</b>	<b>395</b>	<b>348.3</b>	<b>0.9</b>	<b>395</b>	<b>371.0</b>	<b>0.9</b>	<b>389</b>	<b>386.8</b>	<b>1.0</b>	<b>0.6%</b>	<b>100.0%</b>
Salary level																				
1 – 6		35	1	34	10.9	0.3	34	8.0	0.2	34	8.5	0.3	34	9.2	0.3	35	10.0	0.3	1.0%	8.8%
7 – 10		123	3	125	59.2	0.5	130	51.7	0.4	132	56.2	0.4	132	60.3	0.5	130	63.3	0.5	–	33.6%
11 – 12		77	–	80	73.9	0.9	87	83.9	1.0	96	98.1	1.0	96	104.3	1.1	93	107.2	1.2	2.2%	23.8%
13 – 16		109	2	105	141.0	1.3	119	163.8	1.4	121	177.5	1.5	121	188.8	1.6	119	197.5	1.7	–	30.7%
Other		3	–	16	7.5	0.5	12	7.6	0.6	12	7.9	0.7	12	8.4	0.7	12	8.9	0.7	–	3.1%
<b>Programme</b>		<b>347</b>	<b>6</b>	<b>360</b>	<b>292.5</b>	<b>0.8</b>	<b>382</b>	<b>314.9</b>	<b>0.8</b>	<b>395</b>	<b>348.3</b>	<b>0.9</b>	<b>395</b>	<b>371.0</b>	<b>0.9</b>	<b>389</b>	<b>386.8</b>	<b>1.0</b>	<b>0.6%</b>	<b>100.0%</b>
Programme 1		195	–	204	153.7	0.8	214	154.5	0.7	214	162.6	0.8	214	173.4	0.8	211	181.0	0.9	-0.5%	54.6%
Programme 2		15	–	16	17.1	1.1	17	16.7	1.0	17	17.9	1.1	17	19.0	1.1	17	20.1	1.2	–	4.4%
Programme 3		24	–	33	24.2	0.7	30	30.3	1.0	39	42.3	1.1	39	45.0	1.2	39	47.9	1.2	9.1%	9.4%
Programme 4		32	1	15	21.4	1.4	30	29.1	1.0	34	35.7	1.1	34	38.0	1.1	34	40.4	1.2	4.3%	8.5%
Programme 5		28	5	39	33.8	0.9	38	39.3	1.0	38	41.9	1.1	38	44.5	1.2	37	46.1	1.2	-0.9%	9.7%
Programme 6		53	–	53	42.3	0.8	53	45.0	0.8	53	47.9	0.9	53	51.0	1.0	51	51.4	1.0	-1.3%	13.5%

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

2. Rand million.

## Departmental receipts

**Table 30.5 Departmental receipts by economic classification**

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2016/17	2017/18	2018/19					2019/20	2020/21	2021/22		
	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23				
<b>Departmental receipts</b>	<b>833 990</b>	<b>1 143 331</b>	<b>751 780</b>	<b>601 130</b>	<b>601 130</b>	<b>-10.3%</b>	<b>100.0%</b>	<b>665 485</b>	<b>665 118</b>	<b>664 713</b>	<b>3.4%</b>	<b>100.0%</b>
<b>Sales of goods and services produced by department</b>	<b>112</b>	<b>108</b>	<b>111</b>	<b>166</b>	<b>166</b>	<b>14.0%</b>	<b>–</b>	<b>55</b>	<b>55</b>	<b>60</b>	<b>-28.8%</b>	<b>–</b>
Sales by market establishments	50	41	111	76	76	15.0%	–	–	–	–	-100.0%	–
of which:												
Market Establishment: Rental Parking (covered and open)	50	41	111	76	76	15.0%	–	–	–	–	-100.0%	–
Administrative fees	4	4	–	26	26	86.6%	–	6	6	5	-42.3%	–
of which:												
Cryptography fees	4	4	–	5	5	7.7%	–	6	6	5	–	–
Accreditation electric signature fee	–	–	–	20	20	–	–	–	–	–	-100.0%	–
Cryptography registration fee	–	–	–	1	1	–	–	–	–	–	-100.0%	–
Other sales	58	63	–	64	64	3.3%	–	49	49	55	-4.9%	–
of which:												
Commission on insurance	58	63	–	64	64	3.3%	–	49	49	55	-4.9%	–
Transfers received	–	–	26 000	–	–	–	0.8%	377	–	–	–	–
<b>Interest, dividends and rent on land</b>	<b>833 316</b>	<b>1 141 994</b>	<b>724 910</b>	<b>602 568</b>	<b>602 568</b>	<b>-10.2%</b>	<b>99.2%</b>	<b>664 598</b>	<b>664 608</b>	<b>664 638</b>	<b>3.3%</b>	<b>100.0%</b>
Interest	2 503	295 391	2 019	2 568	2 568	0.9%	9.1%	120	130	160	-60.4%	0.1%
Dividends	830 813	846 603	722 891	600 000	600 000	-10.3%	90.1%	664 478	664 478	664 478	3.5%	99.9%
of which:												
Vodacom shares	–	–	32	–	–	–	–	32	32	32	–	–
Telkom shares	830 813	846 603	722 859	600 000	600 000	-10.3%	90.1%	664 446	664 446	664 446	3.5%	99.9%
Sales of capital assets	–	713	52	19	19	–	–	15	15	15	-7.6%	–
Transactions in financial assets and liabilities	562	516	707	(1 623)	(1 623)	-242.4%	–	440	440	–	-100.0%	–
<b>Total</b>	<b>833 990</b>	<b>1 143 331</b>	<b>751 780</b>	<b>601 130</b>	<b>601 130</b>	<b>-10.3%</b>	<b>100.0%</b>	<b>665 485</b>	<b>665 118</b>	<b>664 713</b>	<b>3.4%</b>	<b>100.0%</b>

## Programme 1: Administration

### Programme purpose

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

### Expenditure trends and estimates

**Table 30.6 Administration expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2019/20	2020/21	2021/22		
R million											
Ministry	8.4	8.6	7.9	6.6	-7.6%	2.7%	7.5	8.1	9.0	10.7%	2.4%
Departmental Management	87.8	83.8	82.0	71.5	-6.6%	27.9%	79.2	88.9	88.6	7.4%	24.8%
Internal Audit	4.8	6.5	7.5	13.0	39.3%	2.7%	11.5	10.8	11.2	-4.7%	3.5%
Corporate Services	80.4	87.5	108.2	132.6	18.1%	35.1%	112.5	112.7	118.4	-3.7%	36.0%
Financial Management	82.2	85.6	79.5	82.3	-	28.3%	71.8	81.2	84.2	0.8%	24.2%
Office Accommodation	5.2	2.8	9.2	19.7	55.8%	3.2%	31.1	35.3	34.9	20.9%	9.1%
<b>Total</b>	<b>268.8</b>	<b>274.9</b>	<b>294.2</b>	<b>325.6</b>	<b>6.6%</b>	<b>100.0%</b>	<b>313.7</b>	<b>336.8</b>	<b>346.4</b>	<b>2.1%</b>	<b>100.0%</b>
Change to 2019				(4.6)			(3.2)	(4.5)	(5.0)		
Budget estimate											
<b>Economic classification</b>											
<b>Current payments</b>	<b>260.1</b>	<b>261.5</b>	<b>266.2</b>	<b>281.8</b>	<b>2.7%</b>	<b>91.9%</b>	<b>283.9</b>	<b>323.9</b>	<b>332.9</b>	<b>5.7%</b>	<b>92.4%</b>
Compensation of employees	138.4	146.4	153.7	154.5	3.7%	51.0%	162.6	173.4	181.0	5.4%	50.8%
Goods and services <sup>1</sup>	121.7	115.1	112.5	127.3	1.5%	41.0%	121.3	150.5	152.0	6.1%	41.7%
of which:											
Audit costs: External	7.3	8.0	6.0	6.0	-6.5%	2.3%	7.5	7.5	7.8	9.5%	2.2%
Computer services	5.7	4.7	6.0	8.5	14.0%	2.1%	12.9	10.0	10.2	6.2%	3.1%
Legal services	6.7	7.6	6.4	6.8	0.8%	2.4%	6.2	10.8	11.9	20.4%	2.7%
Operating leases	41.2	33.8	40.3	38.9	-1.9%	13.2%	27.8	46.2	45.1	5.1%	11.9%
Property payments	11.7	11.9	10.3	15.3	9.2%	4.2%	14.3	15.7	16.3	2.3%	4.7%
Travel and subsistence	23.2	26.4	20.0	18.2	-7.9%	7.5%	20.4	27.3	27.2	14.4%	7.0%
<b>Transfers and subsidies<sup>1</sup></b>	<b>0.3</b>	<b>1.9</b>	<b>21.1</b>	<b>30.2</b>	<b>343.7%</b>	<b>4.6%</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-90.4%</b>	<b>2.3%</b>
Provinces and municipalities	0.0	0.0	0.0	0.0	-	-	0.0	0.0	0.0	16.7%	-
Departmental agencies and accounts	0.0	-	-	-	-100.0%	-	-	-	-	-	-
Public corporations and private enterprises	0.0	-	-	-	-100.0%	-	-	-	-	-	-
Households	0.3	1.9	21.1	30.2	373.3%	4.6%	-	-	-	-100.0%	2.3%
<b>Payments for capital assets</b>	<b>8.4</b>	<b>11.2</b>	<b>5.3</b>	<b>13.6</b>	<b>17.7%</b>	<b>3.3%</b>	<b>29.7</b>	<b>12.9</b>	<b>13.4</b>	<b>-0.5%</b>	<b>5.3%</b>
Machinery and equipment	4.5	5.2	3.5	6.6	13.4%	1.7%	15.0	5.0	5.1	-8.3%	2.4%
Software and other intangible assets	3.8	6.0	1.7	7.0	22.5%	1.6%	14.7	7.9	8.3	5.8%	2.9%
<b>Payments for financial assets</b>	<b>0.1</b>	<b>0.3</b>	<b>1.7</b>	<b>-</b>	<b>-100.0%</b>	<b>0.2%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>268.8</b>	<b>274.9</b>	<b>294.2</b>	<b>325.6</b>	<b>6.6%</b>	<b>100.0%</b>	<b>313.7</b>	<b>336.8</b>	<b>346.4</b>	<b>2.1%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>9.5%</b>	<b>4.8%</b>	<b>6.1%</b>	<b>5.6%</b>	<b>-</b>	<b>-</b>	<b>9.2%</b>	<b>8.6%</b>	<b>13.1%</b>	<b>-</b>	<b>-</b>

1. Estimates of National Expenditure data tables can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These tables contain detailed information by goods and services, and transfers and subsidies items by programme.

## Programme 2: ICT International Relations and Affairs

### Programme purpose

Ensure alignment between South Africa's foreign policy and international activities in the field of ICT.

### Objectives

- Advance South Africa's ICT interests in regional and international forums to secure partnerships for economic growth and development by:
  - developing 3 position papers focusing on: the World Telecommunications Standardisation Assembly; the Brazil-Russia-India-China-South Africa group of countries (BRICS) agenda and action plan; and the Pan-African Postal Union and 2020 Universal Postal Union to support the digital economy by March 2021.
  - developing and advancing South Africa's position to support the digital economy at relevant international forums on an ongoing basis.

- developing strategic partnerships to promote the digital economy on an ongoing basis.

## Subprogrammes

- *Programme Management for ICT International Relations and Affairs* provides for the overall management of the programme.
- *International Affairs* coordinates the functions and responsibilities of the department to meet South Africa's international ICT obligations. It leads South Africa's ICT interests and advances strategic programmes in African bilateral forums and the BRICS forum.
- *ICT Trade/Partnership* develops and advances South Africa's interests in international and multilateral trade forums by participating in the World Trade Organisation's ICT-related initiatives and other international trade agreements such as the South Africa-European Union trade agreement and bilateral agreements with counterpart countries. This subprogramme also makes payments for international membership fees.

## Expenditure trends and estimates

**Table 30.7 ICT International Relations and Affairs expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2016/17	2017/18	2018/19		2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23		
R million											
Programme Management for International Relations and Affairs	–	–	–	–	–	–	2.9	3.1	3.5	–	3.9%
International Affairs	13.4	12.5	14.8	13.8	0.9%	22.7%	14.8	16.0	16.0	5.0%	25.0%
ICT Trade/Partnership	33.5	38.1	70.0	43.8	9.3%	77.3%	43.1	41.9	44.0	0.1%	71.1%
<b>Total</b>	<b>46.9</b>	<b>50.6</b>	<b>84.9</b>	<b>57.6</b>	<b>7.1%</b>	<b>100.0%</b>	<b>60.8</b>	<b>60.9</b>	<b>63.4</b>	<b>3.3%</b>	<b>100.0%</b>
Change to 2019 Budget estimate				(0.8)			2.8	0.7	0.4		
<b>Economic classification</b>											
<b>Current payments</b>	<b>20.3</b>	<b>24.6</b>	<b>55.9</b>	<b>27.1</b>	<b>10.1%</b>	<b>53.3%</b>	<b>27.5</b>	<b>28.7</b>	<b>30.0</b>	<b>3.5%</b>	<b>46.7%</b>
Compensation of employees	12.7	17.0	17.1	16.7	9.4%	26.5%	17.9	19.0	20.1	6.5%	30.3%
Goods and services <sup>1</sup>	7.5	7.6	38.8	10.4	11.3%	26.8%	9.7	9.7	9.9	-1.7%	16.3%
of which:											
Administrative fees	0.2	0.1	0.2	0.2	-4.7%	0.3%	0.2	0.2	0.3	9.1%	0.4%
Minor assets	0.0	0.0	0.2	0.2	330.9%	0.2%	0.2	0.3	0.3	8.6%	0.4%
Contractors	0.1	0.8	0.2	0.4	54.5%	0.6%	0.9	0.2	0.2	-18.8%	0.7%
Operating leases	0.1	0.1	0.1	0.3	75.4%	0.2%	0.3	0.3	0.3	2.1%	0.5%
Travel and subsistence	4.3	4.8	7.7	5.6	8.9%	9.3%	4.7	5.2	5.4	-1.4%	8.6%
Venues and facilities	1.4	1.2	25.4	2.7	23.9%	12.8%	2.2	2.3	2.3	-6.1%	3.9%
<b>Transfers and subsidies<sup>1</sup></b>	<b>26.3</b>	<b>26.0</b>	<b>28.5</b>	<b>30.0</b>	<b>4.6%</b>	<b>46.2%</b>	<b>32.7</b>	<b>31.6</b>	<b>32.8</b>	<b>3.0%</b>	<b>52.4%</b>
Foreign governments and international organisations	26.1	26.0	28.5	30.0	4.7%	46.1%	32.7	31.6	32.8	3.0%	52.4%
Non-profit institutions	0.0	–	–	–	-100.0%	–	–	–	–	–	–
Households	0.1	0.0	–	–	-100.0%	–	–	–	–	–	–
<b>Payments for capital assets</b>	<b>0.4</b>	<b>0.0</b>	<b>0.4</b>	<b>0.5</b>	<b>8.6%</b>	<b>0.6%</b>	<b>0.6</b>	<b>0.6</b>	<b>0.6</b>	<b>4.0%</b>	<b>1.0%</b>
Machinery and equipment	0.4	0.0	0.4	0.5	8.6%	0.6%	0.6	0.6	0.6	4.0%	1.0%
<b>Total</b>	<b>46.9</b>	<b>50.6</b>	<b>84.9</b>	<b>57.6</b>	<b>7.1%</b>	<b>100.0%</b>	<b>60.8</b>	<b>60.9</b>	<b>63.4</b>	<b>3.3%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>1.7%</b>	<b>0.9%</b>	<b>1.8%</b>	<b>1.0%</b>	<b>–</b>	<b>–</b>	<b>1.8%</b>	<b>1.6%</b>	<b>2.4%</b>	<b>–</b>	<b>–</b>
<b>Details of selected transfers and subsidies</b>											
<b>Foreign governments and international organisations</b>											
<b>Current</b>	<b>26.1</b>	<b>26.0</b>	<b>28.5</b>	<b>30.0</b>	<b>4.7%</b>	<b>46.1%</b>	<b>32.7</b>	<b>31.6</b>	<b>32.8</b>	<b>3.0%</b>	<b>52.4%</b>
Universal Postal Union	6.0	5.5	6.3	6.4	2.6%	10.1%	7.0	6.6	6.8	2.0%	11.1%
International Telecommunication Union	17.6	16.8	17.1	18.8	2.3%	29.3%	20.6	20.0	20.7	3.2%	33.0%
African Telecommunications Union	1.0	1.0	1.0	1.1	2.2%	1.7%	1.2	1.4	1.4	8.1%	2.1%
Pan-African Postal Union	1.0	1.0	1.1	1.1	3.4%	1.8%	1.2	1.2	1.3	4.3%	2.0%
Organisation for Economic Cooperation and Development	0.2	0.2	0.2	0.2	3.9%	0.3%	0.2	0.6	0.6	49.5%	0.7%
Commonwealth Telecommunications Organisation	0.4	0.4	0.4	0.5	9.5%	0.7%	0.5	0.5	0.5	5.1%	0.8%
DONA Foundation	–	1.0	1.0	1.1	–	1.3%	1.2	1.3	1.4	7.9%	2.1%
Smart Africa Alliance	–	–	1.5	0.7	–	0.9%	0.8	–	–	-100.0%	0.6%

1. Estimates of National Expenditure data tables can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These tables contain detailed information by goods and services, and transfers and subsidies items by programme.

