

Vote 30

Communications and Digital Technologies

Budget summary

R million	2021/22				2022/23	2023/24
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	281.8	261.1	0.1	20.6	298.5	299.1
ICT International Relations and Affairs	64.6	24.8	39.2	0.6	58.9	59.6
ICT Policy Development and Research	57.6	57.5	–	0.1	48.3	46.2
ICT Enterprise and Public Entity Oversight	1 650.1	35.2	1 614.5	0.5	1 605.7	1 618.5
ICT Infrastructure Development and Support	1 564.1	272.4	1 291.3	0.4	338.3	337.4
ICT Information Society and Capacity Development	74.6	74.0	–	0.6	67.5	65.6
Total expenditure estimates	3 692.9	724.9	2 945.2	22.8	2 417.2	2 426.4
Executive authority	Minister of Communications and Digital Technologies					
Accounting officer	Director-General of Communications and Digital Technologies					
Website	www.doc.gov.za					

The Estimates of National Expenditure is available at www.treasury.gov.za. Additional tables in Excel format can be found at www.treasury.gov.za and 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

To encourage digital inclusion and economic growth, the Department of Communications and Digital Technologies is mandated to facilitate South Africa's digital transformation by creating an enabling policy and regulatory environment. The department implements the provisions of the 2016 National Integrated ICT Policy White Paper, particularly 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's mandate is derived from the following legislation:

- the Broadcasting Act (1999), as amended, which establishes broadcasting policy in South Africa
- the 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
- the 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
- the Independent Communications Authority of South Africa Act (2000), which establishes the regulator in the sector
- the 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	Audited performance			Estimated performance	MTEF targets		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Number of ICT position papers developed for international engagements per year	ICT International Relations and Affairs	Departmental mandate	2	4	4	2	3	2	2
Number of broadband connections to government facilities sustained per year	ICT Infrastructure Development and Support	Priority 2: Economic transformation and job creation	- ¹	266	143	970	970	970	970
Number of monitoring reports on the implementation of the broadcasting digital migration programme per year	ICT Infrastructure Development and Support		2	2	0	4	4	4	4
Number of position papers tabled at multilateral engagements per year	ICT Infrastructure Development and Support	Departmental mandate	2	1	0	2	2	2	2
Number of bilateral engagements coordinated to advance digital migration and communication agendas per year	ICT Infrastructure Development and Support	Departmental mandate	5	2	0	4	4	4	4

1. No historical data available.

Expenditure overview

Over the medium term, the department will focus on rolling out broadband to government buildings through the South Africa Connect project, implementing the broadcasting digital migration policy to release digital spectrum, and submitting legislation to Parliament to enable digital transformation.

The department has a budget of R8.5 billion over the medium term, of which 74.8 per cent (R6.2 billion) is allocated for transfers to public entities for their operations, and for project-specific funding. Expenditure is expected to decrease at an average annual rate of 9.6 per cent, from R3.3 billion in 2020/21 to R2.4 billion in 2023/24. Driving this decrease is the conclusion of a one-off allocation of R1.1 billion in 2022/23 for the broadcasting digital migration project, and Cabinet-approved reductions over the MTEF period of R743.7 million, mainly on transfers to public entities (R442 million) and compensation of employees (R224.2 million). The department will rely mostly on natural attrition as a strategy to fall within the expenditure ceiling for compensation of employees. Expenditure in this regard is expected to decrease at an average annual rate of 1.2 per cent, from R302.2 million in 2020/21 to R291.3 million in 2023/24, driven by the expected decrease in the number of personnel from 367 to 343 over the same period.

Digital migration

The implementation of broadcasting digital migration includes the provision of vouchers to poor 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. The department will coordinate and monitor the distribution of these vouchers in 2021/22, for which R95 million is allocated to be paid to the post office. To release spectrum for mobile broadband, the Universal Service and Access Fund was allocated R1.1 billion in 2020/21.

Broadband connectivity

The department will monitor and maintain the provision of broadband services to 970 government buildings that have already been connected at a projected cost of R773.6 million over the MTEF period in the *Broadband* subprogramme in the *ICT Infrastructure Development and Support* programme. The department expects to finalise the feasibility study for phase 2 of the rollout by 2021/22, and use this study to secure funding to roll out broadband connections to identified facilities from March 2022/23.

Enabling digital transformation

To achieve digital inclusion and economic growth, the department plans to implement a number of digital transformation policies over the medium term, including the digital economy master plan; the presidential commission on the fourth industrial revolution report; and the revised ICT development strategy for small, medium and micro enterprises (SMMEs). The department plans to submit the following legislation to Cabinet: the Electronic Communications Amendment Bill for public consultation approval; the State IT Company Bill and

State ICT Infrastructure Company Bill to achieve greater alignment and efficiency among state-owned ICT companies; and the Digital Development Fund Bill to replace the Universal Service and Access Fund. To achieve these targets, expenditure in the *ICT Policy Development and Research* programme is expected to be R152.1 million over the MTEF period.

Expenditure trends and estimates

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

Programmes											
1. Administration											
2. ICT International Relations and Affairs											
3. ICT Policy Development and Research											
4. ICT Enterprise and Public Entity Oversight											
5. ICT Infrastructure Development and Support											
6. ICT Information Society and Capacity Development											
Programme											
R million	Audited outcome			Adjusted appropriation 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average Expenditure/ Total (%) 2020/21	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average Expenditure/ Total (%) 2020/21 - 2023/24
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24		
Programme 1	274.9	294.2	273.0	271.0	-0.5%	5.7%	281.8	298.5	299.1	3.3%	9.7%
Programme 2	50.6	84.9	53.1	59.8	5.7%	1.3%	64.6	58.9	59.6	-0.1%	2.1%
Programme 3	32.8	34.8	32.3	52.0	16.6%	0.8%	57.6	48.3	46.2	-3.9%	1.7%
Programme 4	4 639.6	3 936.6	4 663.4	1 800.0	-27.1%	77.3%	1 650.1	1 605.7	1 618.5	-3.5%	56.5%
Programme 5	630.9	411.2	581.3	1 039.9	18.1%	13.7%	1 564.1	338.3	337.4	-31.3%	27.8%
Programme 6	55.2	64.9	60.6	58.3	1.8%	1.2%	74.6	67.5	65.6	4.0%	2.3%
Subtotal	5 684.1	4 826.6	5 663.8	3 280.9	-16.7%	100.0%	3 692.9	2 417.2	2 426.4	-9.6%	100.0%
Total	5 684.1	4 826.6	5 663.8	3 280.9	-16.7%	100.0%	3 692.9	2 417.2	2 426.4	-9.6%	100.0%
Change to 2020				(113.6)			(225.7)	(225.8)	-		
Budget estimate											
Economic classification											
Current payments	464.9	643.6	646.8	683.8	13.7%	12.5%	724.9	747.8	739.9	2.7%	24.5%
Compensation of employees	283.2	292.5	266.9	302.2	2.2%	5.9%	304.3	302.9	291.3	-1.2%	10.2%
Goods and services ¹	181.7	351.1	380.0	381.6	28.1%	6.7%	420.7	444.9	448.6	5.5%	14.3%
<i>of which:</i>											
<i>Audit costs: External</i>	8.0	6.3	6.5	6.0	(0.1)	0.0	7.5	11.9	12.0	0.3	0.0
<i>Computer services</i>	6.3	7.9	6.3	197.5	2.2	0.0	209.7	220.6	222.7	4.1%	7.2%
<i>Consultants: Business and advisory services</i>	26.0	113.8	231.5	29.4	0.0	0.0	40.0	28.4	28.7	-0.9%	1.1%
<i>Operating leases</i>	34.8	42.6	24.7	29.1	(0.1)	0.0	31.7	31.1	31.4	2.5%	1.0%
<i>Property payments</i>	12.7	10.3	18.0	13.3	0.0	0.0	16.7	20.7	20.9	16.2%	0.6%
<i>Travel and subsistence</i>	46.4	58.1	50.0	30.6	(0.1)	0.0	45.3	54.7	54.7	21.4%	1.6%
Transfers and subsidies¹	1 506.0	1 227.2	1 804.5	2 565.4	19.4%	36.5%	2 945.2	1 653.4	1 669.8	-13.3%	74.8%
Provinces and municipalities	0.0	0.0	0.0	0.0	10.7%	0.0%	0.1	0.0	0.0	11.0%	0.0%
Departmental agencies and accounts	817.2	786.1	817.9	1 566.7	24.2%	20.5%	2 022.2	886.6	895.2	-17.0%	45.4%
Foreign governments and international organisations	26.0	28.5	30.0	32.7	8.0%	0.6%	39.2	31.4	31.7	-1.1%	1.1%
Public corporations and private enterprises	659.8	391.3	924.6	962.5	0.1	0.2	883.6	735.4	742.9	(0.1)	0.3
Households	3.0	21.3	32.0	3.5	5.0%	0.3%	-	-	-	-100.0%	0.0%
Payments for capital assets	12.8	7.0	12.4	31.8	35.3%	0.3%	22.8	16.0	16.7	-19.3%	0.7%
Machinery and equipment	6.8	5.3	10.3	16.9	35.5%	0.2%	12.6	7.5	7.9	-22.5%	0.4%
Software and other intangible assets	6.0	1.7	2.1	14.8	35.0%	0.1%	10.2	8.4	8.8	-15.9%	0.4%
Payments for financial assets	3 700.3	2 948.7	3 200.1	-	-100.0%	50.6%	-	-	-	0.0%	0.0%
Total	5 684.1	4 826.6	5 663.8	3 280.9	-16.7%	100.0%	3 692.9	2 417.2	2 426.4	-9.6%	100.0%

1. Tables with expenditure trends, annual budget, adjusted appropriation and audited outcome are available at www.treasury.gov.za and www.vulekamali.gov.za.

Transfers and subsidies expenditure trends and estimates

Table 30.3 Vote transfers and subsidies trends and estimates

	Audited outcome			Adjusted appropriation 2020/21	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)		
	2017/18	2018/19	2019/20		2017/18 - 2020/21	2020/21 - 2023/24	2021/22	2022/23	2023/24	2020/21 - 2023/24	2020/21 - 2023/24	
R thousand												
Households												
Social benefits												
Current	2 326	2 286	2 296	3 516	14.8%	0.1%	–	–	–	-100.0%	–	
Households	2 326	2 286	2 296	3 516	14.8%	0.1%	–	–	–	-100.0%	–	
Provinces and municipalities												
Municipal bank accounts												
Current	13	13	15	19	13.5%	–	125	26	26	11.0%	–	
Vehicle licences	13	13	15	19	13.5%	–	125	26	26	11.0%	–	
Departmental agencies and accounts												
Departmental agencies (non-business entities)												
Current	817 248	786 094	817 936	1 566 655	24.2%	56.1%	2 022 181	886 638	895 168	-17.0%	60.8%	
Independent Communications Authority of South Africa	430 383	443 961	476 645	543 719	8.1%	26.7%	508 190	469 431	473 947	-4.5%	22.6%	
Film and Publication Board	91 684	94 577	99 373	100 596	3.1%	5.4%	100 937	102 870	103 860	1.1%	4.6%	
National Electronic Media Institute of South Africa	85 785	90 761	95 347	97 448	4.3%	5.2%	98 468	102 121	103 104	1.9%	4.5%	
Universal Service and Access Agency of South Africa	75 684	80 074	82 949	261 385	51.2%	7.0%	82 055	86 033	86 860	-30.7%	5.8%	
Universal Service and Access Fund	54 614	57 781	37 017	63 086	4.9%	3.0%	64 165	66 777	67 419	2.2%	3.0%	
Universal Service and Access Fund: Broadcasting digital migration	79 098	18 940	26 605	500 421	85.0%	8.8%	1 073 366	59 406	59 978	-50.7%	19.2%	
Universal Service and Access Agency of South Africa: Distribution costs to South African Post Office relating to the Broadcasting Digital Migration	–	–	–	–	–	–	95 000	–	–	–	1.1%	
Households												
Other transfers to households												
Current	686	18 966	29 659	–	-100.0%	0.7%	–	–	–	–	–	
Claims against the state	–	18 940	29 643	–	–	0.7%	–	–	–	–	–	
Households	686	26	16	–	-100.0%	–	–	–	–	–	–	
Public corporations and private enterprises												
Other transfers to public corporations												
Current	413 766	187 421	673 643	697 848	19.0%	27.8%	713 883	735 355	742 906	2.1%	32.7%	
South African Broadcasting Corporation: Channel Africa	54 885	58 068	61 320	63 399	4.9%	3.3%	64 617	66 581	67 368	2.0%	3.0%	
South African Broadcasting Corporation: Public broadcaster	105 947	115 669	123 246	127 424	6.3%	6.6%	129 872	133 821	135 403	2.0%	6.0%	
South African Broadcasting Corporation: Programme productions	12 934	13 684	14 450	14 940	4.9%	0.8%	15 226	15 680	15 865	2.0%	0.7%	
South African Post Office	–	–	474 627	492 085	–	13.6%	504 168	519 273	524 270	2.1%	23.1%	
South African Post Office: Broadcasting digital migration	240 000	–	–	–	-100.0%	3.4%	–	–	–	–	–	
Capital	246 000	203 900	250 934	264 630	2.5%	13.6%	169 746	–	–	-100.0%	4.9%	
Sentech: Migration of digital signals	53 000	–	58 440	60 586	4.6%	2.4%	69 746	–	–	-100.0%	1.5%	
Sentech: Dual illumination costs relating to the digital migration project	193 000	203 900	192 494	204 044	1.9%	11.2%	100 000	–	–	-100.0%	3.4%	
Foreign governments and international organisations												
Current	25 964	28 538	30 025	32 724	8.0%	1.7%	39 224	31 401	31 703	-1.1%	1.5%	
Universal Postal Union	5 522	6 311	6 443	7 044	8.5%	0.4%	8 875	6 554	6 617	-2.1%	0.3%	
International Telecommunication Union	16 816	17 077	18 829	20 584	7.0%	1.0%	24 541	19 823	20 014	-0.9%	1.0%	
African Telecommunications Union	1 006	988	1 114	1 186	5.6%	0.1%	1 320	1 347	1 360	4.7%	0.1%	
Pan-African Postal Union	1 031	1 061	1 142	1 215	5.6%	0.1%	1 353	1 239	1 250	1.0%	0.1%	
Organisation for Economic Cooperation and Development	158	200	186	198	7.8%	–	233	595	601	44.8%	–	
Commonwealth Telecommunications Organisation	426	440	462	493	5.0%	–	575	513	518	1.7%	–	
DONA Foundation	1 005	1 007	1 108	1 214	6.5%	0.1%	1 447	1 330	1 343	3.4%	0.1%	
Smart Africa Alliance	–	1 454	741	790	–	–	880	–	–	-100.0%	–	
Total	1 506 003	1 227 218	1 804 508	2 565 392	19.4%	100.0%	2 945 159	1 653 420	1 669 803	-13.3%	100.0%	

Personnel information

Table 30.4 Vote personnel numbers and cost by salary level and programme¹

Number of posts estimated for 31 March 2021		Number and cost ² of personnel posts filled/planned for on funded establishment												Number						
Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/ Total (%)					
		2019/20			2020/21			2021/22		2022/23		2023/24				2020/21 - 2023/24				
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			Number	Cost	Unit cost		
Communications and Digital Technologies		376	42	337	266.9	0.8	367	302.2	0.8	364	304.3	0.8	358	302.9	0.8	343	291.3	0.8	-2.2%	100.0%
1 – 6	37	4	35	7.7	0.2	35	7.7	0.2	35	7.8	0.2	34	7.8	0.2	33	7.7	0.2	-1.9%	9.6%	
7 – 10	125	7	115	49.9	0.4	127	51.3	0.4	126	51.8	0.4	125	52.1	0.4	122	52.0	0.4	-1.3%	34.9%	
11 – 12	81	2	73	67.2	0.9	81	75.7	0.9	80	75.8	0.9	79	75.9	1.0	76	73.7	1.0	-2.1%	22.1%	
13 – 16	120	20	102	133.7	1.3	110	157.3	1.4	109	158.3	1.5	106	156.5	1.5	98	147.0	1.5	-3.8%	29.5%	
Other	13	9	12	8.3	0.7	14	10.2	0.7	14	10.4	0.7	14	10.6	0.8	14	10.8	0.8	0.0%	3.9%	
Programme	376	42	337	266.9	0.8	367	302.2	0.8	364	304.3	0.8	358	302.9	0.8	343	291.3	0.8	-2.2%	100.0%	
Programme 1	207	25	187	138.9	0.7	194	140.7	0.7	192	141.1	0.7	188	139.6	0.7	182	138.2	0.8	-2.1%	52.8%	
Programme 2	15	–	15	17.8	1.2	15	16.8	1.1	15	17.1	1.1	15	17.4	1.2	15	17.7	1.2	–	4.2%	
Programme 3	41	12	32	20.1	0.6	34	32.0	0.9	34	32.5	1.0	34	33.0	1.0	32	30.8	1.0	-2.0%	9.4%	
Programme 4	21	–	19	18.7	1.0	26	28.0	1.1	26	28.5	1.1	26	28.9	1.1	24	26.5	1.1	-2.6%	7.1%	
Programme 5	40	5	36	29.9	0.8	38	39.5	1.0	37	39.1	1.1	37	39.7	1.1	34	36.0	1.1	-3.6%	10.2%	
Programme 6	52	–	48	41.4	0.9	60	45.2	0.8	60	46.0	0.8	58	44.3	0.8	56	42.1	0.8	-2.3%	16.3%	

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

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2017/18	2018/19	2019/20					2020/21	2021/22	2022/23		
R thousand												
Departmental receipts	1 143 331	751 780	665 564	665 140	104 393	-55.0%	100.0%	109 336	114 837	120 557	4.9%	100.0%
Sales of goods and services produced by department	108	111	108	75	55	-20.1%	–	115	120	127	32.2%	0.1%
Sales by market establishments	41	111	41	–	–	-100.0%	–	60	60	60	–	–
of which:												
Market establishment: Rental parking (covered and open)	41	111	41	–	–	-100.0%	–	60	60	60	–	–
Administrative fees	4	–	–	26	21	73.8%	–	6	5	7	-30.7%	–
of which:												
Cryptography fees	4	–	–	6	1	-37.0%	–	6	5	7	91.3%	–
Accreditation electric signature fee	–	–	–	20	20	–	–	–	–	–	-100.0%	–
Other sales	63	–	67	49	34	-18.6%	–	49	55	60	20.8%	–
of which:												
Commission on insurance	63	–	67	49	34	-18.6%	–	49	55	60	20.8%	–

