



VOTE 3

COMMUNICATIONS



BUDGET 2017

ESTIMATES
OF NATIONAL
EXPENDITURE



national treasury

Department:
National Treasury
REPUBLIC OF SOUTH AFRICA



Estimates of National Expenditure

2017

National Treasury

Republic of South Africa

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The Estimates of National Expenditure 2017 is compiled with the latest available information from departmental and other sources. Some of this information is unaudited or subject to revision.

The Estimates of National Expenditure e-publications for individual votes are available on www.treasury.gov.za. Compared to the Estimates of National Expenditure publication, the e-publications for each vote contain more comprehensive coverage of all public entities. Also included are tables containing information on programme specific personnel expenditure, conditional grants to provinces and municipalities, public private partnerships and information on donor funding. Expenditure information at the level of site service delivery is included, where appropriate.

Foreword

The 2017 Budget is presented at a time when indications are that the global economy could grow moderately better than the last forecast. Global GDP is expected to grow at 3.4 per cent in 2017, 0.3 percentage points higher than 2016. But uncertainty persists. The trade policies that the United States of America will pursue are unclear. The exact nature of Britain's exit from the European Union and economic impact are unknown. There is also evidence that globalisation is losing favour in some parts of the world and protectionism is growing. The global economy could be very different in future, depending on how these trends evolve.

Given the uncertainty, we have revised down South Africa's GDP growth projections and expect that tax revenue will be lower over the MTEF period as a result. We have also reduced the expenditure ceiling by R10.3 billion in 2017/18 and R15.9 billion in 2018/19, in line with government's fiscal objective of reducing the deficit, achieving a primary surplus and stabilising debt. Since its introduction in 2012, the expenditure ceiling in each financial year has never been breached.

Government is committed to delivering on its priorities despite the lowered revenue forecast and expenditure ceiling. It is critical that we allocate our limited resources wisely and use them effectively. In the 2017 Budget process, measures were taken to free-up resources and baselines were reduced across all departments by R7.5 billion in 2017/18, R7 billion in 2018/19 and R6.7 billion in 2019/20. The contingency reserve was also drawn down, and provisionally reserved funds were reallocated. However, the bulk of the funds allocated to priority areas within and across functions were reprioritised from lower-priority budget areas.

To ensure that funding remains focused on frontline service delivery, efforts have been intensified to improve efficiency in expenditure. Budget limits on compensation of employees introduced in the 2016 Appropriation Act are carried over to 2017. Departments will manage personnel headcount and employee earnings in line with these budget allocations.

Overall non-interest expenditure is still set to grow by an annual average of 1.4 per cent in real terms, from R1.24 trillion in 2017/18 to R1.43 trillion in 2019/20. Proposals in the budget include net increases in funding for the Post-School Education and Training, Basic Education, Economic Affairs and Health functions. The Post-School Education and Training function is the fastest growing, at 9.4 per cent over the medium term. The funding is mainly for universities to subsidise fee increases and for the National Student Financial Aid Scheme.

The publication is a concrete expression of the collaborative effort of highly dedicated civil servants across government throughout the process to prepare the Budget. We are particularly appreciative of this, as well as the contributions from the Ministers' Committee on the Budget and the Directors-General in central government. We are also thankful to all National Treasury staff who, under the expert guidance and leadership of the Minister of Finance, Pravin Gordhan, and his Deputy, Mcebisi Jonas, worked tirelessly to produce this crucial document.

The wide-ranging coverage of the Estimates of National Expenditure provides a coherent and summarised account of the prioritisation, spending plans and service delivery commitments of all 40 national votes and of government agencies. These plans constitute an important mechanism through which Parliament and the public hold institutions, including the National Treasury and its entities, to account.

Within the current difficult fiscal context not everything we believe would be beneficial to do, can be done now. Thus it is imperative that activities planned on budget be done effectively and efficiently.



Lungisa Fuzile
Director-General: National Treasury

Introduction

The Estimates of National Expenditure publications

The Estimates of National Expenditure (ENE) publications describe in detail government's expenditure plans over the next three financial years, also known as the medium-term expenditure framework (MTEF) period. The 2017 MTEF period is from 2017/18 to 2019/20.