## Programme 3: ICT Policy Development and Research

### Programme purpose

Develop ICT policies and legislation that support the development of an ICT sector that creates favourable conditions for accelerated and shared economic growth. Develop strategies that increase the adoption and use of ICT by the majority of South Africans to bridge the digital divide.

### Objectives

- Improve access to and the affordability of ICT by developing the Digital Development Fund Bill by March 2021.
- Promote the growth and sustainability of small, medium and micro enterprises (SMMEs) in the ICT sector by facilitating the implementation and monitoring of the ICT SMME development strategy over the medium term.
- Enable digital transformation and inclusion by:
  - developing the digital transformation policy by March 2022 and the Digital Transformation Bill by March 2023
  - submitting the Electronic Communications Amendment Bill to Parliament by March 2023
  - submitting the data and cloud policy to Cabinet by March 2021
  - developing and facilitating the implementation plan for the digital economy master plan by March 2021
  - developing the implementation plan for the fourth industrial revolution country plan by March 2021; and facilitating, monitoring and reporting on its implementation on an ongoing basis.

### Subprogrammes

- *Programme Management for ICT Policy Development and Research* provides for the overall management of the programme.
- *ICT Policy Development* drafts legislation, regulations, policy and guidelines that govern the telecommunications, postal and IT sectors to ensure broad-based economic development.
- *Economic and Market Analysis* conducts economic analyses of the telecommunications, postal and IT sectors to determine trends and make projections. This subprogramme also conducts market research to explore areas that require policy intervention, and is responsible for reducing the cost of communication.
- *Research* is responsible for understanding the ICT landscape and delivering a national ICT strategy.
- *Small, Medium and Micro Enterprise* facilitates the growth and development of SMMEs in the ICT sector.
- *Broadcasting Policy* drafts legislation, regulations, policy, strategies and guidelines that govern audiovisual media sectors.
- *Media Policy* conducts research and develops print media and communications policies.

### Expenditure trends and estimates

**Table 30.8 ICT Policy Development and Research expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2019/20	2020/21	2021/22		
R million					2016/17 - 2019/20					2019/20 - 2022/23	
Programme Management for ICT Policy Development and Research	–	–	–	–	–	–	2.8	2.9	3.4	–	3.7%
ICT Policy Development	12.5	10.0	12.8	17.9	12.8%	34.0%	19.1	20.9	22.5	7.8%	32.9%
Economic and Market Analysis	3.5	8.7	4.6	8.2	33.0%	15.9%	6.0	7.9	8.3	0.4%	12.4%
Research	6.9	6.9	7.2	7.1	0.7%	17.9%	10.0	11.7	11.1	16.4%	16.3%
Small Medium and Micro Enterprise	4.4	4.4	5.2	5.0	4.2%	12.2%	5.2	5.5	5.7	4.5%	8.7%
Broadcasting Policy	6.3	5.8	8.6	10.5	18.4%	19.9%	13.4	12.4	13.8	9.6%	20.5%
Presidential Commission on 4IR	–	–	–	–	–	–	13.4	–	–	–	5.5%
<b>Total</b>	<b>33.6</b>	<b>35.9</b>	<b>38.4</b>	<b>48.6</b>	<b>13.1%</b>	<b>100.0%</b>	<b>69.8</b>	<b>61.3</b>	<b>64.7</b>	<b>10.0%</b>	<b>100.0%</b>
Change to 2019 Budget estimate				(12.3)			10.5	(1.8)	(2.3)		

**Table 30.8 ICT Policy Development and Research expenditure trends and estimates by subprogramme and economic classification**

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2019/20	2020/21	2021/22		
R million											
<b>Current payments</b>	<b>33.1</b>	<b>35.5</b>	<b>38.2</b>	<b>48.3</b>	<b>13.4%</b>	<b>99.0%</b>	<b>69.4</b>	<b>61.1</b>	<b>64.5</b>	<b>10.1%</b>	<b>99.6%</b>
Compensation of employees	25.1	23.1	24.2	34.3	11.0%	68.2%	42.3	45.0	47.9	11.7%	69.3%
Goods and services <sup>1</sup>	8.0	12.4	14.0	14.0	20.4%	30.9%	27.1	16.1	16.7	6.0%	30.2%
<i>of which:</i>											
<i>Communication</i>	1.6	0.6	2.0	0.8	-22.4%	3.1%	0.7	0.9	1.0	8.2%	1.3%
<i>Consultants: Business and advisory services</i>	1.4	6.7	1.6	2.3	17.2%	7.6%	14.7	3.4	3.6	16.2%	9.8%
<i>Consumables: Stationery, printing and office supplies</i>	1.1	1.0	1.3	1.1	0.4%	2.9%	0.7	1.2	1.2	3.6%	1.7%
<i>Travel and subsistence</i>	1.9	2.5	4.9	5.6	43.3%	9.6%	5.9	6.3	6.4	4.7%	9.9%
<i>Training and development</i>	0.4	0.3	0.4	0.7	17.4%	1.1%	0.5	0.6	0.6	-2.4%	1.0%
<i>Venues and facilities</i>	0.6	0.4	1.0	1.0	20.8%	1.9%	0.6	1.0	1.0	1.1%	1.5%
<b>Transfers and subsidies<sup>1</sup></b>	<b>0.1</b>	<b>0.3</b>	<b>-</b>	<b>-</b>	<b>-100.0%</b>	<b>0.2%</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Households	0.1	0.3	-	-	-100.0%	0.2%	-	-	-	-	-
<b>Payments for capital assets</b>	<b>0.5</b>	<b>0.1</b>	<b>0.2</b>	<b>0.3</b>	<b>-12.5%</b>	<b>0.7%</b>	<b>0.4</b>	<b>0.2</b>	<b>0.2</b>	<b>-12.0%</b>	<b>0.4%</b>
Machinery and equipment	0.5	0.1	0.2	0.3	-12.5%	0.7%	0.4	0.2	0.2	-12.0%	0.4%
<b>Total</b>	<b>33.6</b>	<b>35.9</b>	<b>38.4</b>	<b>48.6</b>	<b>13.1%</b>	<b>100.0%</b>	<b>69.8</b>	<b>61.3</b>	<b>64.7</b>	<b>10.0%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>1.2%</b>	<b>0.6%</b>	<b>0.8%</b>	<b>0.8%</b>	<b>-</b>	<b>-</b>	<b>2.1%</b>	<b>1.6%</b>	<b>2.4%</b>	<b>-</b>	<b>-</b>

1. Estimates of National Expenditure data tables can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These tables contain detailed information by goods and services, and transfers and subsidies items by programme.

## Programme 4: ICT Enterprise and Public Entity Oversight

### Programme purpose

Oversee and manage government's shareholding interest in the ICT public entities and state-owned companies. Facilitate the growth and development of small, medium and micro enterprises in the ICT sector.

### Objectives

- Improve the performance of state-owned entities through proactive oversight by monitoring and evaluating the service delivery performance and compliance of public entities against strategic plans and relevant prescripts on an ongoing basis.
- Improve the impact of public entity service delivery and their market responsiveness by:
  - submitting the State ICT Infrastructure Company Bill to Cabinet for approval by March 2021
  - submitting the State IT Company Bill to Cabinet for approval by March 2021.

### Subprogrammes

- *Programme Management for ICT Enterprise and Public Entity Oversight* provides for the overall management of the programme.
- *Regulatory Institutions* monitors the implementation of policies, and provides guidance on and oversight of the governance matters of regulatory institutions. This subprogramme makes transfers to the Independent Communications Authority of South Africa and the Film and Publication Board.
- *Universal Service and Access* makes transfers to the South African Broadcasting Corporation, the Universal Service and Access Agency of South Africa, the Universal Service and Access Fund, and the South African Post Office to provide subsidies for the fulfilment of their universal service and access mandates.
- *ICT Skills Development* makes transfers to and provides oversight of the National Electronic Media Institute of South Africa for the provision of skills development programmes.

## Expenditure trends and estimates

Table 30.9 ICT Enterprise and Public Entity Oversight expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2019/20	2020/21	2021/22		
R million											
Programme Management for ICT Enterprise and Public Entity Oversight	4.1	3.4	2.5	7.5	21.8%	0.1%	9.2	9.0	9.3	7.7%	0.4%
Regulatory Institutions	464.7	528.0	545.8	560.3	6.4%	14.2%	590.6	623.6	646.7	4.9%	24.4%
Universal Services and Access	970.5	4 019.2	3 293.9	4 016.0	60.5%	83.3%	1 051.2	1 027.4	969.0	-37.7%	71.1%
ICT Skills Development	77.2	85.8	90.8	95.3	7.3%	2.4%	99.2	104.7	109.7	4.8%	4.1%
<b>Total</b>	<b>1 516.6</b>	<b>4 636.5</b>	<b>3 933.0</b>	<b>4 679.1</b>	<b>45.6%</b>	<b>100.0%</b>	<b>1 750.2</b>	<b>1 764.6</b>	<b>1 734.8</b>	<b>-28.2%</b>	<b>100.0%</b>
Change to 2019 Budget estimate				2 967.6			(102.6)	(186.9)	(378.4)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>23.1</b>	<b>24.0</b>	<b>31.0</b>	<b>37.9</b>	<b>17.9%</b>	<b>0.8%</b>	<b>43.0</b>	<b>50.2</b>	<b>54.3</b>	<b>12.8%</b>	<b>1.9%</b>
Compensation of employees	19.9	20.0	21.4	32.1	17.2%	0.6%	35.7	38.0	40.4	8.0%	1.5%
Goods and services <sup>1</sup>	3.2	4.0	9.6	5.8	21.6%	0.2%	7.2	12.2	13.9	33.9%	0.4%
of which:											
Communication	0.4	0.5	0.7	0.5	9.2%	–	0.5	0.7	0.7	17.2%	–
Consultants: Business and advisory services	0.0	–	–	1.0	378.7%	–	–	6.1	7.6	97.2%	0.1%
Consumables: Stationery, printing and office supplies	0.2	0.3	0.2	0.3	21.5%	–	0.4	0.3	0.4	8.2%	–
Travel and subsistence	1.0	1.6	2.1	2.3	30.7%	–	3.5	2.7	3.0	8.9%	0.1%
Training and development	0.1	0.3	0.1	0.2	47.4%	–	0.3	0.5	0.5	32.1%	–
Venues and facilities	1.1	0.1	3.4	0.3	-34.4%	–	0.1	1.1	0.9	40.4%	–
<b>Transfers and subsidies<sup>1</sup></b>	<b>843.1</b>	<b>911.9</b>	<b>954.6</b>	<b>1 441.0</b>	<b>19.6%</b>	<b>28.1%</b>	<b>1 706.7</b>	<b>1 713.8</b>	<b>1 679.9</b>	<b>5.2%</b>	<b>65.9%</b>
Departmental agencies and accounts	660.9	738.2	767.2	767.3	5.1%	19.9%	1 008.9	973.8	912.2	5.9%	36.9%
Public corporations and private enterprises	182.1	173.8	187.4	673.6	54.7%	8.2%	697.8	740.0	767.7	4.5%	29.0%
Households	0.1	0.0	0.1	–	-100.0%	–	–	–	–	–	–
<b>Payments for capital assets</b>	<b>0.3</b>	<b>0.5</b>	<b>0.4</b>	<b>0.2</b>	<b>-10.2%</b>	<b>–</b>	<b>0.5</b>	<b>0.5</b>	<b>0.7</b>	<b>39.5%</b>	<b>–</b>
Machinery and equipment	0.3	0.5	0.4	0.2	-10.2%	–	0.5	0.5	0.7	39.5%	–
<b>Payments for financial assets</b>	<b>650.0</b>	<b>3 700.0</b>	<b>2 947.0</b>	<b>3 200.0</b>	<b>70.1%</b>	<b>71.1%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>32.2%</b>
<b>Total</b>	<b>1 516.6</b>	<b>4 636.5</b>	<b>3 933.0</b>	<b>4 679.1</b>	<b>45.6%</b>	<b>100.0%</b>	<b>1 750.2</b>	<b>1 764.6</b>	<b>1 734.8</b>	<b>-28.2%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>53.8%</b>	<b>81.6%</b>	<b>81.5%</b>	<b>81.0%</b>	<b>–</b>	<b>–</b>	<b>51.6%</b>	<b>45.0%</b>	<b>65.6%</b>	<b>–</b>	<b>–</b>
<b>Details of selected transfers and subsidies</b>											
<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>660.9</b>	<b>738.2</b>	<b>767.2</b>	<b>767.3</b>	<b>5.1%</b>	<b>19.9%</b>	<b>1 008.9</b>	<b>973.8</b>	<b>912.2</b>	<b>5.9%</b>	<b>36.9%</b>
Independent Communications Authority of South Africa	373.1	430.4	444.0	452.6	6.7%	11.5%	477.7	504.2	522.9	4.9%	19.7%
Film and Publication Board	86.5	91.7	94.6	99.4	4.7%	2.5%	104.0	109.7	113.8	4.6%	4.3%
National Electronic Media	77.2	85.8	90.8	95.3	7.3%	2.4%	99.2	104.7	109.7	4.8%	4.1%
Institute of South Africa											
Universal Service and Access Agency of South Africa	69.0	75.7	80.1	82.9	6.3%	2.1%	264.9	188.7	96.0	5.0%	6.4%
Universal Service and Access Fund	55.2	54.6	57.8	37.0	-12.4%	1.4%	63.1	66.6	69.8	23.5%	2.4%
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>182.1</b>	<b>173.8</b>	<b>187.4</b>	<b>673.6</b>	<b>54.7%</b>	<b>8.2%</b>	<b>697.8</b>	<b>740.0</b>	<b>767.7</b>	<b>4.5%</b>	<b>29.0%</b>
South African Broadcasting Corporation: Channel Africa	52.3	54.9	58.1	61.3	5.5%	1.5%	63.4	66.9	69.4	4.2%	2.6%
South African Broadcasting Corporation: Public broadcaster	107.2	105.9	115.7	123.2	4.8%	3.1%	127.4	134.4	139.4	4.2%	5.3%
South African Broadcasting Corporation: Community radio stations	10.3	–	–	–	-100.0%	0.1%	–	–	–	–	–
South African Broadcasting Corporation: Programme productions	12.3	12.9	13.7	14.5	5.5%	0.4%	14.9	15.8	16.3	4.2%	0.6%
South African Post Office	–	–	–	474.6	–	3.2%	492.1	523.0	542.5	4.6%	20.5%

1. Estimates of National Expenditure data tables can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These tables contain detailed information by goods and services, and transfers and subsidies items by programme.

## Programme 5: ICT Infrastructure Development and Support

### Programme purpose

Promote investment in robust, reliable, secure and affordable ICT infrastructure that supports the provision of a multiplicity of applications and services.

### Objectives

- Increase access to secure digital infrastructure by:
  - revising the national radio frequency plan in line with the outcomes of the 2019 world radiocommunication conference and commencing with preparations for the 2023 world radiocommunication conference by March 2021
  - monitoring and sustaining the provision of broadband services to 970 connected government facilities over the medium term
  - establishing 5 additional computer security incident response teams for the sector over the medium term
  - coordinating and monitoring the installation of 900 000 set-top boxes as part of the broadcasting digital migration programme by March 2021
  - coordinating and monitoring the provincial switch-off of analogue transmission in 3 provinces by March 2021.

### Subprogrammes

- *Programme Management for ICT Infrastructure Development and Support* provides for the overall management of the programme.
- *Broadband* is responsible for developing and facilitating the implementation of the broadband policy, strategy and rollout plan for South Africa Connect, and ensures that the programme achieves its broadband goals.
- *ICT Support* is responsible for projects related to authentication, digital object architecture and internet governance.
- *Broadcasting Digital Migration* manages broadcasting digital migration with the aim of migrating from analogue to digital broadcasting. It provides transfers to the Universal Service and Access Fund and Sentech for the implementation of broadcasting digital migration.