Table 30.5 Departmental receipts by economic classification

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2017/18	2018/19	2019/20					2020/21	2021/22	2022/23		
R thousand												
Sales of scrap, waste, arms and other used current goods	–	–	1	–	–	–	–	–	–	–	–	–
of which:												
Sale of tender documents	–	–	1	–	–	–	–	–	–	–	–	–
Transfers received	–	26 000	360	–	–	–	1.0%	–	–	–	–	–
Interest, dividends and rent on land	1 141 994	724 910	665 866	664 989	104 271	-55.0%	98.9%	109 076	114 552	120 260	4.9%	99.8%
Interest	295 391	2 019	1 574	543	543	-87.8%	11.2%	130	160	150	-34.9%	0.2%
Dividends	846 603	722 891	664 292	664 446	103 728	-50.3%	87.7%	108 946	114 392	120 110	5.0%	99.6%
of which:												
Vodacom shares	–	32	–	–	–	–	–	32	32	32	–	–
Telkom shares	846 603	722 859	664 292	664 446	103 728	-50.3%	87.7%	108 914	114 360	120 078	5.0%	99.5%
Sales of capital assets	713	52	484	15	6	-79.7%	–	15	15	20	49.4%	–
Transactions in financial assets and liabilities	516	707	(1 255)	61	61	-50.9%	–	130	150	150	35.0%	0.1%
Total	1 143 331	751 780	665 564	665 140	104 393	-55.0%	100.0%	109 336	114 837	120 557	4.9%	100.0%

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 (%)
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23		
R million											
Ministry	8.6	7.9	5.9	6.6	-8.6%	2.6%	6.6	7.1	6.8	1.0%	2.4%
Departmental Management	83.8	82.0	63.1	59.5	-10.8%	25.9%	70.5	73.8	76.6	8.8%	24.4%
Internal Audit	6.5	7.5	6.3	7.6	5.5%	2.5%	10.5	9.4	9.3	6.7%	3.2%
Corporate Services	87.5	108.2	112.8	104.5	6.1%	37.1%	97.4	101.4	100.0	-1.5%	35.1%
Financial Management	85.6	79.5	56.4	61.6	-10.4%	25.4%	62.8	73.5	72.8	5.7%	23.5%
Office Accommodation	2.8	9.2	28.5	31.1	122.2%	6.4%	34.0	33.4	33.7	2.7%	11.5%
Total	274.9	294.2	273.0	271.0	-0.5%	100.0%	281.8	298.5	299.1	3.3%	100.0%
Change to 2020				(42.7)			(55.0)	(47.8)	–		
Budget estimate											
Economic classification											
Current payments	261.5	266.2	231.5	237.7	-3.1%	89.6%	261.1	285.1	285.1	6.2%	92.9%
Compensation of employees	146.4	153.7	138.9	140.7	-1.3%	52.1%	141.1	139.6	138.2	-0.6%	48.6%
Goods and services ¹	115.1	112.5	92.6	97.0	-5.5%	37.5%	120.0	145.5	146.9	14.8%	44.3%
of which:											
Audit costs: External	8.0	6.0	6.5	6.0	-9.2%	2.4%	6.0	11.9	12.0	26.1%	3.1%
Computer services	4.7	6.0	5.8	12.9	40.5%	2.6%	11.7	14.4	14.5	4.0%	4.6%
Consultants: Business and advisory services	0.8	2.0	1.0	6.2	94.4%	0.9%	7.3	9.0	9.1	13.5%	2.8%
Operating leases	33.8	40.3	24.0	28.0	-6.1%	11.3%	30.4	29.7	30.0	2.4%	10.3%
Property payments	11.9	10.3	18.0	13.3	3.8%	4.8%	16.7	20.7	20.9	16.2%	6.2%
Travel and subsistence	26.4	20.0	17.3	8.3	-32.0%	6.5%	19.0	24.5	24.7	44.0%	6.7%
Transfers and subsidies¹	1.9	21.1	31.5	3.5	22.1%	5.2%	0.1	0.0	0.0	-80.6%	0.3%
Provinces and municipalities	0.0	0.0	0.0	0.0	10.7%	–	0.1	0.0	0.0	11.0%	–
Households	1.9	21.1	31.4	3.5	22.2%	5.2%	–	–	–	-100.0%	0.3%
Payments for capital assets	11.2	5.3	10.1	29.7	38.5%	5.0%	20.6	13.4	14.0	-22.2%	6.8%
Machinery and equipment	5.2	3.5	8.0	15.0	42.5%	2.8%	10.4	5.1	5.3	-29.2%	3.1%
Software and other intangible assets	6.0	1.7	2.1	14.7	34.9%	2.2%	10.2	8.3	8.7	-16.1%	3.6%
Payments for financial assets	0.3	1.7	0.1	–	-100.0%	0.2%	–	–	–	–	–
Total	274.9	294.2	273.0	271.0	-0.5%	100.0%	281.8	298.5	299.1	3.3%	100.0%
Proportion of total programme expenditure to vote expenditure	4.8%	6.1%	4.8%	8.3%	–	–	7.6%	12.4%	12.3%	–	–

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

Details of transfers and subsidies		Audited outcome			Adjusted appropriation 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average Expenditure/ Total (%)
		2017/18	2018/19	2019/20				2021/22	2022/23	2023/24		
R million												
Households												
Social benefits												
Current												
	1.3	2.1	0.9	3.5	40.5%	0.7%	-	-	-	-100.0%	0.3%	
Households	1.3	2.1	0.9	3.5	40.5%	0.7%	-	-	-	-100.0%	0.3%	
Households												
Other transfers to households												
Current												
	0.7	19.0	30.6	-	-100.0%	4.5%	-	-	-	-	-	
Claims against the state	-	18.9	30.6	-	-	4.4%	-	-	-	-	-	
Households	0.7	0.0	-	-	-100.0%	0.1%	-	-	-	-	-	

1. Estimates of National Expenditure data tables are available at www.treasury.gov.za. These tables contain detailed information by goods and services, and transfers and subsidies items by programme.

Personnel information

Table 30.7 Administration personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2021			Number and cost ² of personnel posts filled/planned for on funded establishment												Number								
Number of funded posts	Number of posts additional to the establishment		Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average Salary level/ Total (%)							
			2019/20		2020/21		2021/22		2022/23		2023/24		2020/21 - 2023/24										
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost						
Administration			207	25		187	138.9	0.7	194	140.7	0.7	192	141.1	0.7	188	139.6	0.7	182	138.2	0.8	-2.1%	100.0%	
Salary level																							
1 – 6	28	4	26	5.6	0.2	26	5.5	0.2	26	5.6	0.2	25	5.6	0.2	24	5.4	0.2	24	5.4	0.2	-2.6%	13.3%	
7 – 10	80	4	72	33.3	0.5	74	30.8	0.4	73	30.9	0.4	72	30.8	0.4	69	30.3	0.4	69	30.3	0.4	-2.3%	38.1%	
11 – 12	44	-	40	37.8	0.9	41	36.7	0.9	41	37.3	0.9	41	37.9	0.9	40	37.6	0.9	40	37.6	0.9	-0.8%	21.6%	
13 – 16	42	8	37	53.8	1.5	39	57.4	1.5	38	56.8	1.5	36	54.7	1.5	35	54.0	1.5	35	54.0	1.5	-3.5%	19.6%	
Other	13	9	12	8.3	0.7	14	10.2	0.7	14	10.4	0.7	14	10.6	0.8	14	10.8	0.8	14	10.8	0.8	0.0%	7.4%	

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

2. Rand million.

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 country position papers to support the digital economy by March 2022, focused on: the Brazil-Russia-India-China-South Africa group of countries (BRICS) agenda; the World Telecommunications Standardisation Assembly; and the Southern African Development Community
 - implementing and monitoring the approved international engagement strategy by March 2022
 - coordinating and monitoring the operations of the BRICS Institute of Future Networks over the medium term
 - implementing, facilitating and monitoring identified programmes focusing on the digital economy through partnerships with identified partners over the medium term.

Subprogrammes

- *Programme Management for International Relations and Affairs* provides for the overall management of the programme.
- *International Affairs* leads South Africa's ICT interests and advances strategic programmes in multilateral forums.

- *ICT Trade/Partnership* develops and advances the country's interests in international trade forums through participation 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 30.8 ICT International Relations and Affairs expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/ Total (%) 2020/21	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/ Total (%) 2020/21 - 2023/24
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24		
R million											
Programme Management for International Relations and Affairs	–	–	–	2.8	–	1.1%	2.7	2.9	2.8	-0.5%	4.6%
International Affairs	12.5	14.8	12.9	14.2	4.3%	21.9%	13.3	13.2	12.9	-3.1%	22.0%
ICT Trade/Partnership	38.1	70.0	40.3	42.8	4.0%	77.0%	48.7	42.8	43.9	0.8%	73.4%
Total	50.6	84.9	53.1	59.8	5.7%	100.0%	64.6	58.9	59.6	-0.1%	100.0%
Change to 2020 Budget estimate				(1.0)			3.7	(4.6)	–		
Economic classification											
Current payments	24.6	55.9	23.1	26.5	2.5%	52.4%	24.8	26.8	27.2	0.9%	43.4%
Compensation of employees	17.0	17.1	17.8	16.8	-0.3%	27.7%	17.1	17.4	17.7	1.6%	28.4%
Goods and services ¹	7.6	38.8	5.3	9.7	8.1%	24.7%	7.7	9.5	9.5	-0.4%	15.0%
of which:											
Administrative fees	0.1	0.2	0.1	0.2	18.9%	0.3%	0.2	0.2	0.2	–	0.4%
Communication	0.3	0.7	0.3	0.2	-14.0%	0.6%	0.2	0.2	0.2	0.9%	0.3%
Contractors	0.8	0.2	0.0	0.9	4.7%	0.7%	0.9	0.8	0.8	-1.9%	1.4%
Operating leases	0.1	0.1	0.1	0.3	61.5%	0.2%	0.2	0.3	0.3	1.1%	0.5%
Travel and subsistence	4.8	7.7	4.0	4.7	-0.2%	8.6%	3.3	4.7	4.7	-0.2%	7.2%
Venues and facilities	1.2	25.4	0.1	2.2	22.8%	11.6%	1.6	2.1	2.1	-0.9%	3.3%
Transfers and subsidies¹	26.0	28.5	30.0	32.7	8.0%	47.2%	39.2	31.4	31.7	-1.1%	55.6%
Foreign governments and international organisations	26.0	28.5	30.0	32.7	8.0%	47.2%	39.2	31.4	31.7	-1.1%	55.6%
Households	0.0	–	0.0	–	-100.0%	–	–	–	–	–	–
Payments for capital assets	0.0	0.4	–	0.6	175.4%	0.4%	0.6	0.6	0.6	1.8%	1.0%
Machinery and equipment	0.0	0.4	–	0.6	175.4%	0.4%	0.6	0.6	0.6	1.8%	1.0%
Total	50.6	84.9	53.1	59.8	5.7%	100.0%	64.6	58.9	59.6	-0.1%	100.0%
Proportion of total programme expenditure to vote expenditure	0.9%	1.8%	0.9%	1.8%	–	–	1.8%	2.4%	2.5%	–	–
Details of transfers and subsidies											
Foreign governments and international organisations	26.0	28.5	30.0	32.7	8.0%	47.2%	30.5	31.4	31.7	-1.1%	52.0%
Current	0.2	0.2	0.2	0.2	7.8%	0.3%	0.6	0.6	0.6	44.8%	0.8%
Organisation for Economic Cooperation and Development	5.5	6.3	6.4	7.0	8.5%	10.2%	6.4	6.6	6.6	-2.1%	10.9%
Universal Postal Union	16.8	17.1	18.8	20.6	7.0%	29.5%	19.3	19.8	20.0	-0.9%	32.8%
International Telecommunication Union	1.0	1.0	1.1	1.2	5.6%	1.7%	1.3	1.3	1.4	4.7%	2.1%
African Telecommunications Union	1.0	1.1	1.1	1.2	5.6%	1.8%	1.2	1.2	1.3	1.0%	2.0%
Pan-African Postal Union	0.4	0.4	0.5	0.5	5.0%	0.7%	0.5	0.5	0.5	1.7%	0.8%
Commonwealth Telecommunications Organisation	1.0	1.0	1.1	1.2	6.5%	1.7%	1.3	1.3	1.3	3.4%	2.1%
DONA Foundation	–	1.5	0.7	0.8	–	1.2%	–	–	–	-100.0%	0.3%
Smart Africa Alliance											

1. Estimates of National Expenditure data tables are available at www.treasury.gov.za. These tables contain detailed information by goods and services, and transfers and subsidies items by programme.

Personnel information

Table 30.9 ICT International Relations and Affairs personnel numbers and cost by salary level¹

ICT International Relations and Affairs	Number of posts estimated for 31 March 2021		Number and cost ² of personnel posts filled/planned for on funded establishment												Number				
	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average Salary level/ Total (%)			
			2019/20			2020/21			2021/22		2022/23		2023/24				2020/21 - 2023/24		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost				Number	Cost
Salary level	15	–	15	17.8	1.2	15	16.8	1.1	15	17.1	1.1	15	17.4	1.2	15	17.7	1.2	–	100.0%
7 – 10	6	–	6	3.5	0.6	6	3.2	0.5	6	3.3	0.6	6	3.4	0.6	6	3.4	0.6	–	40.0%
13 – 16	9	–	9	14.3	1.6	9	13.6	1.5	9	13.8	1.5	9	14.0	1.6	9	14.2	1.6	–	60.0%

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

2. Rand million.

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

- Enable digital transformation policies and strategies by:
 - implementing the digital transformation policy by March 2024
 - implementing the South African Post Office Amendment Bill by March 2024
 - facilitating and monitoring the implementation of the South African Broadcasting Corporation Bill by March 2024
 - facilitating and monitoring the implementation of the data and cloud policy by March 2024
 - facilitating and monitoring the implementation of the digital economy master plan by March 2024
 - facilitating and monitoring the implementation of the presidential commission on the fourth industrial revolution report by March 2024
 - facilitating and monitoring the implementation of the audio-visual media services and network policy by March 2024
 - introducing the Electronic Communications Amendment Bill in Parliament by March 2024.

Subprogrammes

- *Programme Management for ICT Policy Development and Research* provides for the overall management of the programme.
- *ICT Policy Development* drafts legislation, regulations, policies, strategies and guidelines that govern the telecommunications, postal and IT sectors.
- *Economic and Market Analysis* conducts economic and market analysis of the telecommunications, audio-visual, postal and IT sectors.
- *Small, Medium and Micro Enterprise* facilitates the growth and development of digital SMMEs.
- *Research* conducts research to inform the development of legislation, regulations, policies, strategies and guidelines; undertakes policy impact assessments; and monitors and evaluates the implementation of legislation, regulations, policies, strategies and guidelines.
- *Broadcasting Policy* drafts legislation, regulations, policies, strategies and guidelines that govern audio-visual media sectors.
- *Presidential Commission on 4IR* coordinates, monitors and evaluates multisectoral initiatives to position South Africa as a globally competitive player in the fourth industrial revolution.

Expenditure trends and estimates

Table 30.10 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 (%)
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23		
R million											
Programme Management for ICT	–	–	–	2.5	–	1.6%	2.5	2.8	2.7	2.7%	5.1%
Policy Development and Research											
ICT Policy Development	10.0	12.8	16.9	14.6	13.2%	35.8%	15.2	14.0	13.9	-1.5%	28.2%
Economic and Market Analysis	8.7	4.6	3.1	5.2	-16.0%	14.2%	7.7	7.0	6.8	9.8%	13.1%
Research	6.9	7.2	5.0	7.5	2.5%	17.5%	9.1	11.3	9.6	8.9%	18.4%
Small, Medium and Micro Enterprise	1.3	1.6	1.7	1.5	5.2%	4.0%	1.8	1.9	2.0	8.1%	3.5%
Broadcasting Policy	5.8	8.6	5.5	7.7	9.9%	18.2%	11.8	11.4	11.1	13.1%	20.6%
Presidential Commission on 4IR	–	–	–	13.1	–	8.6%	9.6	–	–	-100.0%	11.1%
Total	32.8	34.8	32.3	52.0	16.6%	100.0%	57.6	48.3	46.2	-3.9%	100.0%
Change to 2020				(12.6)			1.8	(10.7)	–		
Budget estimate											
Economic classification											
Current payments	32.4	34.6	32.2	51.7	16.9%	99.4%	57.5	48.2	46.1	-3.8%	99.6%
Compensation of employees	20.3	21.4	20.1	32.0	16.4%	61.7%	32.5	33.0	30.8	-1.3%	62.9%
Goods and services ¹	12.1	13.3	12.1	19.7	17.6%	37.7%	24.9	15.1	15.3	-8.2%	36.7%
of which:											
Minor assets	0.0	0.1	0.0	0.4	459.3%	0.3%	0.8	0.5	0.5	11.3%	1.1%
Communication	0.5	1.9	0.5	0.5	0.3%	2.2%	0.8	0.6	0.6	4.3%	1.2%
Consultants: Business and advisory services	6.7	1.5	1.3	12.8	24.2%	14.7%	10.6	4.2	4.2	-31.1%	15.5%
Consumables: Stationery, printing and office supplies	1.0	1.3	0.1	0.3	-35.1%	1.7%	0.5	0.7	0.7	40.5%	1.1%
Travel and subsistence	2.5	4.8	8.2	3.0	5.5%	12.2%	6.7	4.7	4.7	16.6%	9.3%
Venues and facilities	0.4	1.0	0.3	0.4	0.7%	1.3%	1.1	0.5	0.5	8.9%	1.2%
Transfers and subsidies ¹	0.3	–	0.0	–	-100.0%	0.2%	–	–	–	–	–
Households	0.3	–	0.0	–	-100.0%	0.2%	–	–	–	–	–
Payments for capital assets	0.1	0.1	0.0	0.3	31.9%	0.4%	0.1	0.1	0.2	-21.4%	0.4%
Machinery and equipment	0.1	0.1	0.0	0.3	31.9%	0.4%	0.1	0.1	0.2	-21.4%	0.4%
Total	32.8	34.8	32.3	52.0	16.6%	100.0%	57.6	48.3	46.2	-3.9%	100.0%
Proportion of total programme expenditure to vote expenditure	0.6%	0.7%	0.6%	1.6%	–	–	1.6%	2.0%	1.9%	–	–
Details of transfers and subsidies											
Households											
Social benefits											
Current	0.3	–	0.0	–	-100.0%	0.2%	–	–	–	–	–
Households	0.3	–	0.0	–	-100.0%	0.2%	–	–	–	–	–

1. Estimates of National Expenditure data tables are available at www.treasury.gov.za. These tables contain detailed information by goods and services, and transfers and subsidies items by programme.