The ENE publications contain information on: what government institutions aim to achieve over the medium term, and why; how they plan to spend their budget allocations in support of this; and what outputs and outcomes the spending is intended to produce. The publications also provide information on how institutions have spent their budgets in previous years, tables with performance data and targets, personnel data and detailed expenditure trends and estimates by programme, subprogramme and economic classification for each department and the entities that report to the vote's executive authority. Explanatory narratives detail the institution's mandate, purpose (and that of its programmes), together with programme-level objectives and descriptions of subprogrammes. Summary data tables at the end of each vote contain data on infrastructure, provincial and municipal conditional grants, departmental public private partnerships, donor funding, and expenditure at the level of site service delivery, where applicable.

A separate 2017 ENE Overview publication is also available on www.treasury.gov.za and summarises the ENE information across all votes. The 2017 ENE Overview contains a narrative explanation and budget-wide summary tables; a description of the budgeting approach; and it also has a write-up on how to interpret the information that is contained in each section of the publications.

Communications

**National Treasury
Republic of South Africa**



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Vote 3

Communications

Budget summary

R million	2017/18				2018/19	2019/20
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	62.8	62.8	–	–	66.3	78.1
Communications Policy, Research and Development	8.5	8.5	–	–	10.0	11.9
Industry and Capacity Development	22.3	22.2	–	0.0	29.2	22.1
Entity Oversight	1 331.5	6.7	1 324.9	–	1 415.2	1 500.2
Total expenditure estimates	1 425.1	100.2	1 324.9	0.0	1 520.7	1 612.3
Executive authority	Minister of Communications					
Accounting officer	Director General of Communications					
Website address	www.doc.gov.za					

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

Vote purpose

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

Mandate

The Department of Communications is responsible for the national communications policy and strategy; information dissemination and publicity; and the branding of South Africa. Improved communication and marketing will promote an informed citizenry and assist the country in promoting investments, economic growth and job creation. The department's mandate is derived from section 192 of the Constitution, which provides for the independence of broadcasting regulation in the public interest, the International Telecommunications Union and the World Intellectual Property Organisation.

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

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

Selected performance indicators

Table 3.1 Performance indicators by programme and related outcome

Indicator	Programme	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Number of digital broadcasting awareness campaigns hosted per year	Industry and Capacity Development	Outcome 14: A diverse, socially cohesive society with a common national identity	– ¹	– ¹	– ¹	10	10	10	10
Number of reports showing consumer access to digital broadcasting, particularly those supported with set-top boxes, per year	Industry and Capacity Development		– ¹	– ¹	4	4	4	4	4

Table 3.1 Performance indicators by programme and related outcome

Indicator	Programme	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Number of position papers tabled at multilateral engagements per year	Industry and Capacity Development	Outcome 14: A diverse, socially cohesive society with a common national identity	-1	-1	-1	2	2	2	2
Number of stakeholder engagements coordinated per year	Industry and Capacity Development		-1	-1	-1	10	10	10	10
Number of shareholder compact accountability instruments signed per year	Entity Oversight		-1	-1	4	5	5	5	5

1. No historical data available.

Expenditure analysis

The main role of the Department of Communications is to energise and mobilise South Africans to participate actively in government's socioeconomic transformation programmes, which are there to address poverty, unemployment and inequality. Over the medium term, the department will focus on developing a responsive communications policy and regulatory framework; strengthening departmental oversight mechanisms; improving South Africa's image locally and internationally; promoting transformation and competition in the sector; and practising effective and efficient governance and administration. An estimated R4.2 billion or 92.4 per cent of the department's budget over the medium term is transferred to public entities that implement communications and broadcasting policies developed by the department. An amount of R332.5 million or 7.3 per cent is allocated as operational expenditure. R245.6 million or 73.9 per cent is to be spent on compensation of employees and R86.7 million or 26.1 per cent on goods and services. The work of the department supports the realisation of outcome 14 (a diverse, socially cohesive society with a common national identity) of government's 2014-2019 medium-term strategic framework.