### Expenditure trends and estimates

**Table 30.10 ICT Infrastructure Development and Support expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2019/20	2020/21	2021/22		
R million											
Programme Management for ICT Infrastructure Development and Support	–	–	–	–	–	–	3.3	3.7	4.1	–	0.3%
Broadband	26.9	39.3	143.8	267.5	115.0%	18.8%	224.9	253.3	260.7	-0.9%	27.2%
ICT Support	8.1	7.5	8.6	17.3	28.9%	1.6%	9.5	10.0	10.4	-15.6%	1.3%
Broadcasting Digital Migration	862.9	584.1	258.8	312.8	-28.7%	79.5%	889.8	1 353.0	82.7	-35.8%	71.2%
<b>Total</b>	<b>897.9</b>	<b>630.9</b>	<b>411.2</b>	<b>597.7</b>	<b>-12.7%</b>	<b>100.0%</b>	<b>1 127.5</b>	<b>1 620.0</b>	<b>358.0</b>	<b>-15.7%</b>	<b>100.0%</b>
Change to 2019 Budget estimate				4.6			503.1	1 199.7	8.5		

**Table 30.10 ICT Infrastructure Development and Support expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2016/17	2017/18	2018/19		2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20	2022/23
R million											
<b>Current payments</b>	<b>65.3</b>	<b>64.5</b>	<b>187.7</b>	<b>287.8</b>	<b>64.0%</b>	<b>23.9%</b>	<b>283.8</b>	<b>286.5</b>	<b>295.5</b>	<b>0.9%</b>	<b>31.2%</b>
Compensation of employees	37.2	37.2	33.8	39.3	1.9%	5.8%	41.9	44.5	46.1	5.4%	4.6%
Goods and services <sup>1</sup>	28.1	27.4	153.9	248.5	106.7%	18.0%	242.0	242.0	249.4	0.1%	26.5%
of which:											
Advertising	3.1	1.5	7.4	5.4	20.5%	0.7%	14.9	1.2	2.3	-25.4%	0.6%
Computer services	0.2	1.6	1.7	9.2	262.3%	0.5%	184.5	0.2	0.2	-72.5%	5.2%
Consultants: Business and advisory services	0.8	12.0	105.6	202.5	540.4%	12.6%	8.0	201.6	204.1	0.3%	16.6%
Agency and support/outsourced services	–	–	3.7	1.7	–	0.2%	0.5	18.8	21.9	134.2%	1.2%
Travel and subsistence	11.6	7.5	17.8	14.9	8.8%	2.0%	18.1	12.2	12.7	-5.1%	1.6%
Venues and facilities	0.1	0.2	2.3	3.1	186.2%	0.2%	2.3	2.8	2.9	-2.0%	0.3%
<b>Transfers and subsidies<sup>1</sup></b>	<b>829.5</b>	<b>565.7</b>	<b>223.0</b>	<b>301.8</b>	<b>-28.6%</b>	<b>75.7%</b>	<b>843.4</b>	<b>1 333.1</b>	<b>62.1</b>	<b>-41.0%</b>	<b>68.6%</b>
Departmental agencies and accounts	589.4	79.1	18.9	50.6	-55.9%	29.1%	578.7	1 163.4	62.1	7.0%	50.1%
Public corporations and private enterprises	240.0	486.0	203.9	250.9	1.5%	46.5%	264.6	169.7	–	-100.0%	18.5%
Households	0.1	0.6	0.1	0.2	21.5%	–	–	–	–	-100.0%	–
<b>Payments for capital assets</b>	<b>3.1</b>	<b>0.7</b>	<b>0.6</b>	<b>8.1</b>	<b>38.2%</b>	<b>0.5%</b>	<b>0.4</b>	<b>0.4</b>	<b>0.4</b>	<b>-62.6%</b>	<b>0.3%</b>
Machinery and equipment	2.7	0.7	0.6	1.6	-15.4%	0.2%	0.3	0.3	0.3	-41.5%	0.1%
Software and other intangible assets	0.4	0.0	–	6.5	157.4%	0.3%	0.1	0.1	0.1	-75.4%	0.2%
<b>Payments for financial assets</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Total</b>	<b>897.9</b>	<b>630.9</b>	<b>411.2</b>	<b>597.7</b>	<b>-12.7%</b>	<b>100.0%</b>	<b>1 127.5</b>	<b>1 620.0</b>	<b>358.0</b>	<b>-15.7%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>31.8%</b>	<b>11.1%</b>	<b>8.5%</b>	<b>10.4%</b>	<b>–</b>	<b>–</b>	<b>33.2%</b>	<b>41.3%</b>	<b>13.5%</b>	<b>–</b>	<b>–</b>

**Details of selected transfers and subsidies**

<b>Departmental agencies and accounts</b>											
<b>Departmental agencies (non-business entities)</b>											
<b>Current</b>	<b>589.4</b>	<b>79.1</b>	<b>18.9</b>	<b>50.6</b>	<b>-55.9%</b>	<b>29.1%</b>	<b>578.7</b>	<b>1 163.4</b>	<b>62.1</b>	<b>7.0%</b>	<b>50.1%</b>
Independent Communications Authority of South Africa	–	–	–	24.0	–	0.9%	–	–	–	-100.0%	0.6%
Universal Service and Access Fund: Broadcasting digital migration	589.4	79.1	18.9	26.6	-64.4%	28.1%	578.7	1 163.4	62.1	32.6%	49.4%
<b>Public corporations and private enterprises</b>											
<b>Public corporations</b>											
<b>Other transfers to public corporations</b>											
<b>Current</b>	<b>240.0</b>	<b>240.0</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>18.9%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
South African Post Office: Broadcasting digital migration	240.0	240.0	–	–	-100.0%	18.9%	–	–	–	–	–
<b>Capital</b>	<b>–</b>	<b>246.0</b>	<b>203.9</b>	<b>250.9</b>	<b>–</b>	<b>27.6%</b>	<b>264.6</b>	<b>169.7</b>	<b>–</b>	<b>-100.0%</b>	<b>18.5%</b>
Sentech: Migration of digital signals	–	53.0	–	58.4	–	4.4%	60.6	69.7	–	-100.0%	5.1%
Sentech: Dual illumination costs relating to the digital migration project	–	193.0	203.9	192.5	–	23.2%	204.0	100.0	–	-100.0%	13.4%

1. Estimates of National Expenditure data tables can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These tables contain detailed information by goods and services, and transfers and subsidies items by programme.

## Programme 6: ICT Information Society and Capacity Development

### Programme purpose

Develop and implement strategies to build capabilities to bridge the digital divide.

### Objective

- Contribute towards building a digital society by developing information society strategies and programmes over the medium term.

## Subprogrammes

- *Programme Management for ICT Information Society and Capacity Development* provides for the overall management of the programme.
- *Information Society Development* supports the promotion of digital society by facilitating the uptake and use of digital technologies. This includes the development of institutional mechanisms, intergovernmental relations forums.
- *Capacity Development* facilitates capacity-building interventions to develop digital and future skills towards the creation of a digital society.

## Expenditure trends and estimates

**Table 30.11 ICT Information Society and Capacity Development expenditure trends and estimates by subprogramme and economic classification**

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2019/20	2020/21	2021/22		
R million											
Programme Management for ICT Information Society and Capacity Development	–	–	–	–	–	–	2.9	3.1	3.5	–	3.3%
Information Society Development	47.8	46.2	55.6	56.3	5.6%	84.8%	59.7	61.4	61.3	2.9%	82.7%
Capacity Development	9.5	9.0	9.3	9.2	-1.0%	15.2%	9.9	10.5	10.9	5.7%	14.0%
<b>Total</b>	<b>57.3</b>	<b>55.2</b>	<b>64.9</b>	<b>65.5</b>	<b>4.5%</b>	<b>100.0%</b>	<b>72.5</b>	<b>74.9</b>	<b>75.6</b>	<b>4.9%</b>	<b>100.0%</b>
Change to 2019 Budget estimate				0.6			2.3	0.1	(0.5)		
<b>Economic classification</b>											
<b>Current payments</b>	<b>56.9</b>	<b>54.8</b>	<b>64.6</b>	<b>65.0</b>	<b>4.5%</b>	<b>99.3%</b>	<b>72.3</b>	<b>74.3</b>	<b>75.0</b>	<b>4.9%</b>	<b>99.3%</b>
Compensation of employees	37.4	39.6	42.3	45.0	6.3%	67.7%	47.9	51.0	51.4	4.5%	67.7%
Goods and services <sup>1</sup>	19.4	15.2	22.3	19.9	0.9%	31.6%	24.4	23.3	23.6	5.7%	31.6%
of which:											
<i>Catering: Departmental activities</i>	0.3	0.4	0.6	0.6	22.7%	0.8%	1.1	0.8	0.8	7.7%	1.1%
<i>Communication</i>	0.9	0.9	0.8	0.7	-7.3%	1.4%	0.5	0.9	0.9	9.9%	1.0%
<i>Consultants: Business and advisory services</i>	4.3	6.5	4.6	5.8	10.4%	8.7%	7.1	6.0	5.7	-0.7%	8.5%
<i>Agency and support/outsourced services</i>	–	–	–	–	–	–	–	1.2	1.3	–	0.9%
<i>Travel and subsistence</i>	2.9	3.6	5.6	4.4	14.3%	6.8%	4.4	3.9	4.0	-2.9%	5.8%
<i>Training and development</i>	7.5	0.4	6.7	5.9	-7.9%	8.4%	7.1	7.1	7.3	7.7%	9.5%
<b>Transfers and subsidies<sup>1</sup></b>	<b>0.0</b>	<b>0.2</b>	<b>–</b>	<b>0.0</b>	<b>7.2%</b>	<b>0.1%</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-100.0%</b>	<b>–</b>
Households	0.0	0.2	–	0.0	15.1%	0.1%	–	–	–	-100.0%	–
<b>Payments for capital assets</b>	<b>0.4</b>	<b>0.3</b>	<b>0.3</b>	<b>0.5</b>	<b>3.0%</b>	<b>0.6%</b>	<b>0.2</b>	<b>0.6</b>	<b>0.6</b>	<b>10.3%</b>	<b>0.7%</b>
Machinery and equipment	0.4	0.3	0.3	0.5	2.4%	0.6%	0.2	0.6	0.6	11.0%	0.7%
<b>Total</b>	<b>57.3</b>	<b>55.2</b>	<b>64.9</b>	<b>65.5</b>	<b>4.5%</b>	<b>100.0%</b>	<b>72.5</b>	<b>74.9</b>	<b>75.6</b>	<b>4.9%</b>	<b>100.0%</b>
<b>Proportion of total programme expenditure to vote expenditure</b>	<b>2.0%</b>	<b>1.0%</b>	<b>1.3%</b>	<b>1.1%</b>	<b>–</b>	<b>–</b>	<b>2.1%</b>	<b>1.9%</b>	<b>2.9%</b>	<b>–</b>	<b>–</b>

1. Estimates of National Expenditure data tables can be downloaded from [www.treasury.gov.za](http://www.treasury.gov.za). These tables contain detailed information by goods and services, and transfers and subsidies items by programme.

## Entities

### Sentech

#### Selected performance indicators

**Table 30.12 Sentech performance indicators by programme/objective/activity and related priority**

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Percentage availability of digital terrestrial television per year	Attain digital terrestrial television network	Priority 1: Economic transformation and job creation	99% (1.01 million hours/ 1.02 million hours)	99% (1.01 million hours/ 1.02 million hours)	99.9% (1.01 million hours/ 1.02 million hours)	99.9%	100%	100%	100%
Number of broadband sites connected in support of the Internet for All project per year	Administration		- <sup>1</sup>	- <sup>1</sup>	6	6	6	6	6

1. No historical data available.

#### Entity overview

Sentech was established in terms of the Sentech Act (1996) and is listed as a schedule 3B public entity in terms of the Public Finance Management Act (1999). It is responsible for providing broadcasting signal distribution services to licensed television and radio broadcasters.

Over the medium term, the entity will focus on creating new revenue streams through acquisitions and the formation of strategic partnerships. It aims to build a wireless broadband business, and invest in technologies to enhance the performance of its connectivity services to existing and future clients. The entity considers these investments key to enhancing connectivity, and has set aside R445.8 million over the medium term for the acquisition of assets.

Total expenditure is set to increase from R1.2 billion in 2019/20 to R1.3 billion in 2022/23 at an average annual rate of 3.6 per cent. Spending on goods and services, mostly for satellite rental and other operating costs, accounts for an estimated 45.6 per cent (R1.7 billion) of total expenditure over the medium term. As the entity employs many skilled technical personnel, expenditure on compensation of employees constitutes an estimated 40.9 per cent (R1.6 billion) of total spending over this period.

The entity expects to generate 98.1 per cent (R4 billion) of its revenue over the MTEF period through services rendered to customers, mostly for the provision of signal for television and radio broadcasting services; and the rest from the department through project-specific funding for dual illumination, which is the operation of both analogue and digital signals. Total revenue is expected to increase at an average annual rate of 3 per cent, from R1.3 billion in 2019/20 to R1.4 billion in 2022/23.

#### Programmes/Objectives/Activities

**Table 30.13 Sentech Limited expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome				Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23		
Administration	1 202.4	1 129.9	1 200.7	1 041.8	-4.7%	90.0%	1 057.7	1 112.6	1 166.5	3.8%	87.3%	
Attain digital terrestrial television network	89.8	134.9	130.6	150.3	18.7%	10.0%	158.2	166.4	158.8	1.8%	12.7%	
<b>Total</b>	<b>1 292.2</b>	<b>1 264.9</b>	<b>1 331.3</b>	<b>1 192.2</b>	<b>-2.6%</b>	<b>100.0%</b>	<b>1 215.8</b>	<b>1 279.0</b>	<b>1 325.3</b>	<b>3.6%</b>	<b>100.0%</b>	

**Statements of historical financial performance, cash flow and financial position****Table 30.14 Sentech Limited statements of historical financial performance, cash flow and financial position**