Personnel information

Table 30.11 ICT Policy Development and Research personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2021	Number and cost ² of personnel posts filled/planned for on funded establishment												Number						
	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2019/20	2020/21	2021/22	2022/23	2023/24	2020/21 - 2023/24											
ICT Policy Development and Research																			
Salary level	41	12	32	20.1	0.6	34	32.0	0.9	34	32.5	1.0	34	33.0	1.0	32	30.8	1.0	-2.0%	100.0%
7 – 10	9	1	8	2.4	0.3	9	3.0	0.3	9	3.0	0.3	9	3.1	0.3	9	3.1	0.3	–	26.9%
11 – 12	8	1	6	3.0	0.5	6	4.9	0.8	6	4.9	0.8	6	5.0	0.8	6	5.1	0.8	–	17.9%
13 – 16	24	10	18	14.7	0.8	19	24.2	1.3	19	24.6	1.3	19	25.0	1.3	17	22.6	1.3	-3.6%	55.2%

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

2. Rand million.

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 the service delivery performance and compliance of state-owned entities against strategic plans and relevant prescripts over the medium term
 - facilitating the implementation of a performance management system for councillors in the Independent Communications Authority of South Africa over the medium term.

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.
- *Universal Service and Access* monitors the implementation of policies, and provides guidance on and oversight of the governance matters of relevant state-owned entities. This subprogramme also 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* monitors the implementation of policies, and provides guidance on and oversight of the governance matters of the National Electronic Media Institute of South Africa for the provision of skills development programmes.
- *State-owned Entity Governance and Support* strengthens the capacity of the department and that of its state-owned entities to effectively deliver on their mandates.

Expenditure trends and estimates

Table 30.12 ICT Enterprise and Public Entity Oversight expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2020/21	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2017/18	2018/19	2019/20		2017/18 - 2020/21	Average: Expenditure/Total (%)	2021/22	2022/23	2023/24	2020/21 - 2023/24	Average: Expenditure/Total (%)
R million											
Programme Management for ICT Enterprise and Public Entity Oversight	3.4	2.5	2.0	2.9	-5.2%	0.1%	3.7	7.4	7.2	34.9%	0.3%
Regulatory Institutions	528.0	545.8	552.0	649.3	7.1%	15.1%	567.5	580.6	585.9	-3.4%	35.7%
Universal Service and Access	4 019.2	3 293.9	4 008.6	1 045.4	-36.2%	82.2%	975.1	910.3	917.7	-4.2%	57.7%
ICT Skills Development	85.8	90.8	95.3	97.4	4.3%	2.5%	98.5	102.1	103.1	1.9%	6.0%
State-owned Entity Governance and Support	3.1	3.6	5.4	4.9	16.5%	0.1%	5.3	5.3	4.7	-1.5%	0.3%
Total	4 639.6	3 936.6	4 663.4	1 800.0	-27.1%	100.0%	1 650.1	1 605.7	1 618.5	-3.5%	100.0%
Change to 2020 Budget estimate				44.6			(120.0)	(134.8)	–		

Table 30.12 ICT Enterprise and Public Entity Oversight expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average Expenditure/ Total (%) 2020/21	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average Expenditure/ Total (%) 2020/21 - 2023/24
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24		
R million											
Current payments	27.1	34.5	22.2	35.3	9.2%	0.8%	35.2	42.4	39.7	3.9%	2.3%
Compensation of employees	22.8	24.2	18.7	28.0	7.1%	0.6%	28.5	28.9	26.5	-1.8%	1.7%
Goods and services ¹	4.3	10.3	3.5	7.3	19.3%	0.2%	6.7	13.5	13.2	21.6%	0.6%
<i>of which:</i>											
Advertising	0.1	0.2	0.6	1.0	169.1%	–	–	2.2	2.2	29.1%	0.1%
Bursaries: Employees	0.2	0.6	0.1	0.4	34.8%	–	0.3	1.2	1.2	46.7%	–
Communication	0.6	0.7	0.5	0.6	2.7%	–	0.7	1.0	1.1	20.3%	0.1%
Consumables: Stationery, printing and office supplies	0.3	0.2	0.1	0.4	4.1%	–	0.5	0.8	0.8	26.5%	–
Travel and subsistence	1.6	2.2	1.8	2.5	15.1%	0.1%	2.8	5.6	5.1	27.7%	0.2%
Training and development	0.3	0.1	0.2	0.3	1.8%	–	0.3	0.6	0.6	21.5%	–
Transfers and subsidies¹	911.9	954.6	1 441.0	1 764.1	24.6%	33.7%	1 614.5	1 562.6	1 578.1	-3.6%	97.7%
Departmental agencies and accounts	738.2	767.2	767.3	1 066.2	13.0%	22.2%	900.6	827.2	835.2	-7.8%	54.4%
Public corporations and private enterprises	173.8	187.4	673.6	697.8	59.0%	11.5%	713.9	735.4	742.9	2.1%	43.3%
Households	0.0	0.1	0.0	–	-100.0%	–	–	–	–	–	–
Payments for capital assets	0.5	0.5	0.2	0.5	1.6%	–	0.5	0.7	0.7	11.0%	–
Machinery and equipment	0.5	0.5	0.2	0.5	1.6%	–	0.5	0.7	0.7	11.0%	–
Payments for financial assets	3 700.0	2 947.0	3 200.0	–	-100.0%	65.5%	–	–	–	–	–
Total	4 639.6	3 936.6	4 663.4	1 800.0	-27.1%	100.0%	1 650.1	1 605.7	1 618.5	-3.5%	100.0%
Proportion of total programme expenditure to vote expenditure	81.6%	81.6%	82.3%	54.9%	–	–	44.7%	66.4%	66.7%	–	–
Details of transfers and subsidies											
Households											
Social benefits											
Current	–	0.1	0.0	–	–	–	–	–	–	–	–
Households	–	0.1	0.0	–	–	–	–	–	–	–	–
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	738.2	767.2	767.3	1 066.2	13.0%	22.2%	900.6	827.2	835.2	-7.8%	54.4%
Independent Communications Authority of South Africa	430.4	444.0	452.6	543.7	8.1%	12.4%	460.0	469.4	473.9	-4.5%	29.2%
Film and Publication Board	91.7	94.6	99.4	100.6	3.1%	2.6%	100.9	102.9	103.9	1.1%	6.1%
National Electronic Media Institute of South Africa	85.8	90.8	95.3	97.4	4.3%	2.5%	98.5	102.1	103.1	1.9%	6.0%
Universal Service and Access Agency of South Africa	75.7	80.1	82.9	261.4	51.2%	3.3%	177.1	86.0	86.9	-30.7%	9.2%
Universal Service and Access Fund	54.6	57.8	37.0	63.1	4.9%	1.4%	64.2	66.8	67.4	2.2%	3.9%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	173.8	187.4	673.6	697.8	59.0%	11.5%	713.4	734.8	741.8	2.1%	43.3%
South African Broadcasting Corporation: Channel Africa	54.9	58.1	61.3	63.4	4.9%	1.6%	64.5	66.4	67.0	1.9%	3.9%
South African Broadcasting Corporation: Public broadcaster	105.9	115.7	123.2	127.4	6.3%	3.1%	129.6	133.5	134.7	1.9%	7.9%
South African Broadcasting Corporation: Programme productions	12.9	13.7	14.5	14.9	4.9%	0.4%	15.2	15.6	15.8	1.9%	0.9%
South African Post Office	–	–	474.6	492.1	–	6.4%	504.2	519.3	524.3	2.1%	30.6%

1. Estimates of National Expenditure data tables are available at www.treasury.gov.za. These tables contain detailed information by goods and services, and transfers and subsidies items by programme.

Personnel information

Table 30.13 ICT Enterprise and Public Entity Oversight personnel numbers and cost by salary level¹

ICT Enterprise and Public Entity Oversight	Number of posts estimated for 31 March 2021		Number and cost ² of personnel posts filled/planned for on funded establishment												Number				
	Number of funded posts	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/ Total (%)			
			2019/20			2020/21			2021/22		2022/23		2023/24				2020/21 - 2023/24		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Salary level	21	-	19	18.7	1.0	26	28.0	1.1	26	28.5	1.1	26	28.9	1.1	24	26.5	1.1	-2.6%	100.0%
7-10	6	-	5	2.3	0.5	8	2.6	0.3	8	2.7	0.3	8	2.7	0.3	8	2.8	0.3	-	31.4%
11-12	5	-	5	5.0	1.0	7	8.5	1.2	7	8.6	1.2	7	8.8	1.3	6	7.6	1.3	-5.0%	26.5%
13-16	10	-	9	11.4	1.3	11	16.9	1.5	11	17.1	1.6	11	17.4	1.6	10	16.1	1.6	-3.1%	42.2%

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

2. Rand million.

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:
 - monitoring and maintaining the provision of broadband services to 970 connected sites over the medium term
 - securing funding and implementing phase 2 of the rollout of broadband connections to government facilities over the medium term
 - facilitating and monitoring the operations of the Digital Transformation Centre by March 2022
 - coordinating and monitoring 360 000 subsidised digital television installations by March 2022.

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 and strategy.
- *ICT Support* is responsible for projects related to authentication, digital object architecture and internet governance.
- *Broadcasting Digital Migration* manages the transition from analogue to digital broadcasting to enhance the digital broadcasting platform and subsequently release dividend spectrum for mobile broadband applications.

Expenditure trends and estimates

Table 30.14 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 (%)	
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23			2023/24
	R million							2020/21 - 2023/24				
Programme Management for ICT Infrastructure Development and Support	-	-	-	3.1	-	0.1%	3.0	3.5	3.4	3.6%	0.4%	
Broadband	39.3	143.8	274.8	217.9	77.0%	25.4%	280.3	245.9	247.4	4.3%	30.2%	
ICT Support	7.5	8.6	6.1	9.0	6.2%	1.2%	11.4	8.8	8.6	-1.5%	1.2%	
Broadcasting Digital Migration	584.1	258.8	300.4	809.9	11.5%	73.3%	1 269.4	80.1	77.9	-54.2%	68.2%	
Total	630.9	411.2	581.3	1 039.9	18.1%	100.0%	1 564.1	338.3	337.4	-31.3%	100.0%	
Change to 2020 Budget estimate				(87.7)			(56.0)	(19.7)	-			

Table 30.14 ICT Infrastructure Development and Support expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/ Total (%) 2020/21	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/ Total (%) 2023/24
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24		
R million											
Current payments	64.5	187.7	277.9	274.4	62.0%	30.2%	272.4	278.4	277.0	0.3%	33.6%
Compensation of employees	37.2	33.8	29.9	39.5	2.0%	5.3%	39.1	39.7	36.0	-3.1%	4.7%
Goods and services ¹	27.4	153.9	248.0	235.0	104.8%	24.9%	233.3	238.7	241.0	0.9%	28.9%
<i>of which:</i>											
Advertising	1.5	7.4	4.2	13.9	112.5%	1.0%	6.5	3.4	3.4	-37.4%	0.8%
Computer services	1.6	1.7	0.3	184.5	384.5%	7.1%	197.8	206.1	208.1	4.1%	24.3%
Consultants: Business and advisory services	12.0	105.6	227.4	8.4	-11.1%	13.3%	8.3	9.0	9.0	2.4%	1.1%
Contractors	0.0	2.9	0.1	5.0	900.0%	0.3%	2.4	0.8	0.8	-46.1%	0.3%
Travel and subsistence	7.5	17.8	9.1	11.5	15.3%	1.7%	8.9	11.4	11.5	-0.1%	1.3%
Venues and facilities	0.2	2.3	1.4	2.8	143.5%	0.2%	1.4	2.5	2.6	-3.0%	0.3%
Transfers and subsidies¹	565.7	223.0	301.9	765.1	10.6%	69.7%	1 291.3	59.4	60.0	-57.2%	66.3%
Departmental agencies and accounts	79.1	18.9	50.6	500.4	85.0%	24.4%	1 121.6	59.4	60.0	-50.7%	53.1%
Public corporations and private enterprises	486.0	203.9	250.9	264.6	-18.3%	45.3%	169.7	-	-	-100.0%	13.2%
Households	0.6	0.1	0.4	-	-100.0%	-	-	-	-	-	-
Payments for capital assets	0.7	0.6	1.5	0.4	-19.2%	0.1%	0.4	0.4	0.4	7.3%	-
Machinery and equipment	0.7	0.6	1.5	0.3	-26.3%	0.1%	0.4	0.3	0.3	8.5%	-
Software and other intangible assets	0.0	-	-	0.1	91.3%	-	-	0.1	0.1	3.5%	-
Payments for financial assets	0.0	0.0	0.0	-	-100.0%	-	-	-	-	-	-
Total	630.9	411.2	581.3	1 039.9	18.1%	100.0%	1 564.1	338.3	337.4	-31.3%	100.0%
Proportion of total programme expenditure to vote expenditure	11.1%	8.5%	10.3%	31.7%	-	-	42.4%	14.0%	13.9%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	0.6	0.1	0.4	-	-100.0%	-	-	-	-	-	-
Households	0.6	0.1	0.4	-	-100.0%	-	-	-	-	-	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	79.1	18.9	50.6	500.4	85.0%	24.4%	1 121.6	59.4	60.0	-50.7%	53.1%
Independent Communications Authority of South Africa	-	-	24.0	-	-	0.9%	48.2	-	-	-	1.5%
Universal Service and Access Fund: Broadcasting digital migration	79.1	18.9	26.6	500.4	85.0%	23.5%	1 073.4	59.4	60.0	-50.7%	51.6%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	240.0	-	-	-	-100.0%	9.0%	-	-	-	-	-
South African Post Office: Broadcasting digital migration	240.0	-	-	-	-100.0%	9.0%	-	-	-	-	-
Capital	246.0	203.9	250.9	264.6	2.5%	36.3%	169.7	-	-	-100.0%	13.2%
Sentech: Migration of digital signals	53.0	-	58.4	60.6	4.6%	6.5%	69.7	-	-	-100.0%	4.0%
Sentech: Dual illumination costs relating to the digital migration project	193.0	203.9	192.5	204.0	1.9%	29.8%	100.0	-	-	-100.0%	9.3%

1. Estimates of National Expenditure data tables are available at www.treasury.gov.za. These tables contain detailed information by goods and services, and transfers and subsidies items by programme.

Personnel information

Table 30.15 ICT Infrastructure Development and Support personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2021			Number and cost ² of personnel posts filled/planned for on funded establishment												Number				
Number of funded posts	Number of posts additional to the establishment	ICT Infrastructure Development and Support	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/ Total (%)			
			2019/20			2020/21			2021/22		2022/23		2023/24				2020/21 - 2023/24		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost				Number	Cost
40	5		36	29.9	0.8	38	39.5	1.0	37	39.1	1.1	37	39.7	1.1	34	36.0	1.1	-3.6%	100.0%
1-6	1	-	1	0.2	0.2	1	0.3	0.3	1	0.3	0.3	1	0.3	0.3	1	0.3	0.3	-	2.7%
7-10	10	2	10	3.5	0.4	10	4.3	0.4	10	4.4	0.4	10	4.4	0.4	10	4.5	0.5	-	27.4%
11-12	12	1	11	9.2	0.8	12	12.0	1.0	11	11.1	1.0	11	11.3	1.0	10	10.4	1.0	-5.9%	30.1%
13-16	17	2	14	16.9	1.2	15	23.0	1.5	15	23.4	1.6	15	23.7	1.6	13	20.8	1.6	-4.7%	39.7%

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

2. Rand million.

Programme 6: ICT Information Society and Capacity Development

Programme purpose

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

Objectives

- Contribute towards building a digital-enabled society through sound and relevant information society strategies and programmes by:
 - facilitating, monitoring and reporting on the implementation of the revised national e-government strategy and roadmap by March 2022
 - developing the African Union Artificial Intelligence Blueprint by March 2022
 - facilitating and monitoring the implementation of the digital and future skills programme by March 2022
 - reviewing and monitoring the framework on digital transformation and digital inclusion by March 2022.

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 a digital society by facilitating the adoption and use of digital technologies.
- Capacity Development* facilitates capacity-building interventions related to the development of digital and future skills towards a digital society.

Expenditure trends and estimates

Table 30.16 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 (%)		
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23			2023/24	2020/21 - 2023/24
	R million												
Programme Management for ICT Information Society and Capacity Development	-	-	-	2.8	-	1.2%	2.7	2.9	2.8	-0.8%	4.2%		
Information Society Development	46.2	55.6	57.2	45.6	-0.5%	85.6%	62.1	54.9	53.1	5.2%	81.0%		
Capacity Development	9.0	9.3	3.4	9.9	3.1%	13.2%	9.8	9.8	9.7	-0.5%	14.8%		
Total	55.2	64.9	60.6	58.3	1.8%	100.0%	74.6	67.5	65.6	4.0%	100.0%		
Change to 2020 Budget estimate				(14.3)			(0.3)	(8.1)	-				

Table 30.16 ICT Information Society and Capacity Development expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/Total (%) 2017/18 - 2020/21	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/Total (%) 2020/21 - 2023/24
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24		
	R million										
Current payments	54.8	64.6	59.9	58.1	2.0%	99.3%	74.0	66.9	64.9	3.8%	99.2%
Compensation of employees	39.6	42.3	41.4	45.2	4.5%	70.5%	46.0	44.3	42.1	-2.3%	66.7%
Goods and services ¹	15.2	22.3	18.5	12.9	-5.3%	28.8%	28.1	22.6	22.8	20.9%	32.5%
<i>of which:</i>											
<i>Bursaries: Employees</i>	0.4	0.5	0.0	0.9	25.5%	0.8%	0.9	0.8	0.8	-0.8%	1.3%
<i>Catering: Departmental activities</i>	0.4	0.6	0.7	0.6	12.5%	0.9%	0.9	1.0	1.0	19.6%	1.3%
<i>Consultants: Business and advisory services</i>	6.5	4.6	1.8	1.0	-47.0%	5.8%	12.7	6.1	6.2	86.2%	9.8%
<i>Agency and support/outsource services</i>	-	-	-	-	-	-	4.3	-	-	-	1.6%
<i>Travel and subsistence</i>	3.6	5.6	9.6	0.6	-45.2%	8.2%	4.5	3.9	4.0	87.6%	4.9%
<i>Training and development</i>	0.4	6.7	0.4	7.1	165.5%	6.1%	0.8	7.4	7.5	1.7%	8.5%
Transfers and subsidies¹	0.2	-	0.1	-	-100.0%	0.1%	-	-	-	-	-
Households	0.2	-	0.1	-	-100.0%	0.1%	-	-	-	-	-
Payments for capital assets	0.3	0.3	0.6	0.2	-9.8%	0.6%	0.6	0.6	0.7	48.3%	0.8%
Machinery and equipment	0.3	0.3	0.6	0.2	-9.8%	0.6%	0.6	0.6	0.7	48.3%	0.8%
Total	55.2	64.9	60.6	58.3	1.8%	100.0%	74.6	67.5	65.6	4.0%	100.0%
Proportion of total programme expenditure to vote expenditure	1.0%	1.3%	1.1%	1.8%	-	-	2.0%	2.8%	2.7%	-	-

1. Estimates of National Expenditure data tables are available at www.treasury.gov.za. These tables contain detailed information by goods and services, and transfers and subsidies items by programme.