Developing a responsive communications policy and regulatory framework

The department will develop and implement several policies and regulations over the medium term. These activities are funded through the *Communications Policy, Research and Development* programme, which has a budget allocation of R30.4 million over the medium term. Some of the more important policies and regulations to be developed include: the Audio-visual and Content Bill, which aims to align with the new developments in the sector, such as digital convergence; the media transformation and diversity policy, which encourages diversity of content and transformation of media ownership in the sector; and the community broadcasting support strategy, which aims to maintain and strengthen citizen participation and access to the community media sector.

Strengthening oversight

The entity oversight unit of the department analyses funding requests made by its entities and ensures that transferred funds are used optimally. The Independent Communications Authority of South Africa receives the largest proportion of transfers to entities from the department, projected at 31.9 per cent, or R1.4 billion, over the medium term. The funds are allocated to develop broadband and digital terrestrial regulations, and monitor operators' compliance with licence conditions. The second-largest proportion of transfers – projected at 30.8 per cent, or R1.3 billion, over the medium term – goes to Government Communication and Information System to implement the national communications policy. Over the medium term, the department and its entities will develop and sign 15 shareholder compacts, which set performance targets for each of the compacts.

The department also plans to continue analysing the entities' quarterly and annual reports and coordinating monthly and quarterly accountability forums between the department and the entities. These activities are budgeted for within the *Entity Oversight* programme. They include R15 million over the medium term for spending on compensation of employees for personnel who perform and support the oversight function and R3.3 million over the same period for spending on related goods and services, such as travelling and subsistence for site visits to entities and attendance to portfolio committees.

Improving the country's brand image

The department is planning to conduct research and develop branding policies that market the country positively, locally and internationally, with the aim of promoting socioeconomic development and investment. The department will therefore develop a brand management policy to ensure that government, private sector and civil society communications strategies and key messages are aligned. The implementation of the policy

involves workshops, consultations and public participation in all provinces, which will help to identify the country's competitive and reputational strengths and weaknesses. This is expected to improve the country's position on the brand ranking index. The budget for research and branding activities is set to increase by 40 per cent, from R8.5 million in 2017/18 to R11.9 million in 2019/20.

Transforming the communications sector

The department expects to spend R29 million over the medium term, funded through the *Industry and Capacity Development* programme, working towards developing a transformed and competitive communications sector. The work is focused in three areas. Firstly, the department plans to run 30 digital broadcasting awareness campaigns over the medium term. The campaigns are intended to educate and prepare ordinary South Africans for the switching off of analogue transmitters through the broadcasting digital migration programme by 2018/19. Secondly, the department plans to facilitate strategic multilateral partnerships and bilateral agreements and also conduct 30 intergovernmental and stakeholder engagements between 2017/18 and 2019/20. Thirdly, the department has appointed the South African Broadcasting Production Advisory Body to advise the Minister of Communications on the development, production and display of local television and radio content.

Cabinet approved a reprioritisation of R17.4 million in 2017/18, R14.9 million in 2018/19 and R14.6 million in 2019/20 from the South African Broadcasting Corporation to fund digital migration, build capacity in the department, and allow the Media Development and Diversity Agency to upgrade its broadcasting infrastructure for community radio stations. The reprioritisation will allow the department to amend the Media Diversity and Development Agency's mandate, implement a community media support strategy, and supply 25 community radio stations with broadcasting infrastructure.

Effective and efficient governance and administration

The department achieved a clean audit in 2015/16, its inaugural year, and will use this as a foundation to continue building sound financial management practises. However, the absence of in-house supply chain management and internal audit units has been singled out as a major risk area. This is a priority the department will be addressing in 2017/18 by recruiting and appointing qualified personnel. These activities are budgeted for under the *Internal Audit* and *Financial Management* subprogrammes in the *Administration* programme. Spending in these subprogrammes over the medium term has increased by R5.2 million, the bulk of which will be spent on compensation of employees and related goods and services. This process is expected to capacitate supply chain management with the appointment of four officials and internal audit units through the appointment of two officials in 2017/18.