Statement of financial performance									Average: Outcome/ Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
R million	2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>1 221.8</b>	<b>1 297.0</b>	<b>1 307.9</b>	<b>1 417.4</b>	<b>1 473.2</b>	<b>1 621.2</b>	<b>1 428.2</b>	<b>1 304.5</b>	<b>103.8%</b>
Sale of goods and services other than capital assets	1 197.8	1 142.8	1 275.8	1 349.6	1 289.6	1 399.1	1 354.1	1 264.6	100.8%
<i>of which:</i>									
<i>Sales by market establishment</i>	<i>1 197.8</i>	<i>1 142.8</i>	<i>1 275.8</i>	<i>1 349.6</i>	<i>1 289.6</i>	<i>1 399.1</i>	<i>1 354.1</i>	<i>1 264.6</i>	<i>100.8%</i>
Other non-tax revenue	24.0	154.2	32.1	67.8	183.6	222.0	74.1	39.9	154.2%
<b>Transfers received</b>	<b>2.8</b>	<b>100.0</b>	<b>246.0</b>	<b>-</b>	<b>203.9</b>	<b>-</b>	<b>250.9</b>	<b>-</b>	<b>14.2%</b>
<b>Total revenue</b>	<b>1 224.6</b>	<b>1 397.0</b>	<b>1 553.9</b>	<b>1 417.4</b>	<b>1 677.1</b>	<b>1 621.2</b>	<b>1 679.1</b>	<b>1 304.5</b>	<b>93.6%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>1 195.4</b>	<b>1 302.2</b>	<b>1 297.8</b>	<b>1 212.4</b>	<b>1 483.1</b>	<b>1 294.5</b>	<b>1 583.2</b>	<b>1 148.5</b>	<b>89.2%</b>
Compensation of employees	386.3	410.0	426.0	415.9	468.8	453.1	477.0	476.2	99.8%
Goods and services	727.2	784.5	771.5	693.3	900.2	751.9	1 001.6	548.4	81.7%
Depreciation	82.0	103.5	100.2	99.1	114.1	85.6	104.6	123.9	102.8%
Interest, dividends and rent on land	-	4.2	-	4.2	0.1	4.0	-	0.1	11 855.1%
<b>Total expenses</b>	<b>1 203.6</b>	<b>1 292.2</b>	<b>1 345.4</b>	<b>1 264.9</b>	<b>1 525.0</b>	<b>1 331.3</b>	<b>1 592.6</b>	<b>1 192.2</b>	<b>89.7%</b>
<b>Surplus/(Deficit)</b>	<b>21.0</b>	<b>104.9</b>	<b>208.5</b>	<b>152.5</b>	<b>152.2</b>	<b>289.9</b>	<b>86.6</b>	<b>112.3</b>	
<b>Cash flow statement</b>									
<b>Cash flow from operating activities</b>	<b>90.8</b>	<b>133.5</b>	<b>47.1</b>	<b>(96.8)</b>	<b>231.0</b>	<b>97.5</b>	<b>38.3</b>	<b>200.5</b>	<b>82.2%</b>
<b>Receipts</b>									
<b>Non-tax receipts</b>	<b>1 221.8</b>	<b>1 471.6</b>	<b>1 280.1</b>	<b>1 404.2</b>	<b>1 313.8</b>	<b>1 459.6</b>	<b>1 381.0</b>	<b>1 304.5</b>	<b>108.5%</b>
Sales of goods and services other than capital assets	1 197.8	1 407.2	1 248.0	1 349.6	1 289.6	1 399.1	1 361.8	1 264.6	106.3%
<i>Sales by market establishment</i>	<i>1 197.8</i>	<i>1 407.2</i>	<i>1 248.0</i>	<i>1 349.6</i>	<i>1 289.6</i>	<i>1 399.1</i>	<i>1 361.8</i>	<i>1 264.6</i>	<i>106.3%</i>
Other tax receipts	24.0	64.4	32.1	54.6	24.2	60.5	19.2	39.9	220.5%
<b>Total receipts</b>	<b>1 221.8</b>	<b>1 471.6</b>	<b>1 280.1</b>	<b>1 404.2</b>	<b>1 313.8</b>	<b>1 459.6</b>	<b>1 381.0</b>	<b>1 304.5</b>	<b>108.5%</b>
<b>Payment</b>									
<b>Current payments</b>	<b>1 122.9</b>	<b>1 315.0</b>	<b>1 185.3</b>	<b>1 466.5</b>	<b>1 040.9</b>	<b>1 314.4</b>	<b>1 298.8</b>	<b>1 060.3</b>	<b>110.9%</b>
Compensation of employees	383.5	410.0	398.0	415.9	400.9	453.1	413.3	476.2	110.0%
Goods and services	739.4	904.8	787.4	1 046.5	639.9	857.4	885.4	584.1	111.2%
Interest and rent on land	-	0.3	-	4.2	0.1	4.0	0.1	0.1	3 931.0%
<b>Total payments</b>	<b>1 131.1</b>	<b>1 338.2</b>	<b>1 233.0</b>	<b>1 500.9</b>	<b>1 082.8</b>	<b>1 362.2</b>	<b>1 342.7</b>	<b>1 104.0</b>	<b>110.8%</b>
<b>Net cash flow from investing activities</b>	<b>(552.0)</b>	<b>(274.6)</b>	<b>(405.0)</b>	<b>(110.2)</b>	<b>(175.4)</b>	<b>(78.5)</b>	<b>(213.4)</b>	<b>(200.8)</b>	<b>49.4%</b>
Acquisition of property, plant, equipment and intangible assets	(552.0)	(274.6)	(405.0)	(110.2)	(175.4)	(78.5)	(213.4)	(200.8)	49.4%
<b>Net cash flow from financing activities</b>	<b>-</b>	<b>91.2</b>	<b>246.0</b>	<b>215.8</b>	<b>203.9</b>	<b>177.3</b>	<b>250.9</b>	<b>250.9</b>	<b>104.9%</b>
Deferred income	-	91.2	246.0	215.8	203.9	177.3	250.9	250.9	104.9%
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(461.2)</b>	<b>(49.9)</b>	<b>(111.9)</b>	<b>8.8</b>	<b>259.5</b>	<b>196.3</b>	<b>75.9</b>	<b>250.6</b>	
<b>Statement of financial position</b>									
Carrying value of assets	1 081.3	946.5	1 163.6	954.4	941.4	1 043.3	958.3	1 042.2	96.2%
<i>Acquisition of assets</i>	<i>(552.0)</i>	<i>(274.6)</i>	<i>(405.0)</i>	<i>(110.2)</i>	<i>(175.4)</i>	<i>(78.5)</i>	<i>(213.4)</i>	<i>(200.8)</i>	<i>49.4%</i>
Inventory	47.8	80.3	63.9	82.3	58.8	66.4	54.2	84.0	139.3%
Receivables and prepayments	22.1	43.1	58.8	297.9	119.5	400.8	149.8	94.6	238.8%
Cash and cash equivalents	507.3	907.4	812.3	916.1	1 170.7	1 112.4	1 059.0	1 286.9	119.0%
Taxation	-	18.1	-	12.7	-	16.2	-	-	-
<b>Total assets</b>	<b>1 658.6</b>	<b>1 995.4</b>	<b>2 098.6</b>	<b>2 263.5</b>	<b>2 290.4</b>	<b>2 639.2</b>	<b>2 221.3</b>	<b>2 507.6</b>	<b>113.7%</b>
Accumulated surplus/(deficit)	927.0	1 023.7	1 164.9	1 176.3	1 314.1	1 358.0	1 299.9	1 449.7	106.4%
Capital and reserves	586.7	743.8	743.8	743.8	743.8	851.9	743.8	743.8	109.4%
Deferred income	-	10.2	9.3	94.3	54.9	130.4	-	122.8	557.0%
Trade and other payables	88.4	133.1	112.0	146.5	118.3	150.2	118.3	88.7	118.7%
Taxation	56.5	40.6	68.6	53.1	40.6	76.5	40.6	53.1	108.2%
Provisions	-	44.1	-	49.6	18.7	72.2	18.7	49.6	575.5%
<b>Total equity and liabilities</b>	<b>1 658.6</b>	<b>1 995.4</b>	<b>2 098.6</b>	<b>2 263.5</b>	<b>2 290.4</b>	<b>2 639.2</b>	<b>2 221.3</b>	<b>2 507.6</b>	<b>113.7%</b>

## Statements of estimates of financial performance, cash flow and financial position

**Table 30.15 Sentech Limited statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance		Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	Revised estimate							
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
<b>Revenue</b>								
<b>Non-tax revenue</b>	<b>1 304.5</b>	<b>0.2%</b>	<b>98.2%</b>	<b>1 293.5</b>	<b>1 360.7</b>	<b>1 426.0</b>	<b>3.0%</b>	<b>100.0%</b>
Sale of goods and services other than capital assets	1 264.6	3.4%	90.1%	1 273.5	1 339.7	1 404.0	3.5%	98.1%
<i>Sales by market establishment</i>	<i>1 264.6</i>	<i>3.4%</i>	<i>90.1%</i>	<i>1 273.5</i>	<i>1 339.7</i>	<i>1 404.0</i>	<i>3.5%</i>	<i>98.1%</i>
Other non-tax revenue	39.9	-36.3%	8.1%	20.0	21.0	22.0	-18.0%	1.9%
<b>Total revenue</b>	<b>1 304.5</b>	<b>-2.3%</b>	<b>100.0%</b>	<b>1 293.5</b>	<b>1 360.7</b>	<b>1 426.0</b>	<b>3.0%</b>	<b>100.0%</b>
<b>Current expenses</b>								
<b>Compensation of employees</b>	<b>476.2</b>	<b>5.1%</b>	<b>34.6%</b>	<b>500.0</b>	<b>525.0</b>	<b>550.7</b>	<b>5.0%</b>	<b>40.9%</b>
Goods and services	548.4	-11.2%	54.5%	555.4	585.5	598.0	2.9%	45.6%
Depreciation	123.9	6.2%	8.2%	130.2	136.7	143.3	5.0%	10.6%
Interest, dividends and rent on land	0.1	-76.0%	0.2%	0.1	0.1	0.1	5.0%	0.0%
<b>Total expenses</b>	<b>1 192.2</b>	<b>-2.6%</b>	<b>100.0%</b>	<b>1 215.8</b>	<b>1 279.0</b>	<b>1 325.3</b>	<b>3.6%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>112.3</b>			<b>77.7</b>	<b>81.7</b>	<b>100.7</b>		
<b>Cash flow statement</b>								
<b>Cash flow from operating activities</b>	<b>200.5</b>	<b>14.5%</b>	<b>292.3%</b>	<b>4.6</b>	<b>87.7</b>	<b>485.3</b>	<b>14.9%</b>	<b>293.9%</b>
<b>Receipts</b>								
<b>Non-tax receipts</b>	<b>1 304.5</b>	<b>-3.9%</b>	<b>100.0%</b>	<b>1 371.0</b>	<b>1 439.5</b>	<b>1 508.6</b>	<b>5.0%</b>	<b>100.0%</b>
Sales of goods and services other than capital assets	1 264.6	-3.5%	96.1%	1 329.1	1 395.5	1 462.5	5.0%	96.9%
<i>Sales by market establishment</i>	<i>1 264.6</i>	<i>-3.5%</i>	<i>96.1%</i>	<i>1 329.1</i>	<i>1 395.5</i>	<i>1 462.5</i>	<i>5.0%</i>	<i>96.9%</i>
Other tax receipts	39.9	-14.8%	3.9%	41.9	44.0	46.1	5.0%	3.1%
<b>Total receipts</b>	<b>1 304.5</b>	<b>-3.9%</b>	<b>100.0%</b>	<b>1 371.0</b>	<b>1 439.5</b>	<b>1 508.6</b>	<b>5.0%</b>	<b>100.0%</b>
<b>Current payments</b>								
<b>Compensation of employees</b>	<b>476.2</b>	<b>5.1%</b>	<b>34.6%</b>	<b>500.0</b>	<b>525.0</b>	<b>550.7</b>	<b>5.0%</b>	<b>43.1%</b>
Goods and services	584.1	-13.6%	66.5%	836.2	795.0	439.2	-9.1%	54.0%
Interest and rent on land	0.1	-38.6%	0.2%	0.1	0.1	0.1	5.0%	0.0%
<b>Total payment</b>	<b>1 104.0</b>	<b>-6.2%</b>	<b>100.0%</b>	<b>1 366.4</b>	<b>1 351.8</b>	<b>1 023.3</b>	<b>-2.5%</b>	<b>100.0%</b>
<b>Net cash flow from investing activities</b>	<b>(200.8)</b>	<b>-9.9%</b>	<b>100.0%</b>	<b>(216.8)</b>	<b>(229.0)</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
Acquisition of property, plant, equipment and intangible assets	(200.8)	-9.9%	100.0%	(216.8)	(229.0)	-	-100.0%	-
<b>Net cash flow from financing activities</b>	<b>250.9</b>	<b>40.1%</b>	<b>100.0%</b>	<b>264.6</b>	<b>169.7</b>	<b>-</b>	<b>-100.0%</b>	<b>-</b>
Deferred Income	250.9	40.1%	100.0%	264.6	169.7	-	-100.0%	-
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>250.6</b>	<b>-271.3%</b>	<b>100.0%</b>	<b>52.3</b>	<b>28.5</b>	<b>485.3</b>	<b>24.6%</b>	<b>100.0%</b>
<b>Statement of financial position</b>								
Carrying value of assets	1 042.2	3.3%	42.7%	1 061.7	1 053.8	1 104.3	2.0%	41.7%
<i>Acquisition of assets</i>	<i>(200.8)</i>	<i>-9.9%</i>	<i>-7.4%</i>	<i>(216.8)</i>	<i>(229.0)</i>	<i>-</i>	<i>-100.0%</i>	<i>-6.4%</i>
Inventory	84.0	1.5%	3.4%	84.8	85.6	89.8	2.3%	3.4%
Receivables and prepayments	94.6	29.9%	8.6%	95.5	96.5	101.1	2.3%	3.8%
Cash and cash equivalents	1 286.9	12.4%	44.9%	1 340.3	1 269.5	1 330.4	1.1%	51.1%
<b>Total assets</b>	<b>2 507.6</b>	<b>7.9%</b>	<b>100.0%</b>	<b>2 582.4</b>	<b>2 505.4</b>	<b>2 625.6</b>	<b>1.5%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	1 449.7	12.3%	53.1%	1 527.3	1 609.1	1 686.3	5.2%	61.4%
Capital and reserves	743.8	-	33.0%	743.8	743.8	779.5	1.6%	29.5%
Deferred income	122.8	129.1%	3.6%	142.1	-	-	-100.0%	2.6%
Trade and other payables	88.7	-12.6%	5.6%	66.5	49.9	52.3	-16.2%	2.5%
Taxation	53.1	9.4%	2.3%	53.1	53.1	55.6	1.6%	2.1%
Provisions	49.6	4.0%	2.3%	49.6	49.6	52.0	1.6%	2.0%
<b>Total equity and liabilities</b>	<b>2 507.6</b>	<b>7.9%</b>	<b>100.0%</b>	<b>2 582.4</b>	<b>2 505.4</b>	<b>2 625.6</b>	<b>1.5%</b>	<b>100.0%</b>

## Personnel information

**Table 30.16 Sentech Limited personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020		Number and cost <sup>1</sup> 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 (%)	Average: Salary level/Total (%)			
		2018/19			2019/20			2020/21		2021/22		2022/23						
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			2019/20 - 2022/23		
<b>Sentech Limited</b>		<b>533</b>	<b>453.1</b>	<b>0.9</b>	<b>533</b>	<b>476.2</b>	<b>0.9</b>	<b>536</b>	<b>500.0</b>	<b>0.9</b>	<b>542</b>	<b>525.0</b>	<b>1.0</b>	<b>545</b>	<b>550.7</b>	<b>1.0</b>	<b>5.0%</b>	<b>100.0%</b>
7 – 10	97	97	49.6	0.5	97	52.1	0.5	97	54.3	0.6	99	57.0	0.6	99	60.3	0.6	5.0%	18.2%
11 – 12	310	310	229.3	0.7	310	241.1	0.8	310	252.6	0.8	312	266.1	0.9	315	278.8	0.9	5.0%	57.8%
13 – 16	115	115	147.6	1.3	115	155.1	1.3	118	165.7	1.4	120	173.1	1.4	120	181.5	1.5	5.4%	21.9%
17 – 22	11	11	26.6	2.4	11	27.9	2.5	11	27.4	2.5	11	28.8	2.6	11	30.2	2.7	2.6%	2.0%

1. Rand million.

## South African Broadcasting Corporation

### Selected performance indicators

**Table 30.17 South African Broadcasting Corporation performance indicators by programme/objective/activity and related priority**

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections		
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
Number of strategic partnerships concluded per year	Administration	Entity mandate	-1	-1	-1	3	4	5	5
Number of provincial programmes broadcast across the corporation's television channels per year	Local content delivery: Television	Priority 5: Social cohesion and safe communities	1	1	10	12	14	16	16
Number of public broadcasting radio stations (excluding Radio 2000) achieving full compliance with the regulator's specified genre quotas per year	Local content delivery: Radio		-1	-1	-1	14	14	14	14

1. No historical data available.

### Entity overview

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), which requires the corporation to provide South Africans with radio and television broadcasting services. It is also required to provide a wide range of programming that displays South African talent in educational and entertainment programmes; offer a diversity of views and a variety of news, information and analysis; and advance national and public interests.

Over the medium term, the corporation will focus on finalising and implementing its turnaround strategy, which aims to invest in new and compelling content to attract audiences, and thereby attract advertisers and increase revenue. An amount of R3.2 billion was allocated to the corporation in the 2019 Adjusted Estimates of National Expenditure for the strategy. To contribute towards nation building and greater diversity, the corporation also plans to spend R2 billion over the medium term to broadcast all sporting codes of national interest and acquire sports rights.

Total expenditure is expected to increase from R8 billion in 2019/20 to R8.9 billion in 2022/23 at an average annual rate of 3.4 per cent. Of this amount, 36.9 per cent (R9.6 billion) is earmarked for spending on goods and services, largely for programme, film and sports rights; and 34.9 per cent (R8.6 billion) for spending on compensation of employees.

The corporation expects to generate 97.3 per cent of its revenue over the medium term through licence fees, commercial revenue from advertising, and sport sponsorship across television, radio and online platforms. Total revenue is expected to increase from R7.4 billion in 2019/20 to an estimated R8.5 billion in 2022/23 at an average annual rate of 4.4 per cent. The corporation is set to receive transfers from the department amounting

to R648 million over the medium term to subsidise various functions, including public broadcasting, programme productions, and support for Channel Africa.

The entity has experienced significant financial challenges over the past three financial years due to a decrease in viewership, listenership and revenue, and projects deficits of R302 million in 2020/21, R194 million in 2021/22 and R446 million in 2022/23 over the medium term.