Personnel information

Table 30.17 ICT Information Society and Capacity Development personnel numbers and cost by salary level¹

ICT Information Society and Capacity Development	Number of posts estimated for 31 March 2021		Number and cost ² of personnel posts filled/planned for on funded establishment												Number				
	Number of funded posts	Number of posts additional to the establishment	Actual						Revised estimate						2020/21 - 2023/24	Average: Salary level/Total (%)			
			2019/20			2020/21			2021/22			2022/23					2023/24		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			Number	Cost	Unit cost
Salary level	52	-	48	41.4	0.9	60	45.2	0.8	60	46.0	0.8	58	44.3	0.8	56	42.1	0.8	-2.3%	100.0%
1-6	8	-	8	1.9	0.2	8	1.9	0.2	8	1.9	0.2	8	2.0	0.2	8	2.0	0.3	-	13.7%
7-10	14	-	14	4.8	0.3	20	7.4	0.4	20	7.5	0.4	20	7.7	0.4	20	7.8	0.4	0.0%	34.2%
11-12	12	-	11	12.1	1.1	15	13.7	0.9	15	13.9	0.9	14	12.9	0.9	14	13.1	0.9	-2.3%	24.8%
13-16	18	-	15	22.6	1.5	17	22.2	1.3	17	22.6	1.3	16	21.7	1.4	14	19.2	1.4	-6.3%	27.4%

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

Entities

Broadband Infraco

Selected performance indicators

Table 30.18 Broadband Infraco performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2017/18	2018/19	2019/20		2020/21	2021/22	2022/23
Network performance rebates paid as percentage of gross revenue per year	Network operations	Priority 2: Economic transformation and job creation	0.18% (R682 000/ R379m)	0.15% (R606 000/ R411m)	0.08% (R394 000/ R468m)	≤0.3%	0.3%	0.3%	0.3%

Table 30.18 Broadband Infraco performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Actual time taken to restore core network faults per year	Network operations		7.5 hours	5.9 hours	5.7 hours	7.5 hours	7.5 hours	7.25 hours	7 hours
Number of government sites connected to the Broadband Infraco network for phase 1 of the South Africa Connect broadband policy per year	Network operations	Priority 2: Economic transformation and job creation	166	258	333	713	713	713	713

Entity overview

Broadband Infraco's legislative mandate, as set out in the Broadband Infraco Act (2007), is to provide ICT infrastructure and broadband capacity in South Africa. Its main objectives are to expand the availability and affordability of access to electronic communications, including but not limited to underdeveloped and underserved areas; ensure that the bandwidth requirements for specific projects of national interests are met; and enable the state to provide affordable access to electronic communications networks and services.

Over the medium term, the entity will focus on implementing the South Africa Connect broadband policy, and on expanding and maintaining its long-haul network to support client needs. This will also include monitoring the performance of the undersea West Africa cable system, which enables connectivity between Europe and Africa. The entity facilitates the connection of 713 government sites to broadband, and aims to maintain the time taken to restore faults on the core network at 7.5 hours.

Expenditure is expected to increase at an average annual rate of 4.3 per cent, from R673.7 million in 2020/21 to R763.8 million in 2023/24. This is driven by increased spending on goods and services, which accounts for 55.1 per cent (R1.2 billion) of total projected spending over the medium term, mostly related to the cost of providing connectivity services. As the entity increases its connectivity infrastructure service offerings, revenue is expected to increase at an average annual rate of 9.9 per cent, from R557 million in 2020/21 to R738.5 million in 2023/24.

Programmes/Objectives/Activities

Table 30.19 Broadband Infraco 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 (%)
	2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21		2021/22	2022/23	2023/24	2020/21 - 2023/24	
Administration	177.4	209.5	241.9	155.4	-4.3%	30.7%	186.6	187.9	188.8	6.7%	25.0%
Network operations	408.5	399.0	450.1	518.3	8.3%	69.3%	525.4	535.5	575.1	3.5%	75.0%
Total	585.9	608.5	692.0	673.7	4.8%	100.0%	712.0	723.4	763.8	4.3%	100.0%

Statements of financial performance, cash flow and financial position

Table 30.20 Broadband Infraco statements of financial performance, cash flow and financial position

Statement of financial performance											
R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21		2021/22	2022/23	2023/24	2020/21 - 2023/24	
Revenue											
Non-tax revenue	472.4	593.8	581.0	557.0	5.6%	100.0%	612.5	670.3	738.5	9.9%	100.0%
Sale of goods and services other than capital assets of which:	468.8	589.4	574.0	556.0	5.9%	99.3%	611.5	669.2	737.4	9.9%	99.8%
<i>Sales by market establishment</i>	468.8	589.4	574.0	556.0	5.9%	99.3%	611.5	669.2	737.4	9.9%	99.8%
Other non-tax revenue	3.6	4.4	7.1	1.0	-36.1%	0.7%	1.0	1.0	1.1	5.0%	0.2%
Total revenue	472.4	593.8	581.0	557.0	5.6%	100.0%	612.5	670.3	738.5	9.9%	100.0%

Table 30.20 Broadband Infraco statements of financial performance, cash flow and financial position

Statement of financial performance											
R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21	2021/22	2022/23	2023/24	2020/21 - 2023/24		
Expenses											
Current expenses	585.9	608.2	692.0	673.7	4.8%	100.0%	712.0	723.4	763.8	4.3%	100.0%
Compensation of employees	102.0	105.2	119.7	111.9	3.1%	17.1%	122.1	130.1	138.6	7.4%	17.5%
Goods and services	238.7	233.8	282.3	356.6	14.3%	43.2%	375.6	401.0	452.9	8.3%	55.1%
Depreciation	151.0	163.0	167.8	178.8	5.8%	25.8%	163.9	148.3	134.4	-9.1%	21.9%
Interest, dividends and rent on land	94.1	106.3	122.3	26.5	-34.5%	13.8%	50.3	44.0	37.9	12.7%	5.5%
Tax payment	-	0.3	-	-	-	-	-	-	-	-	-
Total expenses	585.9	608.5	692.0	673.7	4.8%	100.0%	712.0	723.4	763.8	4.3%	100.0%
Surplus/(Deficit)	(113.5)	(14.7)	(111.0)	(116.8)	1.0%		(99.4)	(53.1)	(25.3)	-39.9%	
Cash flow statement											
Cash flow from operating activities	45.1	143.1	135.0	71.1	16.4%	100.0%	89.2	137.0	163.5	32.0%	100.0%
Receipts											
Non-tax receipts	382.8	573.6	475.9	556.0	13.2%	100.0%	611.5	669.2	737.4	9.9%	100.0%
Sales of goods and services other than capital assets	379.2	569.2	468.8	556.0	13.6%	99.2%	611.5	669.2	737.4	9.9%	100.0%
Other sales	379.2	569.2	468.8	556.0	13.6%	99.2%	611.5	669.2	737.4	9.9%	100.0%
Other tax receipts	3.6	4.4	7.1	-	-100.0%	0.8%	-	-	-	-	-
Total receipts	382.8	573.6	475.9	556.0	13.2%	100.0%	611.5	669.2	737.4	9.9%	100.0%
Payment											
Current payments	337.8	430.4	340.9	484.9	12.8%	100.0%	522.4	532.2	573.9	5.8%	100.0%
Compensation of employees	102.0	105.2	119.7	111.9	3.1%	28.2%	122.1	130.1	138.6	7.4%	23.8%
Goods and services	141.6	316.6	215.9	346.6	34.8%	62.6%	350.0	358.2	397.3	4.7%	68.7%
Interest and rent on land	94.1	8.7	5.3	26.5	-34.5%	9.2%	50.3	44.0	37.9	12.7%	7.5%
Total payments	337.8	430.4	340.9	484.9	12.8%	100.0%	522.4	532.2	573.9	5.8%	100.0%
Net cash flow from investing activities	(40.5)	(67.7)	(75.7)	(482.0)	128.4%	100.0%	(34.1)	(32.0)	(132.6)	-35.0%	100.0%
Acquisition of property, plant, equipment and intangible assets	(40.6)	(68.0)	(75.8)	(482.0)	128.2%	100.2%	(34.1)	(32.0)	(132.6)	-35.0%	100.0%
Acquisition of software and other intangible assets	(0.6)	(0.0)	-	-	-100.0%	0.4%	-	-	-	-	-
Proceeds from the sale of property, plant, equipment and intangible assets	0.7	0.3	0.0	-	-100.0%	-0.5%	-	-	-	-	-
Net cash flow from financing activities	(20.6)	0.2	(44.7)	404.7	-369.9%	100.0%	(52.8)	(50.4)	24.6	-60.7%	100.0%
Borrowing activities	(20.6)	0.2	(44.7)	404.7	-369.9%	100.0%	(52.8)	(50.4)	24.6	-60.7%	100.0%
Net increase/(decrease) in cash and cash equivalents	(16.0)	75.6	14.5	(6.2)	-27.1%	2.7%	2.3	54.7	55.5	-307.8%	3.6%
Statement of financial position											
Carrying value of assets	1 139.1	1 144.8	1 121.1	1 365.8	6.2%	88.8%	1 236.1	1 119.7	1 117.9	-6.5%	86.0%
Acquisition of assets	(40.6)	(68.0)	(75.8)	(482.0)	128.2%	100.0%	(34.1)	(32.0)	(132.6)	-35.0%	100.0%
Investments	12.8	10.4	10.1	10.1	-7.8%	0.8%	8.9	7.8	6.7	-12.9%	0.6%
Receivables and prepayments	78.7	96.9	48.4	90.2	4.7%	5.8%	125.7	137.3	151.0	18.7%	9.0%
Cash and cash equivalents	19.6	95.1	109.6	18.7	-1.5%	4.6%	21.0	75.6	130.9	91.3%	4.4%
Total assets	1 250.2	1 347.2	1 289.2	1 484.8	5.9%	100.0%	1 391.7	1 340.4	1 406.4	-1.8%	100.0%
Accumulated surplus/(deficit)	(1 193.0)	(1 207.7)	(1 317.4)	(1 514.5)	8.3%	-97.3%	(1 613.9)	(1 667.0)	(1 692.3)	3.8%	-115.7%
Capital reserve fund	-	-	-	1 829.5	-	30.8%	1 829.5	1 829.5	1 829.5	-	130.3%
Borrowings	31.8	356.8	246.4	347.5	121.8%	17.9%	297.1	221.4	227.7	-13.1%	19.4%
Finance lease	-	-	56.6	-	-	1.1%	-	-	-	-	-
Deferred income	489.1	559.2	515.0	500.7	0.8%	38.6%	543.8	588.1	637.0	8.4%	40.5%
Trade and other payables	85.9	155.5	184.3	304.5	52.5%	13.3%	285.6	313.7	362.1	5.9%	22.5%
Taxation	-	-	1.1	2.4	-	0.1%	34.9	39.7	27.2	123.1%	1.9%
Provisions	466.3	10.7	20.2	14.6	-68.5%	10.2%	14.6	14.9	15.3	1.6%	1.1%
Derivatives financial instruments	1 370.0	1 472.7	1 583.2	-	-100.0%	85.4%	-	-	-	-	-
Total equity and liabilities	1 250.2	1 347.2	1 289.2	1 484.8	5.9%	100.0%	1 391.7	1 340.4	1 406.4	-1.8%	100.0%

Personnel information**Table 30.21 Broadband Infraco personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020		Number and cost ¹ of personnel posts filled/planned for on funded establishment														Number				
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate									Average growth rate (%)	Average: Salary level/Total (%)		
		2019/20			2020/21			2021/22			2022/23			2023/24						
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			2020/21 - 2023/24	
Broadband Infraco		186	186	158	119.7	0.8	160	111.9	0.7	160	122.1	0.8	160	130.1	0.8	160	138.6	0.9	7.4%	100.0%
Salary level																				
1 – 6	60	60	54	14.5	0.3	56	14.1	0.3	56	17.4	0.3	56	18.1	0.3	56	18.8	0.3	10.2%	13.6%	
7 – 10	80	80	63	43.6	0.7	63	40.3	0.6	63	43.1	0.7	63	46.1	0.7	63	49.3	0.8	7.0%	35.6%	
11 – 12	–	–	–	1.0	–	–	0.9	–	–	1.0	–	–	1.1	–	–	1.1	–	7.0%	0.8%	
13 – 16	42	42	37	48.7	1.3	37	45.3	1.2	37	48.5	1.3	37	51.9	1.4	37	55.5	1.5	7.0%	40.0%	
17 – 22	4	4	4	11.9	3.0	4	11.3	2.8	4	12.1	3.0	4	12.9	3.2	4	13.8	3.5	7.0%	10.0%	

1. Rand million.

Film and Publications Board**Selected performance indicators****Table 30.22 Film and Publication Board performance indicators by programme/objective/activity and related priority**

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2017/18	2018/19	2019/20		2020/21	2021/22	2022/23
Number of convergence surveys conducted per year	Industry compliance	Entity mandate	3 000	0	3 000	3 000	9 000	1 000	1 000
Number of unregistered distributors identified per year	Industry compliance		3 789	2 447	2 000	2 000	2 000	2 500	2 500
Number of raids conducted in provinces per year	Industry compliance		93	130	24	24	48	60	65
Number of inspections conducted on existing distributors per year	Industry compliance		8 118	7 926	6 000	6 000	6 000	7 000	7 000
Number of stakeholder relation strategies developed and implemented per year	Public awareness and education		4	3	4	4	4	4	4

Entity overview

The Film and Publication Board was established in terms of the Films and Publications Act (1996), as amended, and is listed as a schedule 3A public entity in terms of the Public Finance Management Act (1999). Its mandate is to regulate the creation, production, possession and distribution of certain publications and films by classifying them; imposing age restrictions on content; and rendering the exploitative use of children in pornographic publications, films or online material punishable.

Over the medium term, the board will focus on improving and automating the registration process for distributors; conducting a targeted 20 000 inspections to ensure compliance with relevant legislation; and reviewing classification guidelines to take into account societal norms, standards and values.

Expenditure is expected to increase at an average annual rate of 4.6 per cent, from R113.8 million in 2020/21 to R130.2 million in 2023/24. Compensation of employees accounts for an estimated 54.7 per cent (R203.4 million) of expenditure over the MTEF period.

The board expects to derive 84.8 per cent (R307.7 million) of its revenue over the medium term through transfers from the department, and the remainder through fees for classification and registration. Total revenue is expected to increase at an average annual rate of 4.6 per cent, from R113.8 million in 2020/21 to R130.2 million in 2023/24.

Programmes/Objectives/Activities**Table 30.23 Film and Publication Board expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/ Total (%)
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24		
Administration	64.6	72.6	71.4	80.5	7.6%	71.3%	98.6	102.3	107.7	10.2%	80.5%
Industry compliance	10.6	7.0	12.3	13.6	8.8%	10.6%	11.4	11.7	13.9	0.7%	10.5%
Public awareness and education	6.2	2.9	4.4	4.7	-8.9%	4.5%	6.0	6.1	6.9	14.1%	4.9%
Online and mobile content regulation	9.7	10.5	11.4	11.5	5.8%	10.6%	0.8	1.7	1.7	-47.2%	3.4%
Partnerships and collaboration	1.8	3.3	3.2	3.6	25.3%	2.9%	-	-	-	-100.0%	0.8%
Total	92.8	96.2	102.6	113.8	7.0%	100.0%	116.8	121.7	130.2	4.6%	100.0%

Statements of financial performance, cash flow and financial position**Table 30.24 Film and Publication Board statements of financial performance, cash flow and financial position**

Statement of financial performance											
R million	Audited outcome			Revised estimate 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/ Total (%)
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24		
Revenue											
Non-tax revenue	8.6	8.8	7.6	13.2	15.2%	9.0%	15.8	18.9	26.4	26.0%	15.2%
Sale of goods and services other than capital assets	7.7	7.9	6.4	12.1	16.2%	8.0%	14.5	17.4	24.6	26.6%	14.1%
<i>of which:</i>											
Administrative fees	7.7	7.9	6.4	12.1	16.2%	8.0%	14.5	17.4	24.6	26.6%	14.1%
Other non-tax revenue	0.9	0.9	1.2	1.0	5.8%	0.9%	1.4	1.5	1.7	18.5%	1.2%
Transfers received	91.7	94.6	99.4	100.6	3.1%	91.0%	100.9	102.9	103.9	1.1%	84.8%
Total revenue	100.3	103.4	107.0	113.8	4.3%	100.0%	116.8	121.7	130.2	4.6%	100.0%
Expenses											
Current expenses	92.8	96.2	102.6	113.8	7.0%	100.0%	116.8	121.7	130.2	4.6%	100.0%
Compensation of employees	53.2	57.9	58.2	60.7	4.5%	56.9%	64.9	67.9	70.6	5.2%	54.7%
Goods and services	37.1	35.8	44.5	53.1	12.6%	41.8%	51.9	53.9	59.6	4.0%	45.3%
Depreciation	2.5	2.4	-	-	-100.0%	1.3%	-	-	-	-	-
Interest, dividends and rent on land	-	0.1	-	-	-	-	-	-	-	-	-
Total expenses	92.8	96.2	102.6	113.8	7.0%	100.0%	116.8	121.7	130.2	4.6%	100.0%
Surplus/(Deficit)	7.5	7.2	4.3	-	-100.0%		-	-	-	-	-

Personnel information**Table 30.25 Film and Publication Board personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020		Number and cost ¹ of personnel posts filled/planned for on funded establishment												Number				
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
		2019/20		Unit cost	2020/21		Unit cost	2021/22		Unit cost	2022/23		Unit cost			2023/24		Unit cost
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Film and Publication Board		104	58.2	0.6	106	60.7	0.6	111	64.9	0.6	105	67.9	0.6	105	70.6	0.7	5.2%	100.0%
Salary level	107																	
1-6	17	17	2.8	0.2	17	3.0	0.2	17	3.2	0.2	17	3.5	0.2	17	3.6	0.2	6.5%	5.0%
7-10	73	73	35.2	0.5	72	37.4	0.5	74	40.0	0.5	71	42.5	0.6	71	44.2	0.6	5.7%	62.1%
11-12	12	12	11.9	1.0	12	12.4	1.0	15	13.0	0.9	12	12.4	1.0	12	12.9	1.1	1.5%	19.2%
13-16	5	5	8.3	1.7	5	7.9	1.6	5	8.8	1.8	5	9.5	1.9	5	9.9	2.0	7.5%	13.6%
17-22	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

1. Rand million.

Independent Communications Authority of South Africa

Selected performance indicators

Table 30.26 Independent Communications Authority of South Africa performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Access to high-demand spectrum from 566.695 megahertz (MHz) to 958 MHz per year	Licensing	Priority 2: Economic transformation and job creation	850 MHz	958 MHz	958 MHz	958 MHz	958 MHz	958 MHz	958 MHz
Number of community television licences issued per year	Licensing	Entity mandate	– ¹	– ¹	– ¹	14	13	13	13
Number of reports produced per year with recommendations on South Africa's readiness for 5G	Engineering and technology		1	1	1	1	1	1	1
Number of tariff analysis reports produced per year	Policy research and analysis		3	2	2	2	2	2	2
Number of broadcasting licences monitored per year	Compliance and consumer affairs		71	60	65	70	75	85	85
Percentage of consumer complaints resolved per year	Compliance and consumer affairs		93% (5 706/ 6 115)	94% (7 896/ 8 360)	96%	85%	85%	85%	85%
Number of electronic communications network service licensees monitored per year	Compliance and consumer affairs		100	60	65	70	75	85	85

1. No historical data available.

Entity overview

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 is listed as a schedule 1 public entity in terms of the Public Finance Management Act (1999), and is a chapter 9 institution in terms of the Constitution. It derives its mandate from the Electronic Communications Act (2005) to license and regulate electronic communications and broadcasting services, and the Postal Services Act (1998) to license and regulate the postal services sector. The authority is empowered to monitor licensee compliance with licence terms and conditions, develop regulations for the 3 sectors, plan and manage the radio frequency spectrum, and protect consumers in relation to these services.