### Programmes/Objectives/Activities

**Table 30.18 South African Broadcasting Corporation Limited expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2016/17	2017/18	2018/19		2019/20	2016/17 - 2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	Average: Expenditure/ Total (%)
Administration	1 661.3	1 748.1	1 571.6	2 295.0	11.4%	24.2%	2 114.3	1 942.4	2 149.4	-2.2%	25.4%
Local content delivery:	2 604.4	2 269.2	2 129.9	2 580.4	-0.3%	31.9%	2 734.6	2 898.0	3 045.3	5.7%	33.6%
Television											
Local content delivery: Radio	747.7	925.8	867.0	763.8	0.7%	11.1%	808.9	856.7	904.4	5.8%	9.9%
Universal access transmitter rollout news	905.1	808.7	818.0	894.3	-0.4%	11.4%	943.4	999.5	1 058.1	5.8%	11.6%
Sports of national interest and mandate	887.3	674.8	725.0	606.7	-11.9%	9.7%	632.0	669.9	705.1	5.1%	7.8%
Digital terrestrial migration and technology	909.0	835.4	847.9	909.1	0.0%	11.7%	936.5	991.5	1 046.9	4.8%	11.6%
<b>Total</b>	<b>7 714.7</b>	<b>7 261.9</b>	<b>6 959.4</b>	<b>8 049.4</b>	<b>1.4%</b>	<b>100.0%</b>	<b>8 169.8</b>	<b>8 358.0</b>	<b>8 909.1</b>	<b>3.4%</b>	<b>100.0%</b>

### Statements of historical financial performance, cash flow and financial position

**Table 30.19 South African Broadcasting Corporation Limited statements of historical financial performance, cash flow and financial position**

Statement of financial performance	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/ Budget (%)
	Budget	2016/17	Budget	2017/18	Budget	2018/19			
R million									2016/17 - 2019/20
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>9 032.4</b>	<b>6 560.7</b>	<b>7 358.0</b>	<b>6 443.6</b>	<b>7 242.9</b>	<b>6 289.6</b>	<b>7 550.3</b>	<b>7 245.6</b>	<b>85.1%</b>
Sale of goods and services other than capital assets	8 317.8	6 298.4	6 887.2	5 894.4	6 797.3	5 821.8	7 087.3	6 646.0	84.8%
of which:									
Administrative fees	1 147.0	915.1	1 055.0	941.4	1 072.0	968.2	1 074.1	984.3	87.6%
Sales by market establishment	7 170.8	5 383.3	5 832.2	4 953.0	5 725.3	4 853.7	6 013.2	5 661.7	84.3%
Other non-tax revenue	714.7	262.3	470.8	549.2	445.5	467.8	463.0	599.6	89.7%
<b>Transfers received</b>	<b>233.0</b>	<b>253.5</b>	<b>233.4</b>	<b>196.7</b>	<b>187.4</b>	<b>187.4</b>	<b>199.0</b>	<b>199.0</b>	<b>98.1%</b>
<b>Total revenue</b>	<b>9 265.5</b>	<b>6 737.8</b>	<b>7 591.3</b>	<b>6 640.3</b>	<b>7 430.3</b>	<b>6 477.0</b>	<b>7 749.3</b>	<b>7 444.6</b>	<b>85.2%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>9 255.7</b>	<b>7 726.1</b>	<b>7 440.8</b>	<b>7 287.5</b>	<b>7 764.2</b>	<b>6 959.4</b>	<b>7 914.2</b>	<b>8 049.4</b>	<b>92.7%</b>
Compensation of employees	2 999.8	3 117.6	2 983.9	3 127.9	2 821.1	2 858.5	2 979.1	3 069.7	103.3%
Goods and services	6 005.3	3 830.1	4 178.2	3 525.7	4 667.2	2 175.8	4 645.4	2 813.2	63.3%
Depreciation	237.5	765.3	233.3	618.5	271.2	1 875.2	286.4	2 164.9	527.4%
Interest, dividends and rent on land	13.1	13.1	45.5	15.4	4.6	49.8	3.2	1.6	120.1%
<b>Transfers and subsidies</b>	<b>6.4</b>	<b>(11.4)</b>	<b>(5.0)</b>	<b>(25.5)</b>	<b>-</b>	<b>-</b>	<b>1.6</b>	<b>-</b>	<b>-1 239.4%</b>
<b>Total expenses</b>	<b>9 262.1</b>	<b>7 714.7</b>	<b>7 435.8</b>	<b>7 261.9</b>	<b>7 764.2</b>	<b>6 959.4</b>	<b>7 915.8</b>	<b>8 049.4</b>	<b>92.6%</b>
<b>Surplus/(Deficit)</b>	<b>3.4</b>	<b>(976.9)</b>	<b>155.5</b>	<b>(621.7)</b>	<b>(333.9)</b>	<b>(482.4)</b>	<b>(166.5)</b>	<b>(604.8)</b>	

**Table 30.19 South African Broadcasting Corporation Limited statements of historical financial performance, cash flow and financial position**

Statement of financial performance									Average: Outcome/ Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	2016/17 - 2019/20
R million	2016/17		2017/18		2018/19		2019/20		
<b>Cash flow statement</b>									
<b>Cash flow from operating activities</b>	<b>188.5</b>	<b>(722.7)</b>	<b>(350.5)</b>	<b>31.9</b>	<b>3.9</b>	<b>(74.2)</b>	<b>326.0</b>	<b>(2 201.5)</b>	<b>-1 765.8%</b>
<b>Receipts</b>									
<b>Non-tax receipts</b>	<b>8 938.8</b>	<b>7 560.2</b>	<b>7 358.0</b>	<b>6 542.9</b>	<b>7 242.9</b>	<b>4 723.0</b>	<b>7 550.3</b>	<b>3 386.0</b>	<b>71.4%</b>
Sales of goods and services other than capital assets	8 885.3	7 103.7	6 887.2	6 090.1	6 797.3	6 289.6	7 087.3	7 245.6	90.1%
Administrative fees	1 147.0	915.1	1 055.0	941.4	1 072.0	968.2	1 074.1	984.3	87.6%
Sales by market establishment	7 738.3	6 188.6	5 832.2	5 148.7	5 725.3	4 853.7	6 013.2	5 661.7	86.3%
Other sales	-	-	-	-	-	467.8	-	599.6	-
Other tax receipts	53.5	456.5	470.8	452.7	445.5	(1 566.5)	463.0	(3 859.6)	-315.2%
<b>Transfers received</b>	<b>233.0</b>	<b>253.5</b>	<b>271.2</b>	<b>173.8</b>	<b>187.4</b>	<b>187.4</b>	<b>199.0</b>	<b>199.0</b>	<b>91.4%</b>
<b>Total receipts</b>	<b>9 171.8</b>	<b>7 737.3</b>	<b>7 629.2</b>	<b>6 716.6</b>	<b>7 430.3</b>	<b>4 910.5</b>	<b>7 749.3</b>	<b>3 585.0</b>	<b>71.8%</b>
<b>Payment</b>									
<b>Current payments</b>	<b>8 904.4</b>	<b>7 773.5</b>	<b>7 892.6</b>	<b>6 654.9</b>	<b>7 426.4</b>	<b>4 984.6</b>	<b>7 423.3</b>	<b>5 786.5</b>	<b>79.6%</b>
Compensation of employees	2 951.2	3 117.6	2 983.9	3 145.1	2 701.2	2 858.5	2 979.1	3 069.7	105.0%
Goods and services	5 942.4	4 642.7	4 863.3	3 494.4	4 720.6	2 076.3	4 440.9	2 715.2	64.7%
Interest and rent on land	10.8	13.1	45.5	15.4	4.6	49.8	3.2	1.6	124.5%
<b>Transfers and subsidies</b>	<b>78.9</b>	<b>686.5</b>	<b>87.1</b>	<b>29.8</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>431.5%</b>
<b>Total payments</b>	<b>8 983.3</b>	<b>8 460.0</b>	<b>7 979.7</b>	<b>6 684.7</b>	<b>7 426.4</b>	<b>4 984.6</b>	<b>7 423.3</b>	<b>5 786.5</b>	<b>81.5%</b>
<b>Net cash flow from investing activities</b>	<b>(423.6)</b>	<b>(311.6)</b>	<b>(240.0)</b>	<b>(145.1)</b>	<b>(350.0)</b>	<b>(145.2)</b>	<b>(350.0)</b>	<b>(451.4)</b>	<b>77.2%</b>
Acquisition of property, plant, equipment and intangible assets	(432.2)	(300.7)	(240.0)	(143.6)	(350.0)	(138.7)	(350.0)	(451.4)	75.4%
Acquisition of software and other intangible assets	-	(12.8)	-	(1.5)	-	(11.9)	-	-	-
Proceeds from the sale of property, plant, equipment and intangible assets	8.5	1.9	-	-	-	5.3	-	-	84.8%
<b>Net cash flow from financing activities</b>	<b>82.2</b>	<b>234.9</b>	<b>508.8</b>	<b>162.0</b>	<b>533.5</b>	<b>161.5</b>	<b>223.0</b>	<b>3 367.6</b>	<b>291.4%</b>
Deferred income	-	181.7	199.2	173.8	187.4	180.1	199.0	183.3	122.8%
Borrowing activities	82.2	-	323.6	-	426.7	(3.4)	141.1	(2.5)	-0.6%
Repayment of finance leases	-	53.1	(14.0)	(11.8)	(80.6)	(15.2)	(117.1)	(13.2)	-6.1%
Other flows from financing activities	-	-	-	-	-	-	-	3 200.0	-
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(152.9)</b>	<b>(799.4)</b>	<b>(81.7)</b>	<b>48.8</b>	<b>187.4</b>	<b>(57.9)</b>	<b>199.0</b>	<b>714.6</b>	
<b>Statement of financial position</b>									
Carrying value of assets	1 812.2	1 790.2	1 873.8	1 708.5	1 774.3	1 637.3	1 714.2	1 952.2	98.8%
Acquisition of assets	(432.2)	(300.7)	(240.0)	(143.6)	(350.0)	(138.7)	(350.0)	(451.4)	75.4%
Investments	158.7	4.7	10.9	-	4.8	-	4.8	-	2.6%
Inventory	786.2	773.8	841.5	612.6	862.8	523.8	909.2	1 219.9	92.1%
Receivables and prepayments	1 476.9	860.6	894.0	900.0	965.9	998.6	1 059.7	955.4	84.5%
Cash and cash equivalents	900.0	81.7	0.0	130.5	317.9	72.6	601.0	373.2	36.2%
Defined benefit plan assets	-	1 333.7	1 600.5	852.9	1 333.7	2 049.9	1 333.7	852.9	119.2%
Derivatives financial instruments	13.8	9.7	-	12.2	11.9	10.6	13.2	12.2	114.5%
<b>Total assets</b>	<b>5 148.0</b>	<b>4 854.3</b>	<b>5 220.7</b>	<b>4 216.8</b>	<b>5 271.3</b>	<b>5 292.8</b>	<b>5 635.8</b>	<b>5 365.7</b>	<b>92.7%</b>
Accumulated surplus/(deficit)	2 001.3	2 057.8	2 287.9	668.7	1 340.2	1 446.6	1 276.6	(742.6)	49.7%
Capital and reserves	11.8	8.1	10.2	10.1	10.0	8.9	12.0	10.2	85.1%
Capital reserve fund	270.7	328.6	368.2	352.6	265.7	318.4	147.1	3 409.9	419.3%
Borrowings	32.2	-	330.2	-	1 333.6	-	1 405.5	-	-
Finance lease	-	56.5	43.3	44.6	30.1	29.4	16.8	16.8	163.5%
Deferred income	106.0	84.3	103.0	65.8	56.0	82.8	58.5	39.1	84.1%
Trade and other payables	737.3	746.3	768.0	1 132.9	401.5	1 635.2	882.1	818.3	155.4%
Taxation	-	19.8	(112.8)	97.0	19.9	96.9	-	-	-230.1%
Provisions	1 961.3	1 525.5	1 402.0	1 605.4	1 786.9	1 388.4	1 819.7	1 614.5	88.0%
Derivatives financial instruments	27.4	27.4	20.8	239.6	27.4	285.9	17.4	199.3	809.1%
<b>Total equity and liabilities</b>	<b>5 148.0</b>	<b>4 854.3</b>	<b>5 220.7</b>	<b>4 216.8</b>	<b>5 271.3</b>	<b>5 292.8</b>	<b>5 635.8</b>	<b>5 365.7</b>	<b>92.7%</b>

## Statements of estimates of financial performance, cash flow and financial position

**Table 30.20 South African Broadcasting Corporation Limited statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Revised estimate	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
R million								
<b>Revenue</b>								
<b>Non-tax revenue</b>	<b>7 245.6</b>	<b>3.4%</b>	<b>97.2%</b>	<b>7 661.8</b>	<b>7 946.8</b>	<b>8 238.5</b>	<b>4.4%</b>	<b>97.3%</b>
Sale of goods and services other than capital assets	6 646.0	1.8%	90.4%	7 071.9	7 332.1	7 599.6	4.6%	89.7%
Administrative fees	984.3	2.5%	14.0%	994.1	1 004.1	1 014.1	1.0%	12.5%
Sales by market establishment	5 661.7	1.7%	76.4%	6 077.8	6 328.0	6 585.5	5.2%	77.2%
Other non-tax revenue	599.6	31.7%	6.9%	589.8	614.7	638.9	2.1%	7.7%
<b>Transfers received</b>	<b>199.0</b>	<b>-7.7%</b>	<b>3.1%</b>	<b>205.8</b>	<b>217.1</b>	<b>225.1</b>	<b>4.2%</b>	<b>2.7%</b>
<b>Total revenue</b>	<b>7 444.6</b>	<b>3.4%</b>	<b>100.0%</b>	<b>7 867.5</b>	<b>8 163.9</b>	<b>8 463.6</b>	<b>4.4%</b>	<b>100.0%</b>
<b>Current expenses</b>	<b>8 049.4</b>	<b>1.4%</b>	<b>100.1%</b>	<b>8 169.8</b>	<b>8 358.0</b>	<b>8 905.6</b>	<b>3.4%</b>	<b>100.0%</b>
Compensation of employees	3 069.7	-0.5%	40.7%	2 848.5	2 735.3	3 001.8	-0.7%	34.9%
Goods and services	2 813.2	-9.8%	41.1%	3 026.0	3 190.1	3 349.6	6.0%	36.9%
Depreciation	2 164.9	41.4%	18.1%	2 294.3	2 431.5	2 553.1	5.7%	28.2%
Interest, dividends and rent on land	1.6	-50.9%	0.3%	1.0	1.1	1.2	-9.6%	0.0%
<b>Transfers and subsidies</b>	<b>–</b>	<b>-100.0%</b>	<b>-0.1%</b>	<b>–</b>	<b>–</b>	<b>3.5</b>	<b>–</b>	<b>0.0%</b>
<b>Total expenses</b>	<b>8 049.4</b>	<b>1.4%</b>	<b>100.0%</b>	<b>8 169.8</b>	<b>8 358.0</b>	<b>8 909.1</b>	<b>3.4%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>(604.8)</b>			<b>(302.3)</b>	<b>(194.1)</b>	<b>(445.5)</b>		
<b>Cash flow statement</b>								
<b>Cash flow from operating activities</b>	<b>(2 201.5)</b>	<b>45.0%</b>	<b>352.8%</b>	<b>426.5</b>	<b>480.0</b>	<b>139.8</b>	<b>35.0%</b>	<b>386.7%</b>
<b>Receipts</b>								
<b>Non-tax receipts</b>	<b>3 386.0</b>	<b>-23.5%</b>	<b>96.4%</b>	<b>5 993.3</b>	<b>6 081.4</b>	<b>6 196.8</b>	<b>22.3%</b>	<b>96.2%</b>
Sales of goods and services other than capital assets	7 245.6	0.7%	128.2%	7 661.8	7 946.8	8 238.5	4.4%	145.3%
Administrative fees	984.3	2.5%	18.3%	994.1	1 004.1	1 014.1	1.0%	18.8%
Sales by market establishment	5 661.7	-2.9%	103.4%	6 077.8	6 328.0	6 585.5	5.2%	114.9%
Other sales	599.6	–	6.6%	589.8	614.7	638.9	2.1%	11.5%
Other tax receipts	(3 859.6)	-303.7%	-31.7%	(1 668.5)	(1 865.4)	(2 041.7)	-19.1%	-49.1%
<b>Transfers received</b>	<b>199.0</b>	<b>-7.7%</b>	<b>3.8%</b>	<b>205.8</b>	<b>217.1</b>	<b>182.1</b>	<b>-2.9%</b>	<b>3.8%</b>
<b>Total receipts</b>	<b>3 585.0</b>	<b>-22.6%</b>	<b>100.0%</b>	<b>6 199.1</b>	<b>6 298.5</b>	<b>6 378.8</b>	<b>21.2%</b>	<b>100.0%</b>
<b>Current payments</b>	<b>5 786.5</b>	<b>-9.4%</b>	<b>84.0%</b>	<b>5 772.6</b>	<b>5 818.4</b>	<b>6 239.1</b>	<b>2.5%</b>	<b>100.0%</b>
Compensation of employees	3 069.7	-0.5%	40.7%	2 848.5	2 735.3	3 001.8	-0.7%	49.4%
Goods and services	2 715.2	-16.4%	43.0%	2 923.1	3 082.0	3 236.1	6.0%	50.6%
Interest and rent on land	1.6	-50.9%	0.3%	1.0	1.1	1.2	-9.6%	0.0%
<b>Total payment</b>	<b>5 786.5</b>	<b>-11.9%</b>	<b>100.0%</b>	<b>5 772.6</b>	<b>5 818.4</b>	<b>6 239.1</b>	<b>2.5%</b>	<b>100.0%</b>
<b>Net cash flow from investing activities</b>	<b>(451.4)</b>	<b>13.2%</b>	<b>100.0%</b>	<b>(167.9)</b>	<b>(325.1)</b>	<b>(400.0)</b>	<b>-4.0%</b>	<b>100.0%</b>
Acquisition of property, plant, equipment and intangible assets	(451.4)	14.5%	97.7%	(167.9)	(324.4)	(400.0)	-4.0%	99.9%
Acquisition of software and other intangible assets	–	-100.0%	3.3%	–	(0.7)	–	–	0.1%
<b>Net cash flow from financing activities</b>	<b>3 367.6</b>	<b>142.9%</b>	<b>100.0%</b>	<b>192.8</b>	<b>213.2</b>	<b>221.2</b>	<b>-59.6%</b>	<b>100.0%</b>
Deferred Income	183.3	0.3%	75.4%	205.8	217.1	225.1	7.1%	78.9%
Borrowing Activities	(2.5)	–	-0.5%	–	–	–	-100.0%	-0.0%
Repayment of finance leases	(13.2)	-162.9%	1.4%	(12.9)	(3.9)	(3.9)	-33.4%	-2.7%
Other flows from financing activities	3 200.0	–	23.8%	–	–	–	-100.0%	23.8%
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>714.6</b>	<b>-196.3%</b>	<b>100.0%</b>	<b>451.4</b>	<b>368.2</b>	<b>(39.0)</b>	<b>-137.9%</b>	<b>100.0%</b>
<b>Statement of financial position</b>								
Carrying value of assets	1 952.2	2.9%	36.2%	1 941.0	2 077.6	2 290.8	5.5%	38.4%
Acquisition of assets	(451.4)	14.5%	-5.2%	(167.9)	(324.4)	(400.0)	-4.0%	-6.2%
Inventory	1 219.9	16.4%	15.8%	1 182.6	1 209.8	1 243.7	0.6%	22.6%
Receivables and prepayments	955.4	3.5%	18.9%	1 017.9	1 058.3	1 128.9	5.7%	19.4%
Cash and cash equivalents	373.2	65.9%	3.3%	234.4	59.6	79.2	-40.3%	3.5%
Defined benefit plan assets	852.9	-13.8%	25.6%	852.9	852.9	852.9	–	15.9%
Derivatives financial instruments	12.2	8.2%	0.2%	12.2	12.2	12.2	–	0.2%
<b>Total assets</b>	<b>5 365.7</b>	<b>3.4%</b>	<b>100.0%</b>	<b>5 241.0</b>	<b>5 270.4</b>	<b>5 607.7</b>	<b>1.5%</b>	<b>100.0%</b>
Accumulated surplus/(deficit)	(742.6)	-171.2%	17.9%	(931.6)	(1 174.9)	(1 725.7)	32.5%	-21.2%
Capital and reserves	10.2	7.9%	0.2%	10.2	10.2	10.2	–	0.2%
Capital reserve fund	3 409.9	118.1%	21.2%	3 402.3	3 404.2	3 413.1	0.0%	63.5%
Finance lease	16.8	-33.2%	0.8%	3.9	–	–	-100.0%	0.1%
Deferred income	39.1	-22.6%	1.4%	39.1	39.1	39.1	–	0.7%
Trade and other payables	818.3	3.1%	22.1%	874.9	1 134.2	1 983.7	34.3%	22.2%
Provisions	1 614.5	1.9%	31.5%	1 661.1	1 679.5	1 703.5	1.8%	31.0%
Derivatives financial instruments	199.3	93.8%	3.8%	181.0	178.1	183.8	-2.7%	3.5%
<b>Total equity and liabilities</b>	<b>5 365.7</b>	<b>3.4%</b>	<b>100.0%</b>	<b>5 241.0</b>	<b>5 270.4</b>	<b>5 607.7</b>	<b>1.5%</b>	<b>100.0%</b>

## Personnel information

**Table 30.21 South African Broadcasting Corporation Limited personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020		Number and cost <sup>1</sup> 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 (%)	Average: Salary level/Total (%)			
		2018/19			2019/20			2020/21		2021/22		2022/23						
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			2019/20 - 2022/23		
South African Broadcasting Corporation Limited		3 245	2 858.5	0.9	3 245	3 069.7	0.9	3 245	2 848.5	0.9	3 245	2 735.3	0.8	3 245	3 001.8	0.9	-0.7%	100.0%
Salary level																		
1 – 6	55	55	540.4	9.8	55	640.2	11.6	55	144.0	2.6	55	138.2	2.5	55	151.7	2.8	-38.1%	1.7%
7 – 10	2 169	2 169	1 241.9	0.6	2 169	1 301.1	0.6	2 169	1 448.3	0.7	2 169	1 390.8	0.6	2 169	1 526.3	0.7	5.5%	66.8%
11 – 12	784	784	731.8	0.9	784	766.5	1.0	784	853.3	1.1	784	819.4	1.0	784	899.2	1.1	5.5%	24.2%
13 – 16	226	226	308.3	1.4	226	323.7	1.4	226	360.4	1.6	226	346.1	1.5	226	379.8	1.7	5.5%	7.0%
17 – 22	11	11	36.1	3.3	11	38.2	3.5	11	42.5	3.9	11	40.8	3.7	11	44.8	4.1	5.5%	0.3%

1. Rand million.

## South African Post Office

### Selected performance indicators

**Table 30.22 South African Post Office performance indicators by programme/objective/activity and related priority**

Indicator	Programme/Objective/Activity	MTSF priority	Past			Current	Projections	
			2016/17	2017/18	2018/19	2019/20	2020/21	2021/22
Total number of points of presence	Post office operations	Entity mandate	2 222	2 209	2 180	2 000	2 000	2 000
Number of new addresses rolled out per year as part of the address expansion programme	Post office operations		241 416	656 002	589 156	500 000	500 000	500 000

### Entity overview

The South African Post Office was established to provide postal and related services to the public, and is listed as a schedule 2 public entity in terms of the Public Finance Management Act (1999). It derives its mandate from the Postal Services Act (1998), the South African Post Office SOC Ltd Act (2011) and the South African Postbank Limited Act (2010). The Postal Services Act grants the post office an exclusive mandate to conduct postal services in the reserved sector for items such as letters, postcards and parcels less than 1 kilogram, and makes provision for the regulation of postal services and the operational functions of the entity, including its universal service obligations.

Over the medium term, the post office will focus on providing universal access to postal and related services, stabilising its financial position, optimising its personnel to ensure operational effectiveness, and distributing social grants on behalf of the South African Social Security Agency.

The post office is allocated R1.6 billion over the MTEF period to subsidise its universal service obligations to provide accessible and affordable postal services in underserved areas. This allocation is expected to allow the entity to maintain 2 000 points of presence, including post offices, retail postal agencies and mobile units, over the medium term.

As the work of the post office is labour intensive, expenditure on compensation of employees accounts for a projected 50.1 per cent (R11.5 billion) of total expenditure over the medium term. Other significant spending over the medium term is on transport and IT to support an expected increase in revenue in the courier and e-commerce sectors. Total expenditure over the MTEF period is expected to increase at an average annual rate of 4.5 per cent, from R7.2 billion in 2019/20 to R8.2 billion in 2022/23.

The post office generates revenue by providing postal and courier services, and through income earned from interest and fees for financial transactions. Total revenue is expected to increase from R6.8 billion in 2019/20 to R8.9 billion in 2022/23 at an average annual rate of 9.2 per cent due to potential revenue opportunities from government and the unreserved market. These opportunities include courier services, in which the post office competes with the private sector.

**Programmes/Objectives/Activities****Table 30.23 South African Post Office Limited expenditure trends and estimates by programme/objective/activity**

	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17	2017/18	2018/19				2019/20	2020/21	2021/22		
R million											
Administration	1 850.5	1 421.1	1 115.1	1 627.6	-4.2%	23.1%	1 970.8	2 009.3	2 049.2	8.0%	25.1%
Logistics	113.0	50.5	35.7	41.6	-28.3%	0.9%	40.0	42.5	43.4	1.4%	0.6%
Postbank	301.9	398.6	706.4	1 008.8	49.5%	9.0%	1 073.1	1 421.7	1 548.3	15.3%	16.5%
Post Office Operations	4 044.6	4 169.4	4 729.3	4 542.7	3.9%	67.0%	4 101.2	4 344.9	4 600.9	0.4%	57.8%
<b>Total</b>	<b>6 310.0</b>	<b>6 039.6</b>	<b>6 586.5</b>	<b>7 220.7</b>	<b>4.6%</b>	<b>100.0%</b>	<b>7 185.0</b>	<b>7 818.4</b>	<b>8 241.7</b>	<b>4.5%</b>	<b>100.0%</b>

**Statements of historical financial performance, cash flow and financial position****Table 30.24 South African Post Office Limited statements of historical financial performance, cash flow and financial position**

Statement of financial performance										
	Audited outcome		Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/ Budget (%)	2016/17 - 2019/20
	Budget	2016/17								
R million										
<b>Revenue</b>										
<b>Non-tax revenue</b>	<b>6 596.8</b>	<b>5 083.2</b>	<b>6 667.3</b>	<b>4 795.3</b>	<b>4 975.4</b>	<b>5 486.8</b>	<b>6 368.2</b>	<b>6 368.2</b>	<b>88.3%</b>	
Sale of goods and services other than capital assets	6 397.5	4 626.3	6 493.7	4 579.3	4 881.1	5 027.1	5 942.4	5 942.4	85.1%	
<i>of which:</i>										
<i>Sales by market establishment</i>	6 397.5	4 626.3	6 493.7	4 579.3	4 881.1	5 027.1	5 942.4	5 942.4	85.1%	
Other non-tax revenue	199.3	456.8	173.7	216.0	94.2	459.7	425.8	425.8	174.5%	
<b>Transfers received</b>	<b>240.0</b>	<b>240.0</b>	<b>240.0</b>	<b>240.0</b>	<b>-</b>	<b>-</b>	<b>474.6</b>	<b>474.6</b>	<b>100.0%</b>	
<b>Total revenue</b>	<b>6 836.8</b>	<b>5 323.2</b>	<b>6 907.3</b>	<b>5 035.3</b>	<b>4 975.4</b>	<b>5 486.8</b>	<b>6 842.8</b>	<b>6 842.8</b>	<b>88.8%</b>	
<b>Expenses</b>										
<b>Current expenses</b>	<b>7 984.7</b>	<b>6 290.3</b>	<b>6 820.7</b>	<b>6 039.4</b>	<b>6 198.4</b>	<b>6 586.1</b>	<b>7 149.5</b>	<b>7 220.7</b>	<b>92.8%</b>	
Compensation of employees	3 914.2	3 560.4	3 488.2	3 396.9	3 603.4	3 749.8	4 001.7	3 784.1	96.6%	
Goods and services	3 561.2	2 194.8	2 699.2	2 070.3	2 114.5	2 521.1	2 693.6	2 982.4	88.3%	
Depreciation	204.5	142.3	150.7	145.3	136.6	177.0	325.6	325.6	96.7%	
Interest, dividends and rent on land	304.8	392.8	482.7	426.9	343.9	138.2	128.7	128.7	86.2%	
<b>Total expenses</b>	<b>7 984.7</b>	<b>6 310.0</b>	<b>6 820.7</b>	<b>6 039.6</b>	<b>6 198.4</b>	<b>6 586.5</b>	<b>7 149.5</b>	<b>7 220.7</b>	<b>92.9%</b>	
<b>Surplus/(Deficit)</b>	<b>(1 147.9)</b>	<b>(986.9)</b>	<b>86.6</b>	<b>(1 004.3)</b>	<b>(1 223.0)</b>	<b>(1 099.7)</b>	<b>(306.7)</b>	<b>(377.9)</b>		
<b>Cash flow statement</b>										
<b>Cash flow from operating activities</b>	<b>(497.9)</b>	<b>(1 734.2)</b>	<b>3 786.6</b>	<b>(240.2)</b>	<b>(2 010.2)</b>	<b>(1 477.3)</b>	<b>(723.6)</b>	<b>(52.3)</b>	<b>-631.5%</b>	
<b>Receipts</b>										
<b>Non-tax receipts</b>	<b>6 596.8</b>	<b>5 083.2</b>	<b>6 667.3</b>	<b>4 795.3</b>	<b>4 975.4</b>	<b>5 486.8</b>	<b>6 368.2</b>	<b>6 368.2</b>	<b>88.3%</b>	
Sales of goods and services other than capital assets	6 397.5	4 626.3	6 493.7	4 579.3	4 881.1	5 027.1	5 942.4	5 942.4	85.1%	
<i>Sales by market establishment</i>	6 397.5	4 626.3	6 493.7	4 579.3	4 881.1	5 027.1	5 942.4	5 942.4	85.1%	
Other tax receipts	199.3	456.8	173.7	216.0	94.2	459.7	425.8	425.8	174.5%	
<b>Transfers received</b>	<b>890.0</b>	<b>240.0</b>	<b>3 940.0</b>	<b>240.0</b>	<b>-</b>	<b>-</b>	<b>474.6</b>	<b>474.6</b>	<b>18.0%</b>	
<b>Total receipts</b>	<b>7 486.8</b>	<b>5 323.2</b>	<b>10 607.3</b>	<b>5 035.3</b>	<b>4 975.4</b>	<b>5 486.8</b>	<b>6 842.8</b>	<b>6 842.8</b>	<b>75.8%</b>	
<b>Payment</b>										
<b>Current payments</b>	<b>7 984.7</b>	<b>7 057.4</b>	<b>6 820.7</b>	<b>5 275.3</b>	<b>6 985.6</b>	<b>6 963.7</b>	<b>7 566.3</b>	<b>6 895.1</b>	<b>89.2%</b>	
Compensation of employees	3 914.2	3 560.4	3 367.2	3 396.9	3 603.4	3 749.8	4 001.7	3 784.1	97.3%	
Goods and services	3 765.7	3 104.2	2 971.0	1 451.5	3 038.3	3 075.7	3 176.3	2 982.4	82.0%	
Interest and rent on land	304.8	392.8	482.5	426.9	343.9	138.2	388.4	128.7	71.5%	
<b>Total payments</b>	<b>7 984.7</b>	<b>7 057.4</b>	<b>6 820.7</b>	<b>5 275.5</b>	<b>6 985.6</b>	<b>6 964.1</b>	<b>7 566.3</b>	<b>6 895.1</b>	<b>89.2%</b>	
<b>Net cash flow from investing activities</b>	<b>(900.0)</b>	<b>(395.3)</b>	<b>(58.3)</b>	<b>3.8</b>	<b>(892.0)</b>	<b>1 474.8</b>	<b>(1 606.0)</b>	<b>(3 566.8)</b>	<b>71.9%</b>	
Acquisition of property, plant, equipment and intangible assets	(500.0)	(17.2)	(38.3)	(34.0)	(16.1)	(119.0)	(856.0)	(856.0)	72.8%	
Acquisition of software and other intangible assets	(400.0)	(37.1)	(20.0)	(10.1)	(581.1)	(66.9)	(323.0)	(323.0)	33.0%	
Other flows from investing activities	-	(340.9)	-	47.9	(294.7)	1 660.7	(427.0)	(2 387.8)	141.3%	
<b>Net cash flow from financing activities</b>	<b>1 433.0</b>	<b>3 529.4</b>	<b>(3 647.0)</b>	<b>399.3</b>	<b>2 651.8</b>	<b>2 948.2</b>	<b>907.3</b>	<b>398.7</b>	<b>540.9%</b>	
Borrowing activities	2 700.0	2 700.0	(2 700.0)	(3 300.7)	(400.0)	(400.3)	-	-	250.2%	
Other flows from financing activities	(1 267.0)	829.4	(947.0)	3 700.0	3 051.8	3 348.5	907.3	398.7	474.3%	
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>35.1</b>	<b>1 399.9</b>	<b>81.3</b>	<b>162.9</b>	<b>(250.4)</b>	<b>2 945.6</b>	<b>(1 422.3)</b>	<b>(3 220.4)</b>		