Over the medium term, the authority will focus on increasing internet access, specifically to wireless broadband services, by licensing the international mobile telecommunications spectrum; protecting consumers against unfair practices by service providers; increasing competition in the telecommunications and broadcasting sectors through various services and projects; developing a framework for dynamic spectrum management; and monitoring the quality of the services it provides by implementing a system to manage network performance. The authority plans to issue 13 community television licences per year over the medium term and monitor 245 broadcasting licences.

Expenditure is expected to decrease at an average annual rate of 4.2 per cent, from R559 million in 2020/21 to R491.4 million in 2023/24, mostly as one-off funding of R84.7 million in 2020/21 and R48.2 million in 2021/22 for the licensing of spectrum comes to an end. As the authority requires highly specialised personnel to conduct its work, spending on compensation of employees accounts for an estimated 77 per cent (R1.2 billion) of expenditure over the MTEF period. The authority expects to derive 96.8 per cent (R1.5 billion) of its revenue over the medium term through transfers from the department and the remainder through interest on investments.

Programmes/Objectives/Activities

Table 30.27 Independent Communications Authority of South Africa expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/Total (%) 2017/18 - 2020/21	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/Total (%) 2020/21 - 2023/24
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24		
Administration	270.8	278.8	255.7	249.4	-2.7%	53.8%	274.3	226.3	219.8	-4.1%	47.1%
Licensing	52.5	53.8	56.7	138.2	38.1%	14.8%	67.0	69.6	72.7	-19.3%	16.7%
Engineering and technology	18.3	22.7	21.1	20.5	3.8%	4.2%	21.9	23.4	24.4	6.1%	4.4%
Policy research and analysis	22.5	29.5	23.6	26.3	5.3%	5.2%	28.1	30.1	31.4	6.2%	5.7%
Compliance and consumer affairs	31.0	27.7	34.2	29.8	-1.3%	6.3%	31.9	34.0	35.6	6.1%	6.4%
Regions	69.6	75.1	73.8	94.8	10.8%	15.8%	101.1	102.7	107.4	4.2%	19.8%
Total	464.7	487.6	465.1	559.0	6.3%	100.0%	524.3	486.1	491.4	-4.2%	100.0%

Statements of financial performance, cash flow and financial position

Table 30.28 Independent Communications Authority of South Africa statements of financial performance, cash flow and financial position

R million	Audited outcome			Revised estimate 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/Total (%) 2017/18 - 2020/21	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/Total (%) 2020/21 - 2023/24
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24		
Statement of financial performance											
Revenue											
Non-tax revenue	19.4	14.9	12.7	15.2	-7.7%	3.2%	16.1	16.7	17.4	4.6%	3.2%
of which:											
Other non-tax revenue	19.4	14.9	12.7	15.2	-7.7%	3.2%	16.1	16.7	17.4	4.6%	3.2%
Transfers received	432.2	444.8	479.9	543.7	8.0%	96.8%	508.2	469.4	473.9	-4.5%	96.8%
Total revenue	451.6	459.7	492.6	559.0	7.4%	100.0%	524.3	486.1	491.4	-4.2%	100.0%
Expenses											
Current expenses	464.7	487.6	465.1	559.0	6.3%	100.0%	524.3	486.1	491.4	-4.2%	100.0%
Compensation of employees	290.2	306.4	296.3	357.3	7.2%	63.2%	382.3	409.1	427.5	6.2%	77.0%
Goods and services	157.4	162.6	151.8	183.7	5.3%	33.2%	123.1	57.3	43.2	-38.3%	19.2%
Depreciation	17.2	18.5	17.0	17.9	1.4%	3.6%	18.8	19.8	20.6	4.8%	3.8%
Interest, dividends and rent on land	0.0	0.0	0.0	0.0	47.9%	-	0.0	0.0	0.0	4.4%	-
Transfers and subsidies	-	-	-	-	-	-	-	-	-	-	-
Total expenses	464.7	487.6	465.1	559.0	6.3%	100.0%	524.3	486.1	491.4	-4.2%	100.0%
Surplus/(Deficit)	(13.2)	(27.9)	27.5	-	-100.0%	-	-	-	-	-	-

Personnel information

Table 30.29 Independent Communications Authority of South Africa personnel numbers and cost by salary level

Number of posts estimated for 31 March 2020		Number and cost ¹ of personnel posts filled/planned for on funded establishment												Number					
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%) 2020/21 - 2023/24	Average: Salary level/Total (%) 2020/21 - 2023/24				
		2019/20		2020/21		2021/22		2022/23		2023/24									
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Independent Communications Authority of South Africa																			
Salary level	364	364	362	296.3	0.8	361	357.3	1.0	361	382.3	1.1	361	409.1	1.1	361	427.5	1.2	6.2%	100.0%
1 - 6	10	10	9	18.8	2.1	9	41.5	4.6	9	44.0	4.9	9	41.3	4.6	9	47.2	5.2	4.4%	11.1%
7 - 10	205	205	205	115.3	0.6	204	130.2	0.6	204	140.6	0.7	204	152.8	0.7	204	158.0	0.8	6.7%	36.9%
11 - 12	95	95	94	82.6	0.9	94	93.2	1.0	94	100.7	1.1	94	109.4	1.2	94	113.2	1.2	6.7%	26.4%
13 - 16	53	53	53	76.9	1.5	53	89.3	1.7	53	93.8	1.8	53	101.9	1.9	53	105.4	2.0	5.7%	24.8%
17 - 22	1	1	1	2.7	2.7	1	3.1	3.1	1	3.3	3.3	1	3.6	3.6	1	3.7	3.7	6.7%	0.9%

1. Rand million.

National Electronic Media Institute of South Africa

Selected performance indicators

Table 30.30 National Electronic Media Institute of South Africa performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Number of new collaboration agreements signed per year	Multistakeholder collaboration	Entity mandate	6	8	0	2	2	2	3
Number of e-literacy learners trained per year	e-Astuteness development		4 408	4 884	6 500	30 000	60 000	180 000	250 000
Number of learners trained as creative media practitioners per year	e-Astuteness development		364	318	144	114	120	500	1000
Number of citizens trained on specialist technology per year	e-Astuteness development		0	337	375	800	2 750	5 000	10 000
Number of creative media courses developed per year	e-Astuteness development		-1	-1	-1	1	1	1	0
Number of hackathons hosted per year	Knowledge for innovation		-1	-1	-1	1	1	1	1

1. No historical data available.

Entity overview

The National Electronic Media Institute of South Africa was established as a non-profit institute for education in terms of the Companies Act (2008), and is listed as a schedule 3A public entity in terms of the Public Finance Management Act (1999). Its programmes were initially structured to enhance the market readiness of students in broadcasting, but its mandate has been expanded to include the development of South Africans' e-skills capacity. The institute is also responsible for the implementation of e-skills programmes in collaboration with its partners.

Over the medium term, the institute will focus on implementing its operating model and e-skills agenda in collaboration with government, education, business and civil society. Identified e-skills priority areas include government e-enablement, creative new media industries, e-inclusion and social innovation. As such, the institute aims to provide specialist technology skills to 17 750 citizens by 2023/24, and increase the number of learners trained in e-literacy from 30 000 in 2020/21 to 250 000 in 2023/24.

Expenditure is expected to increase at an average annual rate of 1.9 per cent, from R97.4 million in 2020/21 to R103.1 million in 2023/24. Goods and services, mainly rental costs, account for an estimated 32.6 per cent (R97.9 million) of expenditure over the medium term, while transfers and subsidies to higher education institutions to fund e-skills projects account for an estimated 34.8 per cent (R106 million).

The institute derives all of its revenue through transfers from the department, which is expected to increase in line with expenditure at an average annual rate of 1.9 per cent, from R97.4 million in 2020/21 to R103.1 million in 2023/24.

Programmes/Objectives/Activities

Table 30.31 National Electronic Media Institute of South Africa 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 (%)
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23		
R million											
Administration	68.2	53.3	59.4	57.6	-5.5%	57.0%	57.2	52.6	51.6	-3.6%	54.7%
Multistakeholder collaboration	5.2	1.2	1.5	10.5	26.1%	4.6%	-	-	-	-100.0%	2.7%
e-Astuteness development	16.1	39.7	47.6	10.5	-13.3%	26.5%	37.9	42.3	44.3	61.6%	33.4%
Knowledge for innovation	12.8	7.0	8.3	12.7	-0.3%	9.8%	1.9	5.3	5.5	-24.1%	6.4%
Aggregation framework	1.5	0.1	0.2	6.2	60.1%	2.0%	1.5	1.9	1.8	-34.2%	2.8%
Total	103.8	101.4	116.9	97.4	-2.1%	100.0%	98.5	102.1	103.1	1.9%	100.0%

Statements of financial performance, cash flow and financial position**Table 30.31 National Electronic Media Institute of South Africa statements of financial performance, cash flow and financial position**

Statement of financial performance				Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome			2020/21				2021/22 - 2023/24				
R million	2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21	2021/22	2022/23	2023/24	2020/21 - 2023/24		
Revenue											
Non-tax revenue	8.6	4.6	3.2	–	-100.0%	4.0%	–	–	–	–	
Sale of goods and services other than capital assets of which:	–	0.0	–	–	–	–	–	–	–	–	
Sales by market establishment	–	0.0	–	–	–	–	–	–	–	–	
Other non-tax revenue	8.6	4.5	3.2	–	-100.0%	4.0%	–	–	–	–	
Transfers received	90.4	94.8	112.3	97.4	2.5%	96.0%	98.5	102.1	103.1	1.9%	
Total revenue	99.0	99.4	115.5	97.4	-0.5%	100.0%	98.5	102.1	103.1	1.9%	
Expenses											
Current expenses	103.8	53.9	65.0	63.7	-15.0%	68.5%	70.7	63.8	63.1	-0.3%	
Compensation of employees	21.8	25.2	27.2	31.2	12.7%	25.3%	31.4	33.3	34.7	3.5%	
Goods and services	80.4	27.5	36.0	32.3	-26.2%	42.1%	39.2	30.4	28.3	-4.4%	
Depreciation	1.5	1.1	1.9	0.1	-55.6%	1.1%	0.1	0.1	0.2	5.5%	
Transfers and subsidies	–	47.5	51.9	33.8	–	31.5%	27.7	38.3	40.0	5.8%	
Total expenses	103.8	101.4	116.9	97.4	-2.1%	100.0%	98.5	102.1	103.1	1.9%	
Surplus/(Deficit)	(4.8)	(2.0)	(1.5)	–	-100.0%	–	–	–	–	–	

Personnel information**Table 30.32 National Electronic Media Institute of South Africa personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020		Number and cost ¹ of personnel posts filled/planned for on funded establishment												Number					
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2019/20			2020/21			2021/22		2022/23		2023/24				2020/21 - 2023/24			
National Electronic Media Institute of South Africa		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	48	48	40	27.2	0.7	33	31.2	0.9	48	31.4	0.7	48	33.3	0.7	48	34.7	0.7	3.5%	100.0%
1 – 6	7	7	7	3.1	0.4	7	2.0	0.3	7	1.8	0.3	7	2.1	0.3	7	2.2	0.3	4.0%	6.2%
7 – 10	26	26	23	12.3	0.5	19	12.3	0.6	26	14.1	0.5	26	12.8	0.5	26	13.4	0.5	2.8%	40.3%
11 – 12	9	9	5	6.0	1.2	4	8.6	2.1	9	7.9	0.9	9	9.3	1.0	9	9.7	1.1	4.0%	27.1%
13 – 16	6	6	5	5.7	1.1	3	8.4	2.8	6	7.7	1.3	6	9.0	1.5	6	9.4	1.6	4.0%	26.4%
17 – 22	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

1. Rand million.

Sentech**Selected performance indicators****Table 30.33 Sentech performance indicators by programme/objective/activity and related priority**

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Percentage household coverage of digital television infrastructure per year	Attain digital terrestrial television network	Priority 1: A capable, ethical and developmental state	85% (43.8 million/ 51.7 million)	85% (43.8 million/ 51.7 million)	85% (43.8 million/ 51.7 million)	85%	85%	85%	85%
Percentage availability of digital terrestrial television per year	Attain digital terrestrial television network	Priority 2: Economic transformation and job creation	99.9% (1.01 million hours/ 1.02 million hours)	99.9% (1.01 million hours/ 1.02 million hours)	99.9% (1.01 million hours/ 1.02 million hours)	99.9% (1.01 million hours/ 1.02 million hours)	99.9%	99.9%	99.9%
Number of digital products launched for customers per year	Attain digital terrestrial television network		– ¹	– ¹	2	2	2	2	2

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 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 continue to focus on providing customers with satellite services, analogue and digital television and radio services, and streaming services. This will enable the entity to ensure that it provides digital television coverage to 85 per cent of households per year, and that digital terrestrial television is available for 99.9 per cent of households each year. It will also continue to work towards switching off the analogue signal as part of the broadcasting digital migration project, and will assist the Universal Service and Access Fund with the installation of set-top boxes.

Goods and services account for an estimated 45.7 per cent (R1.8 billion) of expenditure over the MTEF period, mostly for service expenses such as satellite costs; and spending on compensation of employees accounts for an estimated 41 per cent (R1.7 billion) as the entity's work requires highly skilled personnel. Total expenditure is expected to increase at an average annual rate of 4.4 per cent, from R1.2 billion in 2020/21 to R1.4 billion in 2023/24.

The entity expects to derive 90.6 per cent (R3.8 billion) of its revenue over the MTEF period through television, radio and streaming services rendered to customers, and the remainder through transfers from the department through project-specific funding for dual illumination, which is the operation of analogue and digital signals. Revenue is expected to increase at an average annual rate of 1.4 per cent, from R1.3 billion in 2020/21 to R1.4 billion in 2023/24.

Programmes/Objectives/Activities

Table 30.34 Sentech expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/Total (%) 2017/18 - 2020/21	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/Total (%) 2020/21 - 2023/24
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24		
Administration	1 129.9	1 149.5	1 486.6	1 057.7	-2.2%	89.2%	1 112.6	1 166.5	1 219.0	4.8%	87.5%
Attain digital terrestrial television network	134.9	130.6	150.3	158.2	5.4%	10.8%	166.4	158.8	165.9	1.6%	12.5%
Total	1 264.9	1 280.1	1 636.9	1 215.8	-1.3%	100.0%	1 279.0	1 325.3	1 384.9	4.4%	100.0%

Statements of financial performance, cash flow and financial position

Table 30.35 Sentech statements of financial performance, cash flow and financial position

Statement of financial performance											
R million	Audited outcome			Revised estimate 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/Total (%) 2017/18 - 2020/21	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/Total (%) 2020/21 - 2023/24
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24		
Revenue											
Non-tax revenue	1 260.3	1 350.8	1 418.5	1 138.7	-3.3%	89.7%	1 223.0	1 292.3	1 350.5	5.8%	92.1%
Sale of goods and services other than capital assets	1 192.5	1 268.6	1 334.9	1 118.8	-2.1%	85.4%	1 202.0	1 270.3	1 327.5	5.9%	90.6%
<i>of which:</i>											
<i>Sales by market establishment</i>	1 192.5	1 268.6	1 334.9	1 118.8	-2.1%	85.4%	1 202.0	1 270.3	1 327.5	5.9%	90.6%
Other non-tax revenue	67.8	82.3	83.6	20.0	-33.4%	4.3%	21.0	22.0	23.0	4.7%	1.6%
Transfers received	157.1	130.6	146.0	154.8	-0.5%	10.3%	137.7	133.7	-	-100.0%	7.9%
Total revenue	1 417.4	1 481.4	1 564.5	1 293.5	-3.0%	100.0%	1 360.7	1 426.0	1 350.5	1.4%	100.0%
Expenses											
Current expenses	1 212.4	1 218.2	1 636.9	1 185.6	-0.7%	97.1%	1 247.2	1 292.0	1 350.1	4.4%	97.5%
Compensation of employees	415.9	453.1	463.8	484.2	5.2%	34.1%	525.0	550.7	575.5	5.9%	41.0%
Goods and services	693.3	675.5	778.2	571.1	-6.3%	50.5%	585.5	598.0	624.9	3.0%	45.7%
Depreciation	99.1	85.6	233.5	130.2	9.5%	9.9%	136.7	143.3	149.7	4.8%	10.8%
Interest, dividends and rent on land	4.2	4.0	161.4	0.1	-75.6%	2.6%	0.1	0.1	0.1	4.8%	-
Tax payment	52.4	61.9	-	30.2	-16.8%	2.9%	31.8	33.3	34.8	4.8%	2.5%
Total expenses	1 264.9	1 280.1	1 636.9	1 215.8	-1.3%	100.0%	1 279.0	1 325.3	1 384.9	4.4%	100.0%
Surplus/(Deficit)	152.5	201.3	(72.4)	77.7	-20.1%		81.7	100.7	(34.5)	-176.3%	

Table 30.35 Sentech statements of financial performance, cash flow and financial position