**Table 30.24 South African Post Office Limited statements of historical financial performance, cash flow and financial position**

Statement of financial position	2016/17		2017/18		2018/19		2019/20		Average: Outcome/ Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
R million									2016/17 - 2019/20
Carrying value of assets	1 962.6	2 733.9	2 831.7	2 715.4	3 044.8	2 737.2	3 899.2	3 899.2	103.0%
Acquisition of assets	(500.0)	(17.2)	(38.3)	(34.0)	(16.1)	(119.0)	(856.0)	(856.0)	72.8%
Investments	5 502.4	5 966.5	6 064.5	6 969.6	6 320.0	5 368.4	6 809.6	6 742.7	101.4%
Inventory	74.8	70.0	69.3	61.5	65.2	63.3	69.1	52.7	88.9%
Receivables and prepayments	574.6	408.7	400.2	481.8	454.5	1 714.6	467.4	467.4	162.0%
Cash and cash equivalents	2 790.9	4 055.5	4 536.8	3 241.2	3 992.4	6 186.9	2 570.2	3 607.9	123.0%
<b>Total assets</b>	<b>10 905.2</b>	<b>13 234.5</b>	<b>13 902.5</b>	<b>13 469.5</b>	<b>13 876.9</b>	<b>16 070.3</b>	<b>13 815.5</b>	<b>14 769.9</b>	<b>109.6%</b>
Accumulated surplus/(deficit)	(2 274.5)	(2 236.4)	(3 561.7)	(3 433.2)	(4 943.7)	(4 618.8)	(5 250.5)	(4 853.9)	94.5%
Capital and reserves	1 578.1	3 137.8	6 956.7	6 848.0	9 795.0	9 805.2	9 795.0	9 803.7	105.2%
Borrowings	3 850.2	3 701.0	1 000.0	400.3	-	-	-	-	84.6%
Finance lease	-	11.0	10.1	4.2	3.1	2.9	-	-	137.0%
Deferred income	266.1	223.6	240.9	212.7	238.2	178.9	250.1	350.3	97.0%
Trade and other payables	5 825.2	6 776.1	7 545.6	7 462.7	7 088.4	8 615.3	7 222.5	7 798.7	110.7%
Taxation	-	-	-	18.6	-	18.8	-	-	-
Provisions	1 660.1	1 621.4	1 710.8	1 956.2	1 696.0	1 792.9	1 798.3	1 671.2	102.6%
Derivatives financial instruments	-	-	-	-	-	275.0	-	-	-
<b>Total equity and liabilities</b>	<b>10 905.2</b>	<b>13 234.5</b>	<b>13 902.5</b>	<b>13 469.5</b>	<b>13 876.9</b>	<b>16 070.3</b>	<b>13 815.5</b>	<b>14 769.9</b>	<b>109.6%</b>

**Statements of estimates of financial performance, cash flow and financial position****Table 30.25 South African Post Office Limited statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance	Revised estimate	Average growth rate (%)	Average: Expen- diture/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expen- diture/ Total (%)
				2019/20	2020/21	2021/22		
R million								
<b>Revenue</b>								
<b>Non-tax revenue</b>	<b>6 368.2</b>	<b>7.8%</b>	<b>95.9%</b>	<b>7 308.3</b>	<b>7 957.4</b>	<b>8 366.8</b>	<b>9.5%</b>	<b>93.6%</b>
Sale of goods and services other than capital assets	5 942.4	8.7%	89.1%	7 062.2	7 676.2	8 103.6	10.9%	89.7%
<i>Sales by market establishment</i>	5 942.4	8.7%	89.1%	7 062.2	7 676.2	8 103.6	10.9%	89.7%
Other non-tax revenue	425.8	-2.3%	6.9%	246.1	281.2	263.2	-14.8%	3.9%
<b>Transfers received</b>	<b>474.6</b>	<b>25.5%</b>	<b>4.1%</b>	<b>492.1</b>	<b>523.0</b>	<b>542.5</b>	<b>4.6%</b>	<b>6.4%</b>
<b>Total revenue</b>	<b>6 842.8</b>	<b>8.7%</b>	<b>100.0%</b>	<b>7 800.3</b>	<b>8 480.4</b>	<b>8 909.3</b>	<b>9.2%</b>	<b>100.0%</b>
<b>Current expenses</b>	<b>7 220.7</b>	<b>4.7%</b>	<b>99.9%</b>	<b>7 013.5</b>	<b>7 667.5</b>	<b>8 101.7</b>	<b>3.9%</b>	<b>98.5%</b>
Compensation of employees	3 784.1	2.1%	55.5%	3 527.2	3 845.8	4 086.1	2.6%	50.1%
Goods and services	2 982.4	10.8%	37.2%	3 042.7	3 259.3	3 402.4	4.5%	41.7%
Depreciation	325.6	31.8%	3.0%	239.6	299.5	344.5	1.9%	4.0%
Interest, dividends and rent on land	128.7	-31.1%	4.3%	204.0	262.9	268.8	27.8%	2.8%
<b>Total expenses</b>	<b>7 220.7</b>	<b>4.6%</b>	<b>100.0%</b>	<b>7 185.0</b>	<b>7 818.4</b>	<b>8 241.7</b>	<b>4.5%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>(377.9)</b>			<b>615.3</b>	<b>661.9</b>	<b>667.6</b>		
<b>Cash flow statement</b>								
<b>Cash flow from operating activities</b>	<b>(52.3)</b>	<b>-68.9%</b>	<b>274.1%</b>	<b>1 031.9</b>	<b>1 117.1</b>	<b>1 204.5</b>	<b>31.3%</b>	<b>273.1%</b>
<b>Receipts</b>								
<b>Non-tax receipts</b>	<b>6 368.2</b>	<b>7.8%</b>	<b>95.9%</b>	<b>7 308.3</b>	<b>7 957.4</b>	<b>8 366.8</b>	<b>9.5%</b>	<b>93.6%</b>
Sales of goods and services other than capital assets	5 942.4	8.7%	89.1%	7 062.2	7 676.2	8 103.6	10.9%	89.7%
<i>Sales by market establishment</i>	5 942.4	8.7%	89.1%	7 062.2	7 676.2	8 103.6	10.9%	89.7%
Other tax receipts	425.8	-2.3%	6.9%	246.1	281.2	263.2	-14.8%	3.9%
<b>Transfers received</b>	<b>474.6</b>	<b>25.5%</b>	<b>4.1%</b>	<b>492.1</b>	<b>523.0</b>	<b>542.5</b>	<b>4.6%</b>	<b>6.4%</b>
<b>Total receipts</b>	<b>6 842.8</b>	<b>8.7%</b>	<b>100.0%</b>	<b>7 800.3</b>	<b>8 480.4</b>	<b>8 909.3</b>	<b>9.2%</b>	<b>100.0%</b>
<b>Current payments</b>	<b>6 895.1</b>	<b>-0.8%</b>	<b>100.1%</b>	<b>6 596.9</b>	<b>7 212.3</b>	<b>7 564.8</b>	<b>3.1%</b>	<b>98.4%</b>
Compensation of employees	3 784.1	2.1%	55.5%	3 527.2	3 845.8	4 086.1	2.6%	53.1%
Goods and services	2 982.4	-1.3%	40.3%	2 865.7	3 103.6	3 210.0	2.5%	42.4%
Interest and rent on land	128.7	-31.1%	4.3%	204.0	262.9	268.8	27.8%	3.0%
<b>Total payment</b>	<b>6 895.1</b>	<b>-0.8%</b>	<b>100.0%</b>	<b>6 768.5</b>	<b>7 363.3</b>	<b>7 704.8</b>	<b>3.8%</b>	<b>100.0%</b>
<b>Net cash flow from investing activities</b>	<b>(3 566.8)</b>	<b>108.2%</b>	<b>100.0%</b>	<b>(1 637.4)</b>	<b>(1 281.2)</b>	<b>(1 027.5)</b>	<b>-34.0%</b>	<b>100.0%</b>
Acquisition of property, plant, equipment and intangible assets	(856.0)	267.5%	-219.0%	(910.0)	(700.0)	(485.0)	-17.3%	45.4%
Acquisition of software and other intangible assets	(323.0)	105.7%	-63.2%	(459.5)	(300.0)	(247.2)	-8.5%	21.1%
Other flows from investing activities	(2 387.8)	91.3%	382.2%	(267.8)	(281.2)	(295.3)	-50.2%	33.5%
<b>Net cash flow from financing activities</b>	<b>398.7</b>	<b>-51.7%</b>	<b>100.0%</b>	<b>285.4</b>	<b>296.0</b>	<b>319.6</b>	<b>-7.1%</b>	<b>100.0%</b>
Other flows from financing activities	398.7	-21.7%	290.9%	285.4	296.0	319.6	-7.1%	100.0%
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(3 220.4)</b>	<b>-232.0%</b>	<b>100.0%</b>	<b>(320.0)</b>	<b>131.9</b>	<b>496.7</b>	<b>-153.6%</b>	<b>100.0%</b>

**Table 30.25 South African Post Office Limited statements of estimates of financial performance, cash flow and financial position**

Statement of financial position		Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2019/20				2016/17 - 2019/20	2020/21	2021/22		
R million									
Carrying value of assets	3 899.2	12.6%	21.1%	3 848.2	4 447.5	4 737.1	6.7%	27.9%	
Acquisition of assets	(856.0)	267.5%	-1.7%	(910.0)	(700.0)	(485.0)	-17.3%	-4.9%	
Investments	6 742.7	4.2%	44.0%	5 970.1	6 322.5	6 693.9	-0.2%	42.5%	
Inventory	52.7	-9.0%	0.4%	71.1	75.4	79.9	14.9%	0.5%	
Receivables and prepayments	467.4	4.6%	5.1%	896.4	866.3	797.1	19.5%	5.0%	
Cash and cash equivalents	3 607.9	-3.8%	29.4%	3 416.6	3 548.5	4 036.5	3.8%	24.1%	
<b>Total assets</b>	<b>14 769.9</b>	<b>3.7%</b>	<b>100.0%</b>	<b>14 202.5</b>	<b>15 260.2</b>	<b>16 344.5</b>	<b>3.4%</b>	<b>100.0%</b>	
Accumulated surplus/(deficit)	(4 853.9)	29.5%	-26.0%	(5 177.6)	(4 515.6)	(3 848.0)	-7.4%	-30.6%	
Capital and reserves	9 803.7	46.2%	50.5%	9 805.2	9 805.2	9 805.2	0.0%	64.9%	
Deferred income	350.3	16.1%	1.7%	193.5	201.3	209.3	-15.8%	1.6%	
Trade and other payables	7 798.7	4.8%	53.3%	7 397.1	7 688.7	7 995.8	0.8%	51.0%	
Taxation	—	—	0.1%	18.8	18.8	18.8	—	0.1%	
Provisions	1 671.2	1.0%	12.3%	1 965.4	2 061.8	2 163.4	9.0%	13.0%	
<b>Total equity and liabilities</b>	<b>14 769.9</b>	<b>3.7%</b>	<b>100.0%</b>	<b>14 202.5</b>	<b>15 260.2</b>	<b>16 344.5</b>	<b>3.4%</b>	<b>100.0%</b>	

## Personnel information

**Table 30.26 South African Post Office Limited personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020		Number and cost <sup>1</sup> 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 (%)	Average: Salary level/ Total (%)				
		2018/19		2019/20		2020/21		2021/22		2022/23		2019/20 - 2022/23							
South African Post Office Limited		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	16 904	18 337	18 359	3 749.8	0.2	16 904	3 784.1	0.2	15 122	3 527.2	0.2	15 564	3 845.8	0.2	15 576	4 086.1	0.3	2.6%	100.0%
1 – 6	13 782	15 637	15 649	2 634.5	0.2	13 782	2 492.9	0.2	12 293	2 361.4	0.2	12 638	2 571.1	0.2	12 639	2 725.5	0.2	3.0%	81.3%
7 – 10	2 980	2 556	2 562	955.4	0.4	2 980	1 125.7	0.4	2 700	1 012.6	0.4	2 790	1 104.5	0.4	2 794	1 172.5	0.4	1.4%	17.8%
11 – 12	87	98	105	92.3	0.9	87	79.2	0.9	76	69.7	0.9	81	79.0	1.0	86	88.7	1.0	3.9%	0.5%
13 – 16	49	40	39	54.3	1.4	49	67.6	1.4	47	64.9	1.4	49	71.5	1.5	51	78.4	1.5	5.1%	0.3%
17 – 22	6	6	4	13.4	3.3	6	18.6	3.1	6	18.6	3.1	6	19.7	3.3	6	20.9	3.5	4.0%	0.0%

## State Information Technology Agency

### Selected performance indicators

**Table 30.27 State Information Technology Agency performance indicators by programme/objective/activity and related priority**

Indicator	Programme/Objective/Activity	MTSF priority	Past		Current	Projections			
			2016/17	2017/18		2018/19	2020/21	2021/22	2022/23
Number of e-government services implemented per year	Business operations	Priority 6: A capable, ethical and developmental state	28	23	55	80	100	100	100
Percentage of projects timeously, successfully and satisfactorily delivered within budget per year	Business operations		90% (851/941)	86% (787/920)	85% (799/935)	95%	100%	100%	100%

### Entity overview

The State Information Technology Agency is governed by the State Information Technology Agency Act (1998), as amended, and is listed as a schedule 3A public entity in terms of the Public Finance Management Act (1999). The State Information Technology Agency Act mandates the agency to provide IT, information systems and related services to and on behalf of government departments and organs of state. The agency is required to maintain secure information systems and execute its functions according to approved policies and standards.

Over the medium term, the agency will focus on delivering and operationalising an integrated digital ecosystem for government by migrating government data to cloud services. This is expected to enable greater accessibility and the integration of data from different sources, thereby improving policy analysis and decision-making. The implementation of the government digital transformation strategy will entail facilitating the acquisition of ICT skills and the modernisation of government infrastructure.

An estimated 65 per cent (R15 billion) of total expenditure over the medium term is earmarked for spending on goods and services, mostly for the provision of IT services. Total expenditure is projected to increase from

R6.8 billion in 2019/20 to R8.1 billion in 2022/23 at an average annual rate of 6.1 per cent. As the agency is dependent on skilled personnel to provide its services, expenditure on compensation of employees accounts for an estimated R6.7 billion (28.9 per cent) of total expenditure over the period ahead.

The entity generates its revenue by providing ICT infrastructure and services to government departments and organs of state. Total revenue is projected to increase from R7 billion in 2019/20 to R8.3 billion in 2022/23 at an average annual rate of 6 per cent.