Cash flow statement	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2017/18	2018/19	2019/20				2020/21	2021/22	2022/23		
R million											
Cash flow from operating activities	(96.8)	87.8	327.4	3.8	-134.1%	100.0%	87.0	484.6	506.4	409.4%	100.0%
Receipts											
Non-tax receipts	1 247.1	1 329.1	1 418.5	1 216.2	-0.8%	89.8%	1 301.8	1 508.6	1 576.5	9.0%	94.8%
Sales of goods and services other than capital assets	1 192.5	1 268.6	1 334.9	1 174.3	-0.5%	85.7%	1 257.8	1 462.5	1 528.3	9.2%	91.7%
Sales by market establishment	1 192.5	1 268.6	1 334.9	1 174.3	-0.5%	85.7%	1 257.8	1 462.5	1 528.3	9.2%	91.7%
Other tax receipts	54.6	60.5	83.6	41.9	-8.4%	4.1%	44.0	46.1	48.2	4.8%	3.1%
Tax benefit	-	-	-	-	-	-	-	-	-	-	-
Total receipts	1 404.2	1 459.7	1 564.5	1 371.0	-0.8%	100.0%	1 439.5	1 508.6	1 576.5	4.8%	100.0%
Payment											
Current payments	1 466.5	1 324.2	1 197.7	1 336.9	-3.0%	97.2%	1 320.8	990.7	1 035.3	-8.2%	97.2%
Compensation of employees	415.9	453.1	476.2	500.0	6.3%	33.9%	525.0	550.7	575.5	4.8%	45.7%
Goods and services	1 046.5	871.1	562.9	836.9	-7.2%	60.0%	795.7	440.0	459.8	-18.1%	51.5%
Interest and rent on land	4.2	0.0	158.6	0.1	-75.6%	3.3%	0.1	0.1	0.1	4.8%	-
Tax payment	34.4	47.7	39.4	30.2	-4.2%	2.8%	31.8	33.3	34.8	4.8%	2.8%
Total payments	1 500.9	1 371.9	1 237.1	1 367.1	-3.1%	100.0%	1 352.5	1 024.0	1 070.1	-7.8%	100.0%
Net cash flow from investing activities	(110.2)	(78.5)	(72.9)	(216.8)	25.3%	100.0%	(229.0)	-	-	-100.0%	-
Acquisition of property, plant, equipment and intangible assets	(110.2)	(78.5)	(72.9)	(216.8)	25.3%	100.0%	(229.0)	-	-	-100.0%	-
Net cash flow from financing activities	215.8	187.0	149.5	127.6	-16.1%	100.0%	51.5	21.5	22.4	-44.0%	100.0%
Deferred income	215.8	177.3	218.2	109.9	-20.1%	106.7%	32.0	-	-	-100.0%	37.1%
Repayment of finance leases	-	-	(84.9)	-	-	-14.2%	-	-	-	-	-
Other flows from financing activities	-	9.7	16.1	17.7	-	7.5%	19.5	21.5	22.4	8.1%	62.9%
Net increase/(decrease) in cash and cash equivalents	8.8	196.3	404.0	(85.4)	-313.4%	8.4%	(90.5)	506.1	528.8	-283.6%	15.6%
Statement of financial position											
Carrying value of assets	954.4	1 161.8	1 128.0	1 061.7	3.6%	37.9%	1 053.8	1 104.3	1 154.0	2.8%	41.8%
Acquisition of assets	(110.2)	(78.5)	(72.9)	(216.8)	25.3%	100.0%	(229.0)	-	-	-100.0%	-
Investments	-	-	1 206.1	-	-	7.0%	-	-	-	-	-
Inventory	82.3	66.4	54.7	84.8	1.0%	2.7%	85.6	89.8	93.8	3.4%	3.4%
Receivables and prepayments	297.9	400.8	343.3	95.5	-31.6%	9.9%	96.5	101.1	105.6	3.4%	3.8%
Cash and cash equivalents	916.1	1 112.4	1 516.4	1 340.3	13.5%	42.0%	1 269.5	1 330.4	1 390.3	1.2%	51.0%
Taxation	12.7	16.2	38.5	-	-100.0%	0.5%	-	-	-	-	-
Total assets	2 263.5	2 757.7	4 286.9	2 582.4	4.5%	100.0%	2 505.4	2 625.6	2 743.8	2.0%	100.0%
Accumulated surplus/(deficit)	1 176.3	1 482.1	1 443.9	1 527.3	9.1%	49.6%	1 609.1	1 686.3	1 762.2	4.9%	63.0%
Capital and reserves	743.8	851.9	851.9	743.8	-	28.1%	743.8	779.5	814.5	3.1%	29.5%
Finance lease	-	-	1 578.0	-	-	9.2%	-	-	-	-	-
Deferred income	94.3	130.4	214.2	142.1	14.6%	4.8%	-	-	-	-100.0%	1.4%
Trade and other payables	146.5	150.2	136.9	66.5	-23.1%	4.4%	49.9	52.3	54.7	-6.3%	2.1%
Taxation	53.1	70.8	4.5	53.1	-	1.8%	53.1	55.6	58.1	3.1%	2.1%
Provisions	49.6	72.2	57.4	49.6	-	2.0%	49.6	52.0	54.3	3.1%	2.0%
Total equity and liabilities	2 263.5	2 757.7	4 286.9	2 582.4	4.5%	100.0%	2 505.4	2 625.6	2 743.8	2.0%	100.0%

Personnel information

Table 30.36 Sentech personnel numbers and cost by salary level

Salary level	Number of posts estimated for 31 March 2020		Number and cost ¹ of personnel posts filled/planned for on funded establishment												Number				
	Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)			
			2019/20	2020/21	2021/22	2022/23	2023/24	2020/21 - 2023/24											
Sentech			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Salary level	495	495	506	463.8	0.9	495	484.2	1.0	484	525.0	1.1	470	550.7	1.2	470	575.5	1.2	5.9%	100.0%
1 - 6	43	43	45	20.0	0.4	43	28.7	0.7	40	32.6	0.8	38	35.6	0.9	38	36.8	1.0	8.7%	6.3%
7 - 10	49	49	51	28.0	0.5	49	32.1	0.7	46	36.2	0.8	44	39.2	0.9	44	45.2	1.0	12.1%	7.1%
11 - 12	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13 - 16	395	395	402	398.2	1.0	395	403.1	1.0	390	437.3	1.1	380	457.0	1.2	380	474.6	1.2	5.6%	83.0%
17 - 22	8	8	8	17.6	2.2	8	20.3	2.5	8	18.8	2.4	8	18.8	2.4	8	18.8	2.4	-2.6%	3.6%

1. Rand million.

South African Broadcasting Corporation

Selected performance indicators

Table 30.37 South African Broadcasting Corporation performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Percentage of local content broadcast on public broadcasting service television channels per year	Local content delivery: Television	Entity mandate	SABC1: 73% SABC2: 71% SABC3: 52%	SABC1: 77.7% SABC2: 87.8% SABC3: 62.5%	SABC1: 68% SABC2: 76% SABC3: 52%	SABC1: 65% SABC2: 65% SABC3: 45%	SABC1: 65% SABC2: 65% SABC3: 45%	SABC1: 65% SABC2: 65% SABC3: 45%	
Hours of marginalised language content broadcast on television channels during prime time per year	Local content delivery: Television		– ¹	– ¹	SABC1: 1 hour 48 minutes; SABC2: 1 hour 54 minutes	SABC1: 1 hour 48 minutes; SABC2: 1 hour 54 minutes	SABC1: 1 hour 48 minutes; SABC2: 1 hour 54 minutes	SABC1: 1 hour 48 minutes; SABC2: 1 hour 54 minutes	SABC1: 1 hour 48 minutes; SABC2: 1 hour 54 minutes
Percentage local music broadcast on public broadcasting service radio stations per year	Local content delivery: Radio		– ¹	75%	73%	70%	70%	70%	70%
Percentage local music broadcast on public broadcasting commercial radio stations per year	Local content delivery: Radio		– ¹	39%	38%	35%	35%	35%	35%
Number of public broadcasting radio stations (excluding Radio 2000) achieving full compliance with the Independent Communications Authority of South Africa's specified genre quotas per year	Local content delivery: Radio		14/14	14/14	13/14	14/14	14/14	14/14	14/14

1. No historical data available.

Entity overview

The South African Broadcasting Corporation derives its mandate from the Broadcasting Act (1999) and is listed as a schedule 2 public entity in the Public Finance Management Act (1999). The corporation is mandated to provide broadcasting and information services through a wide range of programming that displays South African talent in educational and entertainment programmes; offer diverse views through a variety of news, information and analysis; and advance national and public interests through popular sports, for example.

Over the medium term, the corporation will continue to focus on implementing its turnaround plan to ensure financial sustainability. This entails improving the collection of licence fees, and creating new and compelling content to increase audience share and advertising revenue. To support operations that ensure sustainability, the corporation will rely on legislative, policy and regulatory changes by the department. Among these are the repeal of legislation that mandates pay-TV networks to carry the corporation's channels for which adequate compensation has not been finalised; and policy and regulatory support that makes it obligatory for pay-TV service providers to oblige their subscribers to have valid television licences. The corporation is enacting other commercial strategies to increase revenue, audience share and operational efficiencies. As such, the corporation will enhance its focus on new and compelling content.

Expenditure is expected to increase at an average annual rate of 4.2 per cent, from R6.4 billion in 2020/21 to R7.2 billion in 2023/24, driven by increased investment in content, audience research and broadcasting costs. The corporation expects to implement risk-mitigation plans and optimise its personnel structure. Accordingly, the corporation's number of personnel is set to decrease from 2 899 in 2020/21 to 2 523 in 2023/24.

The corporation is mostly a self-funding organisation. Transfers from the department account for an estimated 3.4 per cent (R644.4 million) of revenue over the medium term, while proceeds from television licence fees account for an estimated 17.1 per cent (R3.5 billion). The remaining 74.3 per cent (R15.5 billion) is expected to be generated by advertising and other commercial activities. Total revenue is expected to increase from R5.2 billion in 2020/21 to R7.5 billion in 2023/24 due to an anticipated R2 billion increase in advertising and commercial revenue, and a R280 million increase in the collection of television licence fees.

Programmes/Objectives/Activities**Table 30.38 South African Broadcasting Corporation expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/ Total (%) 2020/21	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/ Total (%) 2020/21 - 2023/24
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24		
Administration	1 748.1	1 571.6	1 369.9	1 556.3	-3.8%	23.3%	1 656.3	1 683.3	1 759.1	4.2%	24.5%
Local content delivery: Television	2 269.2	2 129.9	1 872.7	2 265.2	-0.1%	31.9%	2 410.7	2 450.1	2 560.4	4.2%	35.6%
Local content delivery: Radio	925.8	867.0	827.1	802.5	-4.6%	12.8%	854.1	868.1	907.1	4.2%	12.6%
Universal access transmitter rollout news	808.7	818.0	907.0	627.4	-8.1%	11.8%	667.7	678.7	709.2	4.2%	9.9%
Sports of national interest and mandate	674.8	725.0	457.8	364.9	-18.5%	8.2%	388.4	394.7	412.5	4.2%	5.7%
Digital terrestrial migration and technology	835.4	847.9	815.2	738.7	-4.0%	12.1%	786.2	799.1	835.0	4.2%	11.6%
Total	7 261.9	6 959.4	6 249.6	6 355.1	-4.3%	100.0%	6 763.4	6 873.9	7 183.3	4.2%	100.0%

Statements of financial performance, cash flow and financial position**Table 30.39 South African Broadcasting Corporation statements of financial performance, cash flow and financial position**

Statement of financial performance											
R million	Audited outcome			Revised estimate 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/ Total (%) 2020/21	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/ Total (%) 2020/21 - 2023/24
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24		
Revenue											
Non-tax revenue	6 443.6	6 289.6	5 539.3	4 948.7	-8.4%	96.7%	6 074.7	6 548.5	7 311.3	13.9%	96.6%
Sale of goods and services other than capital assets	5 894.4	5 821.8	5 130.8	4 554.9	-8.2%	89.1%	5 773.6	6 241.9	6 991.0	15.4%	91.3%
<i>of which:</i>											
Administrative fees	941.4	968.2	791.3	889.8	-1.9%	15.0%	1 148.5	1 160.0	1 171.6	9.6%	17.1%
Sales by market establishment	4 953.0	4 853.7	4 339.5	3 665.0	-9.6%	74.1%	4 625.1	5 081.9	5 819.4	16.7%	74.3%
Other non-tax revenue	549.2	467.8	408.5	393.8	-10.5%	7.6%	301.2	306.6	320.3	-6.7%	5.3%
Transfers received	196.7	187.4	199.0	205.8	1.5%	3.3%	209.7	216.1	218.6	2.0%	3.4%
Total revenue	6 640.3	6 477.0	5 738.3	5 154.4	-8.1%	100.0%	6 284.5	6 764.6	7 529.9	13.5%	100.0%
Expenses											
Current expenses	7 287.5	6 959.4	6 249.1	6 355.1	-4.5%	100.1%	6 763.4	6 873.9	7 183.3	4.2%	100.0%
Compensation of employees	3 127.9	2 858.5	2 831.1	2 390.0	-8.6%	41.8%	2 543.5	2 585.1	2 701.4	4.2%	37.6%
Goods and services	3 525.7	2 175.8	1 901.0	2 089.9	-16.0%	35.8%	2 224.2	2 260.5	2 362.3	4.2%	32.9%
Depreciation	618.5	1 875.2	1 473.9	1 872.9	44.7%	22.1%	1 993.2	2 025.8	2 116.9	4.2%	29.5%
Interest, dividends and rent on land	15.4	49.8	43.2	2.3	-46.8%	0.4%	2.5	2.5	2.6	4.2%	-
Transfers and subsidies	(25.5)	-	-	-	-100.0%	-0.1%	-	-	-	-	-
Tax payment	-	(0.0)	0.5	-	-	-	-	-	-	-	-
Total expenses	7 261.9	6 959.4	6 249.6	6 355.1	-4.3%	100.0%	6 763.4	6 873.9	7 183.3	4.2%	100.0%
Surplus/(Deficit)	(621.7)	(482.4)	(511.4)	(1 200.6)	24.5%		(478.9)	(109.3)	346.6	-166.1%	
Cash flow statement											
Cash flow from operating activities	31.9	(74.2)	(1 209.9)	378.4	128.0%	100.0%	1 514.3	1 916.5	1 995.5	74.1%	100.0%
Receipts											
Non-tax receipts	6 542.9	6 222.1	5 539.5	4 724.3	-10.3%	96.7%	6 074.7	6 548.5	6 843.2	13.1%	96.5%
Sales of goods and services other than capital assets	6 090.1	5 821.8	4 750.4	4 553.9	-9.2%	89.2%	5 773.6	6 241.9	6 522.8	12.7%	92.2%
<i>Administrative fees</i>	941.4	968.2	791.3	889.8	-1.9%	15.2%	1 148.5	1 160.0	1 212.2	10.9%	17.7%
<i>Sales by market establishment</i>	5 148.7	4 853.7	3 959.2	3 664.1	-10.7%	73.9%	4 625.1	5 081.9	5 310.6	13.2%	74.6%
Other tax receipts	452.7	400.3	789.1	170.4	-27.8%	7.5%	301.2	306.6	320.4	23.4%	4.3%
Transfers received	173.8	187.4	199.0	205.8	5.8%	3.3%	209.7	216.1	218.6	2.0%	3.5%
Total receipts	6 716.6	6 409.5	5 738.6	4 930.1	-9.8%	100.0%	6 284.5	6 764.6	7 061.9	12.7%	100.0%
Payment											
Current payments	6 654.9	6 483.7	6 948.9	4 482.2	-12.3%	99.5%	4 770.2	4 848.2	5 066.3	4.2%	99.6%
Compensation of employees	3 145.1	2 858.5	2 824.8	2 390.0	-8.7%	46.1%	2 543.5	2 585.1	2 701.4	4.2%	53.1%
Goods and services	3 494.4	3 597.0	4 082.2	2 089.9	-15.7%	53.1%	2 224.2	2 260.5	2 362.3	4.2%	46.4%
Interest and rent on land	15.4	28.1	41.9	2.3	-46.8%	0.3%	2.5	2.5	2.6	4.2%	0.1%
Transfers and subsidies	29.8	-	-	-	-100.0%	0.1%	-	-	-	-	-
Tax payment	-	-	(0.5)	69.5	-	0.4%	-	-	-	-100.0%	0.4%
Total payments	6 684.7	6 483.7	6 948.4	4 551.7	-12.0%	100.0%	4 770.2	4 848.2	5 066.3	3.6%	100.0%

Table 30.39 South African Broadcasting Corporation statements of financial performance, cash flow and financial position

Statement of financial performance											
R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21	2021/22	2022/23	2023/24	2020/21 - 2023/24		
Net cash flow from investing activities	(145.1)	(145.2)	(85.8)	(474.4)	48.4%	100.0%	(592.7)	(151.2)	(158.0)	-30.7%	100.0%
Acquisition of property, plant, equipment and intangible assets	(143.6)	(138.7)	(102.2)	(474.4)	48.9%	103.4%	(591.7)	(151.2)	(158.0)	-30.7%	100.0%
Acquisition of software and other intangible assets	(1.5)	(11.9)	(0.0)	-	-100.0%	2.3%	(1.1)	-	-	-	-
Proceeds from the sale of property, plant, equipment and intangible assets	-	5.3	16.4	-	-	-5.7%	-	-	-	-	-
Net cash flow from financing activities	162.0	161.5	3 356.0	192.5	5.9%	100.0%	206.4	216.1	218.6	4.3%	100.0%
Deferred income	173.8	180.1	183.5	205.8	5.8%	82.8%	209.7	216.1	218.6	2.0%	102.1%
Borrowing activities	-	(3.4)	(2.5)	-	-	-0.5%	-	-	-	-	-
Repayment of finance leases	(11.8)	(15.2)	(25.1)	(13.2)	3.9%	-6.1%	(3.4)	-	-	-100.0%	-2.1%
Other flows from financing activities	-	-	3 200.0	-	-	23.8%	-	-	-	-	-
Net increase/(decrease) in cash and cash equivalents	48.8	(57.9)	2 060.3	96.6	25.6%	8.6%	1 127.9	1 981.4	2 056.2	177.2%	18.9%
Statement of financial position											
Carrying value of assets	1 708.5	1 637.3	1 588.1	1 812.2	2.0%	30.7%	2 173.3	2 103.4	2 198.0	6.6%	28.4%
Acquisition of assets	(143.6)	(138.7)	(102.2)	(474.4)	48.9%	100.0%	(591.7)	(151.2)	(158.0)	-30.7%	100.0%
Investments	-	-	262.4	-	-	1.1%	-	-	-	-	-
Inventory	612.6	523.8	498.1	813.8	9.9%	11.0%	1 523.6	2 086.6	2 180.5	38.9%	22.4%
Receivables and prepayments	900.0	998.6	919.1	1 290.1	12.8%	18.3%	1 046.0	1 138.6	1 189.9	-2.7%	16.0%
Cash and cash equivalents	130.5	72.6	2 132.9	1 114.6	104.4%	13.7%	130.6	35.2	36.7	-67.9%	4.6%
Defined benefit plan assets	852.9	2 049.9	775.1	2 049.9	34.0%	25.1%	2 049.9	2 049.9	2 142.2	1.5%	28.4%
Derivatives financial instruments	12.2	10.6	7.3	7.3	-15.7%	0.2%	7.3	7.3	7.6	1.5%	0.1%
Total assets	4 216.8	5 292.8	6 183.1	7 088.0	18.9%	100.0%	6 930.8	7 421.0	7 755.0	3.0%	100.0%
Accumulated surplus/(deficit)	668.7	1 446.6	(213.0)	(413.7)	-185.2%	8.5%	(906.9)	(1 171.4)	(1 224.1)	43.6%	-12.6%
Capital and reserves	10.1	8.9	6.4	6.4	-14.1%	0.2%	6.4	6.4	6.7	1.5%	0.1%
Capital reserve fund	352.6	318.4	3 503.4	3 503.2	115.0%	30.1%	3 499.6	3 502.2	3 659.8	1.5%	48.6%
Borrowings	-	-	19.4	-	-	0.1%	-	-	-	-	-
Finance lease	44.6	29.4	30.6	-	-100.0%	0.5%	-	-	-	-	-
Deferred income	65.8	82.8	363.3	103.0	16.1%	2.6%	167.4	232.4	242.8	33.1%	2.5%
Trade and other payables	1 132.9	1 635.2	819.4	2 241.1	25.5%	25.7%	2 589.9	3 276.2	3 423.6	15.2%	39.3%
Taxation	97.0	96.9	69.5	-	-100.0%	1.3%	-	-	-	-	-
Provisions	1 605.4	1 388.4	1 341.1	1 501.7	-2.2%	26.8%	1 417.1	1 445.3	1 510.4	0.2%	20.1%
Derivatives financial instruments	239.6	285.9	242.9	146.2	-15.2%	4.3%	157.3	130.0	135.8	-2.4%	2.0%
Total equity and liabilities	4 216.8	5 292.8	6 183.1	7 088.0	18.9%	100.0%	6 930.8	7 421.0	7 755.0	3.0%	100.0%

Personnel information**Table 30.40 South African Broadcasting Corporation personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2020		Number and cost ¹ of personnel posts filled/planned for on funded establishment												Number					
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2019/20	2020/21	2021/22	2022/23	2023/24	2020/21 - 2023/24												
South African Broadcasting Corporation		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	3 193	3 193	3 016	2 831.1	0.9	2 899	2 390.0	0.8	2 743	2 543.5	0.9	2 627	2 585.1	1.0	2 523	2 701.4	1.1	4.2%	100.0%
1 – 6	22	22	19	2.8	0.1	19	2.7	0.1	18	2.6	0.1	17	2.5	0.1	17	2.5	0.1	-3.0%	0.1%
7 – 10	2 083	2 083	2 003	1 692.5	0.8	1 914	1 272.1	0.7	1 802	1 459.2	0.8	1 720	1 533.3	0.9	1 644	1 681.1	1.0	9.7%	58.0%
11 – 12	798	798	750	758.8	1.0	726	745.0	1.0	690	722.7	1.0	662	701.0	1.1	638	680.0	1.1	-3.0%	28.0%
13 – 16	278	278	232	336.9	1.5	228	330.7	1.5	221	320.8	1.5	216	311.2	1.4	212	301.9	1.4	-3.0%	12.4%
17 – 22	12	12	12	40.2	3.3	12	39.4	3.3	12	38.2	3.2	12	37.1	3.1	12	36.0	3.0	-3.0%	1.5%

1. Rand million.

South African Post Office

Selected performance indicators

Table 30.41 South African Post Office performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Total number of points of presence	Post office operations	Entity mandate	2 209	2 180	2 120	2 120	2 120	2 120	2 120
Number of new addresses rolled out per year as part of the address expansion programme	Post office operations		656 002	589 156	637 094	500 000	500 000	500 000	500 000
Percentage of regulated mail delivery standards achieved per year	Post office operations		87%	71%	89%	92%	92%	92%	92%

Entity overview

The South African Post Office is a schedule 2 public entity in terms of the Public Finance Management Act (1999). It is a government business enterprise established to provide postal and related services to the public, and derives its mandate from the Postal Services Act (1998) and the South African Post Office SOC Ltd Act (2011). The Postal Services Act (1998) 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. This act makes provision for the regulation of postal services and the operational functions of the postal company, including universal service obligations.

Over the medium term, the post office will continue to 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. To ensure these imperatives are achieved, expenditure is expected to increase at an average annual rate of 7.5 per cent, from R6.2 billion in 2020/21 to R7.7 billion in 2023/24. Compensation of employees accounts for a projected 58 per cent (R12.6 billion) of expenditure over the medium term. R1.5 billion over the medium term is allocated to fund universal service obligations to provide accessible and affordable postal services in underserved areas. This allocation is expected to allow the entity to maintain 2 120 points of presence, including post offices, retail postal agencies and mobile units.

The post office generates revenue through the provision of postal and courier services. Revenue is expected to increase at an average annual rate of 8.5 per cent, from R4.4 billion in 2020/21 to R5.6 billion in 2023/24.

Programmes/Objectives/Activities

Table 30.42 South African Post Office 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 (%)
	2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21	2020/21	2021/22	2022/23	2023/24	2020/21 - 2023/24	2023/24
Administration	1 421.1	1 209.7	2 376.4	1 934.3	10.8%	27.0%	2 190.7	2 182.7	2 194.5	4.3%	30.1%
Logistics	50.5	35.6	37.0	40.0	-7.5%	0.6%	33.9	34.8	36.6	-2.9%	0.5%
Postbank	398.6	548.5	-	-	-100.0%	3.7%	-	-	-	-	-
Post Office Operations	4 169.4	4 801.1	4 387.5	4 246.8	0.6%	68.7%	4 787.4	5 143.0	5 494.8	9.0%	69.4%
Total	6 039.6	6 594.9	6 800.9	6 221.2	1.0%	100.0%	7 012.0	7 360.6	7 725.9	7.5%	100.0%

Statements of financial performance, cash flow and financial position**Table 30.43 South African Post Office statements of financial performance, cash flow and financial position**

Statement of financial performance			Revised estimate 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/Total (%) 2020/21	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/Total (%) 2020/21 - 2023/24	
R million	Audited outcome					2021/22	2022/23	2023/24			
Revenue											
Non-tax revenue	4 795.3	5 495.2	4 558.1	3 878.8	-6.8%	93.6%	4 587.5	4 817.1	5 058.3	9.3%	89.9%
Sale of goods and services other than capital assets	4 579.3	4 987.1	4 047.4	3 393.1	-9.5%	84.9%	4 262.2	4 475.6	4 699.7	11.5%	82.3%
<i>of which:</i>											
<i>Sales by market establishment</i>	4 579.3	4 987.1	4 047.4	3 393.1	-9.5%	84.9%	4 262.2	4 475.6	4 699.7	11.5%	82.3%
Other non-tax revenue	216.0	508.2	510.6	485.8	31.0%	8.7%	325.3	341.5	358.6	-9.6%	7.6%
Transfers received	240.0	-	474.6	492.1	27.0%	6.4%	504.2	519.3	524.3	2.1%	10.1%
Total revenue	5 035.3	5 495.2	5 032.7	4 370.9	-4.6%	100.0%	5 091.6	5 336.4	5 582.6	8.5%	100.0%
Expenses											
Current expenses	6 039.4	6 594.5	6 800.9	6 221.2	1.0%	100.0%	7 012.0	7 360.6	7 725.9	7.5%	100.0%
Compensation of employees	3 396.9	3 740.3	3 752.0	3 781.8	3.6%	57.2%	4 001.0	4 201.0	4 411.1	5.3%	58.0%
Goods and services	2 070.3	2 420.7	2 735.9	2 324.1	3.9%	37.1%	2 899.1	3 042.1	3 191.4	11.1%	40.3%
Depreciation	145.3	244.3	293.3	115.3	-7.4%	3.1%	111.9	117.5	123.3	2.3%	1.7%
Interest, dividends and rent on land	426.9	189.2	19.7	0.0	-98.7%	2.6%	-	-	-	-100.0%	-
Tax payment	0.1	0.4	-	-	-100.0%	-	-	-	-	-	-
Total expenses	6 039.6	6 594.9	6 800.9	6 221.2	1.0%	100.0%	7 012.0	7 360.6	7 725.9	7.5%	100.0%
Surplus/(Deficit)	(1 004.3)	(1 099.7)	(1 768.2)	(1 850.3)	22.6%		(1 920.4)	(2 024.2)	(2 143.3)	5.0%	
Cash flow statement											
Cash flow from operating activities	(240.2)	(855.4)	(716.4)	(1 735.0)	93.3%	100.0%	(1 808.5)	(1 906.7)	(2 019.9)	5.2%	100.0%
Receipts											
Non-tax receipts	4 795.3	5 495.2	4 558.1	3 878.8	-6.8%	93.6%	4 587.5	4 817.1	5 058.3	9.3%	89.9%
Sale of goods and services other than capital assets	4 579.3	4 987.1	4 047.4	3 393.1	-9.5%	84.9%	4 262.2	4 475.6	4 699.7	11.5%	82.3%
<i>Sales by market establishment</i>	4 579.3	4 987.1	4 047.4	3 393.1	-9.5%	84.9%	4 262.2	4 475.6	4 699.7	11.5%	82.3%
Other tax receipts	216.0	508.2	510.6	485.8	31.0%	8.7%	325.3	341.5	358.6	-9.6%	7.6%
Transfers received	240.0	-	474.6	492.1	27.0%	6.4%	504.2	519.3	524.3	2.1%	10.1%
Total receipts	5 035.3	5 495.2	5 032.7	4 370.9	-4.6%	100.0%	5 091.6	5 336.4	5 582.6	8.5%	100.0%
Payment											
Current payments	5 275.3	6 350.2	5 749.1	6 105.9	5.0%	100.0%	6 900.1	7 243.1	7 602.5	7.6%	100.0%
Compensation of employees	3 396.9	3 740.3	3 752.0	3 781.8	3.6%	62.6%	4 001.0	4 201.0	4 411.1	5.3%	59.0%
Goods and services	1 451.5	2 420.7	1 977.4	2 324.1	17.0%	34.5%	2 899.1	3 042.1	3 191.4	11.1%	41.0%
Interest and rent on land	426.9	189.2	19.7	0.0	-98.7%	2.9%	-	-	-	-100.0%	-
Tax payment	0.1	0.4	-	-	-100.0%	-	-	-	-	-	-
Total payments	5 275.5	6 350.7	5 749.1	6 105.9	5.0%	100.0%	6 900.1	7 243.1	7 602.5	7.6%	100.0%
Net cash flow from investing activities	3.8	1 035.6	(3 164.2)	(50.7)	-337.3%	100.0%	(147.8)	(178.9)	(211.9)	61.0%	100.0%
Acquisition of property, plant, equipment and intangible assets	(34.0)	(119.0)	(41.7)	(28.5)	-5.8%	-212.6%	(113.8)	(142.3)	(170.7)	81.7%	73.3%
Acquisition of software and other intangible assets	(10.1)	(66.9)	-	(5.4)	-18.9%	-65.6%	(16.2)	(18.0)	(21.6)	58.7%	10.5%
Other flows from investing activities	47.9	1 221.5	(3 122.4)	(16.9)	-170.6%	378.2%	(17.7)	(18.6)	(19.5)	5.0%	16.2%
Net cash flow from financing activities	399.3	2 765.5	(496.9)	22.2	-61.8%	100.0%	1 956.8	2 116.9	2 177.7	361.1%	100.0%
Borrowing activities	(3 300.7)	(400.3)	-	-	-100.0%	-210.3%	-	-	-	-	-
Other flows from financing activities	3 700.0	3 165.8	(496.9)	22.2	-81.8%	310.3%	1 956.8	2 116.9	2 177.7	361.1%	100.0%
Net increase/(decrease) in cash and cash equivalents	162.9	2 945.6	(4 377.4)	(1 763.5)	-321.2%	-11.3%	0.5	31.3	(54.1)	-68.7%	-7.2%

Table 30.43 South African Post Office statements of financial performance, cash flow and financial position

Statement of financial position		Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
		2017/18	2018/19	2019/20				2020/21	2021/22	2022/23		
R million												
Carrying value of assets		2 715.4	2 737.2	2 500.8	2 331.8	-4.9%	21.5%	2 381.7	2 459.2	2 564.3	3.2%	27.8%
Acquisition of assets		(34.0)	(119.0)	(41.7)	(28.5)	-5.8%	100.0%	(113.8)	(142.3)	(170.7)	81.7%	100.0%
Investments		6 969.6	5 368.4	5 384.2	5 320.9	-8.6%	48.3%	5 289.8	5 283.5	5 297.9	-0.1%	60.4%
Inventory		61.5	63.3	79.2	80.0	9.2%	0.6%	80.8	81.6	82.4	1.0%	0.9%
Receivables and prepayments		481.8	1 601.8	1 293.0	1 226.0	36.5%	9.7%	980.8	784.7	627.7	-20.0%	10.3%
Cash and cash equivalents		3 241.2	6 186.9	1 809.4	45.9	-75.8%	19.9%	46.4	77.8	23.6	-19.9%	0.6%
Total assets		13 469.5	15 957.5	11 066.6	9 004.7	-12.6%	100.0%	8 779.6	8 686.7	8 595.9	-1.5%	100.0%
Accumulated surplus/(deficit)		(3 433.2)	(4 618.8)	(6 133.9)	(8 591.7)	35.8%	-51.3%	(10 512.1)	(12 536.2)	(14 679.5)	19.5%	-132.6%
Capital and reserves		6 848.0	9 805.2	9 805.2	9 805.2	12.7%	77.4%	9 805.2	9 805.2	9 805.2	-	111.9%
Borrowings		400.3	-	-	-	-100.0%	0.7%	-	-	-	-	-
Finance lease		4.2	2.9	-	-	-100.0%	-	-	-	-	-	-
Deferred income		212.7	178.9	169.5	163.3	-8.4%	1.5%	186.9	196.3	206.1	8.1%	2.1%
Trade and other payables		7 462.7	8 502.6	4 549.8	5 296.0	-10.8%	52.2%	7 027.3	8 983.7	11 018.8	27.7%	92.6%
Taxation		18.6	18.8	18.6	19.5	1.7%	0.2%	20.5	21.5	22.6	5.0%	0.2%
Provisions		1 956.2	1 792.9	1 518.4	1 582.3	-6.8%	14.3%	1 628.5	1 678.4	1 773.3	3.9%	19.0%
Derivatives financial instruments		-	275.0	1 139.0	730.1	-	5.0%	623.3	537.9	449.5	-14.9%	6.7%
Total equity and liabilities		13 469.5	15 957.5	11 066.6	9 004.7	-12.6%	100.0%	8 779.6	8 686.7	8 595.9	-1.5%	100.0%

Personnel information

Table 30.44 South African Post Office personnel numbers and cost by salary level

Number of posts estimated for 31 March 2020		Number and cost ¹ of personnel posts filled/planned for on funded establishment														Number			
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2019/20		Unit cost	2020/21		Unit cost	2021/22		Unit cost	2022/23		Unit cost			2023/24		Unit cost	
South African Post Office		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	16 317	16 317	17 733	3 752.0	0.2	16 316	3 781.8	0.2	16 313	4 001.0	0.2	16 262	4 201.0	0.3	16 262	4 411.1	0.3	5.3%	100.0%
1 – 6	13 337	13 337	14 579	2 513.8	0.2	13 337	2 559.9	0.2	13 333	2 704.9	0.2	13 290	2 843.2	0.2	13 290	2 985.4	0.2	5.3%	67.7%
7 – 10	2 856	2 856	3 020	1 085.9	0.4	2 856	1 079.5	0.4	2 856	1 139.8	0.4	2 851	1 197.1	0.4	2 851	1 257.0	0.4	5.2%	28.5%
11 – 12	88	88	95	88.1	0.9	88	83.9	1.0	88	88.6	1.0	86	90.9	1.1	86	95.4	1.1	4.4%	2.2%
13 – 16	31	31	34	51.4	1.5	31	48.6	1.6	31	51.2	1.7	30	52.5	1.7	30	55.1	1.8	4.2%	1.3%
17 – 22	5	5	5	12.8	2.6	4	9.8	2.4	5	16.5	3.3	5	17.3	3.5	5	18.2	3.6	23.0%	0.4%

1. Rand million.

State Information Technology Agency

Selected performance indicators

Table 30.45 State Information Technology Agency performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Number of e-government services implemented per year	Business operations		20	55	3	100	100	100	100
Percentage of projects timeously, successfully and satisfactorily delivered within budget per year	Business operations	Entity mandate	86% (787/920)	85.5% (799/935)	95.9% (892/930)	100%	100%	100%	100%

Entity overview

The State Information Technology Agency was established through the State Information Technology Agency Act (1998) and is listed as a schedule 3A public entity. The agency is mandated to provide IT, information systems and related services to and on behalf of government departments and organs of state. This includes the provision and maintenance of transversal information and data-processing systems and their associated services, the maintenance of secure information systems, and the execution of its functions according to approved policies and standards.

Over the medium term, the agency will focus on creating partnerships with research institutions to ensure that innovative digital solutions are developed and implemented in government; ensuring that the skills of agency personnel keep pace with the evolving technological landscape; and ensuring that the state and its citizens are

able to transact, communicate and interface in a secure and safe environment.

Expenditure is expected to increase at an average annual rate of 5.5 per cent, from R7.2 billion in 2020/21 to R8.5 billion in 2023/24. Goods and services accounts for an estimated 65.3 per cent (R15.9 billion) of expenditure over the medium term, mostly for the provision of IT services. Compensation of employees accounts for an estimated 28.8 per cent (R7 billion) of expenditure as the agency requires highly skilled personnel. As the implementation of the strategic projects such as South Africa Connect, cloud infrastructure and the Gauteng broadband network are expected to require substantial capital investment over the MTEF period, R1.2 billion is earmarked for the acquisition of assets.

The agency generates revenue by providing ICT infrastructure and services to government departments and organs of state. Revenue is expected to increase at an average annual rate of 12.1 per cent, from R6.2 billion in 2020/21 to R8.7 billion in 2023/24.