### Programmes/Objectives/Activities

**Table 30.28 State Information Technology Agency expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2019/20	Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/ Total (%) 2016/17 - 2019/20	Medium-term expenditure estimate			Average growth rate (%) 2019/20 - 2022/23	Average: Expenditure/ Total (%) 2019/20 - 2022/23
	2016/17	2017/18	2018/19				2020/21	2021/22	2022/23		
Administration	954.8	1 141.5	1 039.9	1 585.7	18.4%	19.9%	1 680.8	1 781.7	1 888.6	6.0%	23.2%
Business operations	4 661.9	4 574.9	4 300.2	5 230.8	3.9%	80.1%	5 565.8	5 899.8	6 253.8	6.1%	76.8%
<b>Total</b>	<b>5 616.7</b>	<b>5 716.4</b>	<b>5 340.0</b>	<b>6 816.5</b>	<b>6.7%</b>	<b>100.0%</b>	<b>7 246.7</b>	<b>7 681.5</b>	<b>8 142.4</b>	<b>6.1%</b>	<b>100.0%</b>

### Statements of historical financial performance, cash flow and financial position

**Table 30.29 State Information Technology Agency statements of historical financial performance, cash flow and financial position**

Statement of financial performance									
R million	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	Average: Outcome/ Budget (%)
	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20				
<b>Revenue</b>									
<b>Non-tax revenue</b>	<b>6 464.0</b>	<b>5 777.6</b>	<b>6 441.5</b>	<b>5 943.2</b>	<b>6 279.9</b>	<b>5 203.0</b>	<b>6 781.7</b>	<b>7 001.8</b>	<b>92.1%</b>
Sale of goods and services other than capital assets	6 395.4	5 680.8	6 360.7	5 758.7	6 204.6	5 027.3	6 701.0	6 921.1	91.1%
<i>of which:</i>									
<i>Sales by market establishment</i>	6 395.4	5 680.8	6 360.7	5 758.7	6 204.6	5 027.3	6 701.0	6 921.1	91.1%
Other non-tax revenue	68.5	96.8	80.9	184.5	75.2	175.7	80.7	80.7	176.1%
<b>Total revenue</b>	<b>6 464.0</b>	<b>5 777.6</b>	<b>6 441.5</b>	<b>5 943.2</b>	<b>6 279.9</b>	<b>5 238.5</b>	<b>6 781.7</b>	<b>7 001.8</b>	<b>92.3%</b>
<b>Expenses</b>									
<b>Current expenses</b>	<b>6 290.7</b>	<b>5 532.5</b>	<b>6 184.6</b>	<b>5 648.6</b>	<b>6 111.3</b>	<b>5 268.2</b>	<b>6 515.4</b>	<b>6 740.3</b>	<b>92.4%</b>
Compensation of employees	2 245.5	1 786.6	1 774.2	1 753.3	1 876.9	1 839.3	1 924.4	1 971.2	94.0%
Goods and services	3 780.6	3 521.8	4 191.4	3 675.2	4 008.9	3 236.2	4 328.3	4 408.3	91.0%
Depreciation	264.6	174.5	219.0	220.1	225.5	192.7	262.7	360.8	97.6%
Interest, dividends and rent on land	-	49.7	-	-	-	-	-	-	-
<b>Total expenses</b>	<b>6 328.6</b>	<b>5 616.7</b>	<b>6 252.3</b>	<b>5 716.4</b>	<b>6 183.1</b>	<b>5 340.0</b>	<b>6 591.6</b>	<b>6 816.5</b>	<b>92.6%</b>
<b>Surplus/(Deficit)</b>	<b>135.4</b>	<b>160.8</b>	<b>189.2</b>	<b>226.9</b>	<b>96.8</b>	<b>(101.5)</b>	<b>190.1</b>	<b>185.4</b>	
<b>Cash flow statement</b>									
<b>Cash flow from operating activities</b>	<b>816.2</b>	<b>234.7</b>	<b>642.4</b>	<b>520.9</b>	<b>571.1</b>	<b>(160.4)</b>	<b>647.2</b>	<b>597.0</b>	<b>44.5%</b>
<b>Receipts</b>									
<b>Non-tax receipts</b>	<b>6 442.6</b>	<b>6 297.8</b>	<b>6 829.1</b>	<b>6 753.3</b>	<b>6 235.9</b>	<b>5 369.3</b>	<b>6 647.0</b>	<b>6 976.6</b>	<b>97.1%</b>
Sales of goods and services other than capital assets	6 395.4	6 235.1	6 779.2	6 690.6	6 183.1	5 295.6	6 591.6	6 921.1	96.9%
<i>Sales by market establishment</i>	6 395.4	6 235.1	6 779.2	6 690.6	6 183.1	5 295.6	6 591.6	6 921.1	96.9%
Other tax receipts	47.2	62.6	49.9	62.7	52.8	73.7	55.4	55.4	124.0%
<b>Total receipts</b>	<b>6 442.6</b>	<b>6 390.2</b>	<b>6 829.1</b>	<b>6 778.8</b>	<b>6 235.9</b>	<b>5 369.3</b>	<b>6 647.0</b>	<b>6 976.6</b>	<b>97.6%</b>
<b>Payment</b>									
<b>Current payments</b>	<b>5 554.6</b>	<b>6 155.5</b>	<b>6 094.4</b>	<b>6 257.9</b>	<b>5 664.7</b>	<b>5 474.6</b>	<b>5 999.8</b>	<b>6 379.6</b>	<b>104.1%</b>
Compensation of employees	1 782.0	1 786.6	1 742.4	1 753.3	1 876.9	1 839.3	1 924.4	1 971.2	100.3%
Goods and services	3 772.6	4 368.4	4 352.1	4 504.1	3 787.8	3 635.3	4 075.4	4 408.3	105.8%
Interest and rent on land	-	0.5	-	0.5	-	-	-	-	-
<b>Total payments</b>	<b>5 626.5</b>	<b>6 155.5</b>	<b>6 186.7</b>	<b>6 257.9</b>	<b>5 664.7</b>	<b>5 529.8</b>	<b>5 999.8</b>	<b>6 379.6</b>	<b>103.6%</b>
<b>Net cash flow from investing activities</b>	<b>(496.2)</b>	<b>(203.9)</b>	<b>(545.7)</b>	<b>(99.1)</b>	<b>(201.6)</b>	<b>(271.5)</b>	<b>(400.0)</b>	<b>(500.0)</b>	<b>65.4%</b>
Acquisition of property, plant, equipment and intangible assets	(208.8)	(32.8)	(260.7)	(90.2)	(158.4)	(120.6)	(226.4)	(326.4)	66.7%
<b>Net cash flow from financing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other flows from financing activities	-	-	-	-	-	-	-	-	-
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>320.0</b>	<b>30.8</b>	<b>96.7</b>	<b>421.8</b>	<b>369.5</b>	<b>(432.0)</b>	<b>247.2</b>	<b>97.0</b>	

**Table 30.29 State Information Technology Agency statements of historical financial performance, cash flow and financial position**

Statement of financial position	Budget		Audited outcome		Budget		Audited outcome		Average: Outcome/Budget (%)
	2016/17	2017/18	2018/19	2019/20	Budget estimate	Revised estimate	2016/17 - 2019/20		
R million									
Carrying value of assets	1 950.6	1 271.1	1 657.6	1 166.6	1 174.2	1 094.4	1 425.3	1 369.9	79.0%
Inventory	-	-	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-	-
Cash and cash equivalents	1 117.7	1 183.3	1 209.1	1 605.1	1 221.8	1 173.2	1 043.4	1 672.6	122.7%
Defined benefit plan assets	-	-	-	-	-	-	-	-	-
Taxation	202.7	215.3	205.1	112.4	1.1	206.6	1.2	194.5	177.7%
Derivatives financial instruments	-	-	-	-	-	-	-	-	-
<b>Total assets</b>	<b>4 075.1</b>	<b>3 916.5</b>	<b>4 153.5</b>	<b>4 149.1</b>	<b>4 446.0</b>	<b>4 432.5</b>	<b>4 539.5</b>	<b>4 392.0</b>	<b>98.1%</b>
Finance lease	-	-	-	-	-	-	-	-	-
Trade and other payables	1 009.4	1 067.7	991.5	1 090.0	1 089.0	1 503.5	1 193.2	1 115.2	111.5%
Benefits payable	-	-	-	-	-	-	-	-	-
Provisions	150.9	114.3	125.7	97.7	107.4	69.2	118.2	118.2	79.5%
<b>Total equity and liabilities</b>	<b>4 075.1</b>	<b>3 916.5</b>	<b>4 153.5</b>	<b>4 149.1</b>	<b>4 446.0</b>	<b>4 432.5</b>	<b>4 539.5</b>	<b>4 392.0</b>	<b>98.1%</b>

**Statements of estimates of financial performance, cash flow and financial position****Table 30.30 State Information Technology Agency statements of estimates of financial performance, cash flow and financial position**

Statement of financial performance	Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
				2020/21	2021/22	2022/23		
R million	2019/20	2016/17 - 2019/20		2020/21	2021/22	2022/23	2019/20 - 2022/23	
<b>Revenue</b>								
<b>Non-tax revenue</b>	<b>7 001.8</b>	<b>6.6%</b>	<b>99.8%</b>	<b>7 427.2</b>	<b>7 873.7</b>	<b>8 340.3</b>	<b>6.0%</b>	<b>100.0%</b>
Sale of goods and services other than capital assets	6 921.1	6.8%	97.5%	7 336.4	7 776.6	8 243.2	6.0%	98.8%
<i>Sales by market establishment</i>	6 921.1	6.8%	97.5%	7 336.4	7 776.6	8 243.2	6.0%	98.8%
Other non-tax revenue	80.7	-5.9%	2.3%	90.8	97.1	97.1	6.4%	1.2%
<b>Total revenue</b>	<b>7 001.8</b>	<b>6.6%</b>	<b>100.0%</b>	<b>7 427.2</b>	<b>7 873.7</b>	<b>8 340.3</b>	<b>6.0%</b>	<b>100.0%</b>
<b>Current expenses</b>	<b>6 740.3</b>	<b>6.8%</b>	<b>98.7%</b>	<b>7 167.4</b>	<b>7 598.2</b>	<b>8 054.1</b>	<b>6.1%</b>	<b>98.9%</b>
Compensation of employees	1 971.2	3.3%	31.5%	2 089.5	2 214.9	2 347.8	6.0%	28.9%
Goods and services	4 408.3	7.8%	63.1%	4 695.5	4 978.0	5 364.9	6.8%	65.0%
Depreciation	360.8	27.4%	4.0%	382.4	405.4	341.4	-1.8%	5.0%
<b>Total expenses</b>	<b>6 816.5</b>	<b>6.7%</b>	<b>100.0%</b>	<b>7 246.7</b>	<b>7 681.5</b>	<b>8 142.4</b>	<b>6.1%</b>	<b>100.0%</b>
<b>Surplus/(Deficit)</b>	<b>185.4</b>			<b>180.5</b>	<b>192.2</b>	<b>197.9</b>		
<b>Cash flow statement</b>								
<b>Cash flow from operating activities</b>	<b>597.0</b>	<b>36.5%</b>	<b>296.6%</b>	<b>512.0</b>	<b>543.2</b>	<b>427.3</b>	<b>17.7%</b>	<b>298.8%</b>
<b>Receipts</b>								
<b>Non-tax receipts</b>	<b>6 976.6</b>	<b>3.5%</b>	<b>99.5%</b>	<b>7 394.7</b>	<b>7 839.3</b>	<b>8 243.2</b>	<b>5.7%</b>	<b>100.0%</b>
Sales of goods and services other than capital assets	6 921.1	3.5%	98.5%	7 336.4	7 776.6	8 243.2	6.0%	99.4%
<i>Sales by market establishment</i>	6 921.1	3.5%	98.5%	7 336.4	7 776.6	8 243.2	6.0%	99.4%
Other tax receipts	55.4	-4.0%	1.0%	58.3	62.7	-	-100.0%	0.6%
<b>Total receipts</b>	<b>6 976.6</b>	<b>3.0%</b>	<b>100.0%</b>	<b>7 394.7</b>	<b>7 839.3</b>	<b>8 243.2</b>	<b>5.7%</b>	<b>100.0%</b>
<b>Current payments</b>	<b>6 379.6</b>	<b>1.2%</b>	<b>103.8%</b>	<b>6 785.0</b>	<b>7 192.9</b>	<b>7 712.7</b>	<b>6.5%</b>	<b>99.0%</b>
Compensation of employees	1 971.2	3.3%	31.5%	2 089.5	2 214.9	2 347.8	6.0%	30.4%
Goods and services	4 408.3	0.3%	72.3%	4 695.5	4 978.0	5 364.9	6.8%	68.5%
<b>Total payment</b>	<b>6 379.6</b>	<b>1.2%</b>	<b>100.0%</b>	<b>6 882.8</b>	<b>7 296.0</b>	<b>7 815.9</b>	<b>7.0%</b>	<b>100.0%</b>
<b>Net cash flow from investing activities</b>	<b>(500.0)</b>	<b>34.9%</b>	<b>100.0%</b>	<b>(550.0)</b>	<b>(600.0)</b>	<b>(600.0)</b>	<b>6.3%</b>	<b>100.0%</b>
Acquisition of property, plant, equipment and intangible assets	(326.4)	115.0%	54.2%	(336.4)	(386.4)	(386.4)	5.8%	63.8%
<b>Net cash flow from financing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other flows from financing activities	-	-	-	-	-	-	-	-
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>97.0</b>	<b>46.5%</b>	<b>100.0%</b>	<b>(38.0)</b>	<b>(56.8)</b>	<b>(172.7)</b>	<b>-221.2%</b>	<b>100.0%</b>
<b>Statement of financial position</b>								
Inventory	-	-	-	-	-	-	-	-
Loans	-	-	-	-	-	-	-	-
Cash and cash equivalents	1 672.6	12.2%	33.4%	1 716.8	1 750.6	1 731.1	1.2%	36.5%
Defined benefit plan assets	-	-	-	-	-	-	-	-
Taxation	194.5	-3.3%	4.3%	104.9	111.7	59.1	-32.8%	2.5%
Derivatives financial instruments	-	-	-	-	-	-	-	-
<b>Total assets</b>	<b>4 392.0</b>	<b>3.9%</b>	<b>100.0%</b>	<b>4 571.4</b>	<b>4 925.4</b>	<b>4 999.6</b>	<b>4.4%</b>	<b>100.0%</b>
Finance lease	-	-	-	-	-	-	-	-
Benefits payable	-	-	-	-	-	-	-	-
Provisions	118.2	1.1%	2.4%	130.0	143.0	157.3	10.0%	2.9%
<b>Total equity and liabilities</b>	<b>4 392.0</b>	<b>3.9%</b>	<b>100.0%</b>	<b>4 571.4</b>	<b>4 925.4</b>	<b>4 999.6</b>	<b>4.4%</b>	<b>100.0%</b>

**Personnel information****Table 30.31 State Information Technology Agency personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020		Number and cost <sup>1</sup> 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 (%)	Average: Salary level/Total (%)				
		2018/19		Unit cost	2019/20		Unit cost	2020/21		Unit cost	2021/22		Unit cost			2022/23		Unit cost	
Agency		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2019/20 - 2022/23		
State Information Technology Agency	3 220	3 220	1 839.3	0.6	3 220	1 971.2	0.6	3 220	2 089.5	0.6	3 220	2 214.9	0.7	3 220	2 347.8	0.7	6.0%	100.0%	
Salary level																			
1 – 6	280	280	280	48.1	0.2	280	51.6	0.2	280	54.7	0.2	280	58.0	0.2	280	61.4	0.2	6.0%	8.7%
7 – 10	1 986	1 986	1 986	850.2	0.4	1 986	911.2	0.5	1 986	965.9	0.5	1 986	1 023.9	0.5	1 986	1 085.3	0.5	6.0%	61.7%
11 – 12	591	591	591	503.0	0.9	591	539.1	0.9	591	571.5	1.0	591	605.8	1.0	591	642.1	1.1	6.0%	18.4%
13 – 16	354	354	354	410.3	1.2	354	439.8	1.2	354	466.2	1.3	354	494.1	1.4	354	523.8	1.5	6.0%	11.0%
17 – 22	9	9	9	27.5	3.1	9	29.5	3.3	9	31.3	3.5	9	33.2	3.7	9	35.2	3.9	6.0%	0.3%

1. Rand million.

**Other entities**

Comprehensive coverage of the following public entities is provided with more detailed information for the vote at [www.treasury.gov.za](http://www.treasury.gov.za) under the budget information link.

- **Broadband Infraco** was established in terms of the Broadband Infraco Act (2007) to provide ICT infrastructure and broadband capacity in South Africa, and expand the availability and affordability of access to electronic communications. The entity's total budget for 2020/21 is R871.1 million.
- The **Film and Publication Board** was established in terms of the Films and Publications Act (1996), as amended, to regulate the creation, production, possession and distribution of certain publications and films. The board's total budget for 2020/21 is R117.2 million.
- The **Independent Communications Authority of South Africa** was established by the Independent Communications Authority of South Africa Act (2000) to regulate the South African communications, broadcasting and postal services sectors. The authority's total budget for 2020/21 is R493 million.
- The **National Electronic Media Institute of South Africa** was established as a non-profit educational institute in terms of the Companies Act (1973) to enhance the market readiness of students in various broadcasting disciplines, and has since been expanded to include the development of e-skills. The institute's total budget for 2020/21 is R99.2 million.
- The **Universal Service and Access Agency of South Africa** was established in terms of section 80 of the Electronic Communications Act (2005) to promote universal service and access to electronic communications services, electronic communications network services and broadcasting services. The agency's total budget for 2020/21 is R265.7 million.
- The **Universal Service and Access Fund** was established in terms of section 89(1) of the Electronic Communications Act (2005) to make payments for subsidies towards the provision of ICT equipment and services, and subsidise the construction and extension of electronic communications and broadcasting networks for needy people in underserved areas. The fund is managed by the Universal Service and Access Agency of South Africa, and has a total budget of R741.8 million for 2020/21.