Programmes/Objectives/Activities

Table 30.46 State Information Technology Agency expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average Expenditure/ Total (%) 2020/21	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average Expenditure/ Total (%) 2020/21 - 2023/24
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24		
Administration	1 141.5	1 039.9	1 335.3	1 680.8	13.8%	22.3%	1 781.7	1 888.6	1 973.6	5.5%	23.2%
Business operations	4 574.9	4 300.2	3 704.5	5 565.8	6.8%	77.7%	5 899.8	6 253.8	6 535.2	5.5%	76.8%
Total	5 716.4	5 340.0	5 039.8	7 246.7	8.2%	100.0%	7 681.5	8 142.4	8 508.8	5.5%	100.0%

Statements of financial performance, cash flow and financial position

Table 30.47 State Information Technology Agency statements of financial performance, cash flow and financial position

Statement of financial performance											
R million	Audited outcome			Revised estimate 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average Expenditure/ Total (%) 2020/21	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average Expenditure/ Total (%) 2020/21 - 2023/24
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24		
Revenue											
Non-tax revenue	5 943.2	5 203.0	5 121.9	6 183.2	1.3%	99.8%	7 873.7	8 340.3	8 715.6	12.1%	100.0%
Sale of goods and services other than capital assets of which:											
<i>Sales by market establishment</i>	5 758.7	5 027.3	5 013.0	6 143.8	2.2%	97.5%	7 776.6	8 243.2	8 614.1	11.9%	99.0%
Other non-tax revenue	184.5	175.7	109.0	39.3	-40.3%	2.3%	97.1	97.1	101.5	37.2%	1.0%
Tax benefit	–	35.5	–	–	–	0.2%	–	–	–	–	–
Total revenue	5 943.2	5 238.5	5 121.9	6 183.2	1.3%	100.0%	7 873.7	8 340.3	8 715.6	12.1%	100.0%
Expenses											
Current expenses	5 648.6	5 268.2	4 963.6	7 167.4	8.3%	98.7%	7 598.2	8 054.1	8 416.5	5.5%	98.9%
Compensation of employees	1 753.3	1 839.3	1 822.7	2 089.5	6.0%	32.5%	2 214.9	2 347.8	2 453.4	5.5%	28.8%
Goods and services	3 675.2	3 236.2	2 980.3	4 695.5	8.5%	62.2%	4 978.0	5 364.9	5 606.3	6.1%	65.3%
Depreciation	220.1	192.7	160.6	382.4	20.2%	4.0%	405.4	341.4	356.8	-2.3%	4.7%
Tax payment	67.8	71.8	76.2	79.3	5.4%	1.3%	83.3	88.2	92.2	5.2%	1.1%
Total expenses	5 716.4	5 340.0	5 039.8	7 246.7	8.2%	100.0%	7 681.5	8 142.4	8 508.8	5.5%	100.0%
Surplus/(Deficit)	226.9	(101.5)	82.2	(1 063.5)	-267.4%		192.2	197.9	206.9	-157.9%	

Table 30.47 State Information Technology Agency statements of financial performance, cash flow and financial position

Statement of financial performance											
R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21	2021/22	2022/23	2023/24	2020/21 - 2023/24		
Cash flow statement											
Cash flow from operating activities	520.9	(160.4)	443.9	512.0	-0.6%	100.0%	543.2	494.4	516.6	0.3%	100.0%
Receipts											
Non-tax receipts	6 753.3	5 369.3	6 764.9	7 394.7	3.1%	99.9%	7 839.3	8 310.3	8 684.2	5.5%	100.0%
Sales of goods and services other than capital assets	6 690.6	5 295.6	6 710.9	7 336.4	3.1%	98.9%	7 776.6	8 243.2	8 614.1	5.5%	99.2%
<i>Sales by market establishment</i>	6 690.6	5 295.6	6 710.9	7 336.4	3.1%	98.9%	7 776.6	8 243.2	8 614.1	5.5%	99.2%
Other tax receipts	62.7	73.7	54.0	58.3	-2.4%	1.0%	62.7	67.1	70.1	6.3%	0.8%
Tax benefit	25.5	-	-	-	-100.0%	0.1%	-	-	-	-	-
Total receipts	6 778.8	5 369.3	6 764.9	7 394.7	2.9%	100.0%	7 839.3	8 310.3	8 684.2	5.5%	100.0%
Payment											
Current payments	6 257.9	5 474.6	6 257.0	6 785.0	2.7%	99.1%	7 192.9	7 712.7	8 059.8	5.9%	98.6%
Compensation of employees	1 753.3	1 855.1	1 806.3	2 089.5	6.0%	30.1%	2 214.9	2 347.8	2 453.4	5.5%	30.2%
Goods and services	4 504.1	3 619.5	4 450.7	4 695.5	1.4%	69.0%	4 978.0	5 364.9	5 606.3	6.1%	68.4%
Interest and rent on land	0.5	-	-	-	-100.0%	-	-	-	-	-	-
Tax payment	-	55.2	64.1	97.8	-	0.9%	103.2	103.2	107.8	3.3%	1.4%
Total payments	6 257.9	5 529.8	6 321.1	6 882.8	3.2%	100.0%	7 296.0	7 815.9	8 167.6	5.9%	100.0%
Net cash flow from investing activities	(99.1)	(271.5)	(265.9)	(550.0)	77.0%	100.0%	(600.0)	(600.0)	(627.0)	4.5%	100.0%
Acquisition of property, plant, equipment and intangible assets	(90.2)	(120.6)	(180.1)	(336.4)	55.1%	66.1%	(386.4)	(386.4)	(403.8)	6.3%	63.6%
Acquisition of software and other intangible assets	(8.9)	(151.0)	(85.7)	(213.6)	188.2%	33.9%	(213.6)	(213.6)	(223.2)	1.5%	36.4%
Net cash flow from financing activities	-	-	(0.2)	-	-	-	-	-	-	-	-
Repayment of finance leases	-	-	(0.2)	-	-	-	-	-	-	-	-
Net increase/(decrease) in cash and cash equivalents	421.8	(432.0)	177.8	(38.0)	-144.8%	0.6%	(56.8)	(105.6)	(110.4)	42.6%	-1.0%
Statement of financial position											
Carrying value of assets	1 166.6	1 094.4	1 177.3	1 262.2	11.7%	29.1%	1 915.2	2 173.6	2 271.4	11.8%	40.4%
<i>Acquisition of assets</i>	<i>(90.2)</i>	<i>(120.6)</i>	<i>(180.1)</i>	<i>(336.4)</i>	<i>55.1%</i>	<i>100.0%</i>	<i>(386.4)</i>	<i>(386.4)</i>	<i>(403.8)</i>	<i>6.3%</i>	<i>100.0%</i>
Investments	41.1	195.9	293.5	-	-100.0%	3.1%	-	-	-	-	-
Receivables and prepayments	1 223.9	1 759.7	1 202.5	1 123.5	-2.8%	30.6%	1 147.9	1 035.7	1 082.3	-1.2%	22.3%
Cash and cash equivalents	1 605.1	1 173.2	1 351.0	1 716.8	2.3%	33.7%	1 750.6	1 731.1	1 809.0	1.8%	35.6%
Taxation	112.4	206.6	166.2	104.9	-2.3%	3.4%	111.7	59.1	61.8	-16.2%	1.7%
Total assets	4 149.1	4 429.7	4 190.5	4 571.4	3.3%	100.0%	4 925.4	4 999.6	5 224.6	4.6%	100.0%
Accumulated surplus/(deficit)	2 334.0	2 208.8	2 259.9	2 631.0	4.1%	54.4%	2 847.1	2 834.9	2 962.4	4.0%	57.2%
Capital and reserves	627.3	627.3	627.3	627.3	-	14.5%	627.3	627.3	655.6	1.5%	12.9%
Finance lease	-	-	90.7	-	-	0.5%	-	-	-	-	-
Trade and other payables	1 090.0	1 524.5	1 100.0	1 183.1	2.8%	28.2%	1 308.0	1 380.1	1 442.2	6.8%	26.9%
Taxation	-	-	28.3	-	-	0.2%	-	-	-	-	-
Provisions	97.7	69.2	83.1	130.0	10.0%	2.2%	143.0	157.3	164.4	8.1%	3.0%
Derivatives financial instruments	-	-	1.2	-	-	-	-	-	-	-	-
Total equity and liabilities	4 149.1	4 429.7	4 190.5	4 571.4	3.3%	100.0%	4 925.4	4 999.6	5 224.6	4.6%	100.0%

Personnel information

Table 30.48 State Information Technology Agency personnel numbers and cost by salary level

Number of posts estimated for 31 March 2020		Number and cost ¹ of personnel posts filled/planned for on funded establishment														Number			
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		2019/20	2020/21	2021/22	2022/23	2023/24	2020/21 - 2023/24												
State Information Technology Agency		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	1 643	1 643	1 657	1 822.7	1.1	1 643	2 089.5	1.3	1 674	2 214.9	1.3	1 674	2 347.8	1.4	1 674	2 453.4	1.5	5.5%	100.0%
1-6	101	101	99	45.5	0.5	101	51.8	0.5	105	48.5	0.5	105	50.8	0.5	105	52.2	0.5	0.3%	2.2%
7-10	826	826	826	565.8	0.7	826	657.6	0.8	809	668.1	0.8	809	700.8	0.9	809	732.2	0.9	3.6%	30.3%
11-12	488	488	497	715.3	1.4	488	827.6	1.7	528	904.4	1.7	528	963.5	1.8	528	1 007.5	1.9	6.8%	40.6%
13-16	220	220	227	459.3	2.0	220	512.0	2.3	224	547.9	2.4	224	583.7	2.6	224	610.3	2.7	6.0%	24.7%
17-22	8	8	8	36.7	4.6	8	40.4	5.0	8	45.9	5.7	8	48.9	6.1	8	51.1	6.4	8.2%	2.0%

1. Rand million.

Universal Service and Access Agency of South Africa

Entity overview

The Universal Service and Access Agency of South Africa was established in terms of section 80 of the Electronic Communications Act (2005) and is listed as a schedule 3A public entity in terms of the Public Finance Management Act (1999). Its sole mandate is to promote universal service and access to electronic communications and broadcasting services.

The agency is allocated R350 million over the MTEF period through transfers from the department. This will mainly be used to implement phase 2 of the broadcasting digital migration project, which is expected to be completed during the MTEF period. Of this amount, R95 million will be paid to the South African Post Office over the medium term for distribution costs.

Programmes/Objectives/Activities

Table 30.49 Universal Service and Access Agency of South Africa expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/Total (%) 2017/18 - 2020/21	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/Total (%) 2020/21 - 2023/24
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24		
Administration	164.3	107.5	92.1	262.2	16.9%	100.0%	177.1	86.0	86.9	-30.8%	100.0%
Total	164.3	107.5	92.1	262.2	16.9%	100.0%	177.1	86.0	86.9	-30.8%	100.0%

Statements of financial performance, cash flow and financial position

Table 30.50 Universal Service and Access Agency of South Africa statements of financial performance, cash flow and financial position

Statement of financial performance											
R million	Audited outcome			Revised estimate 2020/21	Average growth rate (%) 2017/18 - 2020/21	Average: Expenditure/Total (%) 2017/18 - 2020/21	Medium-term expenditure estimate			Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/Total (%) 2020/21 - 2023/24
	2017/18	2018/19	2019/20				2021/22	2022/23	2023/24		
Revenue											
Non-tax revenue	4.4	1.8	2.4	0.8	-43.4%	2.7%	-	-	-	-100.0%	0.1%
<i>of which:</i>											
Other non-tax revenue	4.4	1.8	2.4	0.8	-43.4%	2.7%	-	-	-	-100.0%	0.1%
Transfers received	75.7	80.1	82.9	261.4	51.2%	97.3%	177.1	86.0	86.9	-30.7%	99.9%
Total revenue	80.1	81.9	85.4	262.2	48.5%	100.0%	177.1	86.0	86.9	-30.8%	100.0%
Expenses											
Current expenses	164.3	107.5	92.1	262.2	16.9%	100.0%	177.1	86.0	86.9	-30.8%	100.0%
Compensation of employees	44.4	47.8	49.4	54.7	7.2%	36.5%	62.3	62.7	65.5	6.2%	51.1%
Goods and services	103.7	43.2	26.5	207.5	26.0%	52.8%	114.8	23.3	21.3	-53.1%	48.9%
Depreciation	16.2	16.5	16.3	-	-100.0%	10.7%	-	-	-	-	-
Interest, dividends and rent on land	-	0.0	-	-	-	-	-	-	-	-	-
Total expenses	164.3	107.5	92.1	262.2	16.9%	100.0%	177.1	86.0	86.9	-30.8%	100.0%
Surplus/(Deficit)	(84.2)	(25.6)	(6.7)	-	-100.0%	-	-	-	-	-	-

Personnel information

Table 30.51 Universal Service and Access Agency of South Africa personnel numbers and cost by salary level

Number of posts estimated for 31 March 2020		Number and cost ¹ of personnel posts filled/planned for on funded establishment												Number		
Number of funded posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)	
		2019/20	Unit cost	2020/21	Unit cost	2021/22		2022/23		2023/24		2020/21 - 2023/24				
Universal Service and Access Agency of South Africa		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost
Salary level	63	98	62 49 362.0	796.2	98 54 675.0	557.9	97 62 269.0	641.9	98 62 269.0	635.4	98 65 517.0	668.5		6.2%	100.0%	
1 - 6	4	4	4 633.7	158.4	4 661.8	165.4	4 668.9	167.2	4 668.9	167.2	4 661.9	165.5		0.0%	1.1%	
7 - 10	26	61	26 13 546.4	521.0	61 16 885.4	276.8	61 25 209.9	413.3	61 25 209.9	413.3	61 26 542.0	435.1		16.3%	38.1%	
11 - 12	14	14	14 13 106.4	936.2	14 13 480.0	962.9	14 13 625.1	973.2	14 13 625.1	973.2	14 14 345.0	1 024.6		2.1%	22.6%	
13 - 16	19	19	18 22 075.5	1 226.4	19 23 647.8	1 244.6	18 22 765.1	1 264.7	19 22 765.1	1 198.2	19 23 968.0	1 261.5		0.4%	38.2%	
17 - 22	-	-	-	-	-	-	-	-	-	-	-	-		-	-	

1. Rand million.

Universal Service and Access Fund

Selected performance indicators

Table 30.52 Universal Service and Access Fund performance indicators by programme/objective/activity and related priority

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Number of public access sites in targeted municipal areas with endpoint electronic communications infrastructure installed per year	Rapid deployment of access centres	Entity mandate	275	-1	-1	-1	-1	-1	-1
Number of new sites with broadband internet connectivity in identified local municipal areas per year	Broadband infrastructure in underserved areas		275	200	0	300	350	400	450
Number of subsidised set-top box kits installed at qualifying households per year	Rapid deployment of access centres		259 396	209 689	2 295	860 000	360 000	-2	-2
Number of Integrated Digital Televisions distributed to qualifying indigent Grade 12 matriculants to access digital broadcast remote learning facilities per year	Rapid deployment of access centres		-3	-3	-3	-3	100 000	-2	-2

1. No projection available.
2. Project concluded.
3. No historical data available.

Entity overview

The Universal Service and Access Fund was established in terms of section 89(1) of the Electronic Communications Act (2005), and is listed as a schedule 3A public entity in the Public Finance Management Act (1999). The fund's sole mandate is to subsidise ICT equipment and services, and 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.

Over the medium term, the fund will focus on the implementation of the broadcasting digital migration project, which will ensure the release of much-needed spectrum. The fund will also provide sites with internet connectivity and maintain these connections.

The fund is allocated R1.4 billion over the medium term, mostly for implementing projects related to broadcasting digital migration. This funding is expected to increase from R500.4 million in 2020/21 to R1.1 billion in 2021/22, and will be used to provide vouchers to low-income households for devices that will allow analogue televisions to receive digital signals once the analogue signal is switched off.

The fund derives all its revenue through transfers from the department and has no personnel. Total revenue is expected to decrease at an average annual rate of 39.1 per cent over the medium term as the one-off allocations for broadcasting digital migration conclude in 2022/23.

Programmes/Objectives/Activities

Table 30.53 Universal Service and Access Fund 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 (%)
	2017/18	2018/19	2019/20	2020/21	2017/18 - 2020/21	2020/21	2021/22	2022/23	2023/24	2020/21 - 2023/24	2023/24
Administration	0.8	0.9	1.1	4.2	70.3%	0.8%	3.0	3.0	3.0	-10.3%	1.4%
Broadband infrastructure in underserved areas	27.0	-	-	-	-100.0%	1.7%	-	-	-	-	-
Broadband infrastructure and connectivity to underserved areas	1.0	33.6	14.8	158.9	445.0%	16.2%	61.2	63.8	64.4	-26.0%	32.6%
Broadcasting digital migration programme	369.3	308.0	32.2	500.4	10.7%	81.3%	1 073.4	59.4	60.0	-50.7%	66.0%
Total	398.1	342.5	48.1	663.5	18.6%	100.0%	1 137.5	126.2	127.4	-42.3%	100.0%

Statements of financial performance, cash flow and financial position**Table 30.54 Universal Service and Access Fund statements of financial performance, cash flow and financial position**

Statement of financial performance				Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome			2020/21				2017/18 - 2020/21	2021/22	2022/23		
R million	2017/18	2018/19	2019/20								
Revenue											
Non-tax revenue	105.7	82.4	75.5	–	-100.0%	37.5%	–	–	–	–	–
<i>of which:</i>											
Other non-tax revenue	105.7	82.4	75.5	–	-100.0%	37.5%	–	–	–	–	–
Transfers received	133.7	76.7	63.6	563.5	61.5%	62.5%	1 137.5	126.2	127.4	-39.1%	100.0%
Total revenue	239.4	159.1	139.1	563.5	33.0%	100.0%	1 137.5	126.2	127.4	-39.1%	100.0%
Expenses											
Current expenses	0.8	0.9	1.1	4.2	70.3%	0.8%	3.0	3.0	3.0	-10.3%	1.4%
Goods and services	0.8	0.9	1.1	4.2	70.3%	0.8%	3.0	3.0	3.0	-10.3%	1.4%
Transfers and subsidies	397.3	341.6	47.0	659.4	18.4%	99.2%	1 134.5	123.2	124.4	-42.6%	98.6%
Total expenses	398.1	342.5	48.1	663.5	18.6%	100.0%	1 137.5	126.2	127.4	-42.3%	100.0%
Surplus/(Deficit)	(158.7)	(183.4)	91.0	(100.0)	-14.3%		–	–	–	-100.0%	