Expenditure trends

Table 3.3 Vote expenditure trends by programme and economic classification

Programmes																
1. Administration																
2. Communications Policy, Research and Development																
3. Industry and Capacity Development																
4. Entity Oversight																
Programme																
	Annual budget			Annual budget			Annual budget			Annual budget			Average: Annual Outcome/budget (%)		Average: Adjusted Outcome/Adjusted appropriation (%)	
	2013/14	Adjusted appropriation	Audited outcome	2014/15	Adjusted appropriation	Audited outcome	2015/16	Adjusted appropriation	Audited outcome	2016/17	Adjusted appropriation	Revised estimate	2013/14 - 2016/17			
R million																
Programme 1	11.4	11.4	11.4	12.8	24.8	24.4	42.4	42.4	48.2	45.1	57.1	57.1	126.4%	104.0%		
Programme 2	5.7	5.7	5.7	6.5	6.5	6.5	7.9	7.9	4.9	8.4	7.7	7.7	87.1%	89.2%		
Programme 3	9.0	9.0	9.0	9.3	9.3	9.3	10.2	20.2	20.4	10.9	47.7	47.7	219.2%	100.2%		
Programme 4	1 249.1	1 327.8	1 322.4	1 193.0	1 226.6	1 246.9	1 220.4	1 220.4	1 214.6	1 281.0	1 237.2	1 237.2	101.6%	100.2%		
Total	1 275.2	1 353.9	1 348.4	1 221.6	1 267.2	1 287.2	1 280.9	1 290.9	1 288.0	1 345.4	1 349.7	1 349.7	102.9%	100.2%		
Change to 2016 Budget estimate													4.3			
Economic classification																
Current payments	26.2	26.2	27.9	32.0	44.0	43.7	70.1	80.1	76.3	75.1	114.0	114.0	128.8%	99.1%		
Compensation of employees	23.0	23.0	24.7	28.1	40.1	39.8	56.0	56.0	47.6	59.2	68.2	68.2	108.4%	96.3%		
Goods and services	3.2	3.2	3.2	3.9	3.9	3.9	14.1	24.1	28.7	16.0	45.8	45.8	219.8%	106.0%		

Table 3.4 Vote expenditure trends by programme and economic classification

	Annual budget			Annual budget			Annual budget			Annual budget			Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate		
R million	2013/14			2014/15			2015/16			2016/17			2013/14 - 2016/17	
Transfers and subsidies	1 249.0	1 327.5	1 320.3	1 189.3	1 222.9	1 243.2	1 210.2	1 210.2	1 210.2	1 270.2	1 231.9	1 231.9	101.8%	100.3%
Departmental agencies and accounts	1 019.9	1 060.4	1 063.7	1 024.1	1 057.7	1 016.0	1 037.2	1 037.2	1 037.2	1 088.1	1 049.8	1 049.8	-	-
Public corporations and private enterprises	229.1	267.1	256.6	165.2	165.2	227.2	172.9	172.9	172.9	182.1	182.1	182.1	111.9%	106.5%
Households	-	-	-	-	-	-	-	-	-	-	0.1	0.1	-	186.0%
Payments for capital assets	-	0.2	0.2	0.3	0.3	0.3	0.7	0.7	1.6	0.1	3.8	3.8	545.0%	117.8%
Machinery and equipment	-	0.2	0.2	0.3	0.3	0.3	0.7	0.7	1.6	0.1	3.8	3.8	545.0%	117.8%
Total	1 275.2	1 353.9	1 348.4	1 221.6	1 267.2	1 287.2	1 280.9	1 290.9	1 288.0	1 345.4	1 349.7	1 349.7	102.9%	100.2%

Expenditure estimates

Table 3.5 Vote expenditure estimates by programme and economic classification

Programmes								
1. Administration								
2. Communications Policy, Research and Development								
3. Industry and Capacity Development								
4. Entity Oversight								
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
R million	2016/17	2013/14 - 2016/17		2017/18	2018/19	2019/20	2016/17 - 2019/20	
Programme 1	57.1	71.3%	2.7%	62.8	66.3	78.1	11.0%	4.5%
Programme 2	7.7	10.9%	0.5%	8.5	10.0	11.9	15.5%	0.6%
Programme 3	47.7	74.2%	1.6%	22.3	29.2	22.1	-22.6%	2.1%
Programme 4	1 237.2	-2.3%	95.2%	1 331.5	1 415.2	1 500.2	6.6%	92.8%
Total	1 349.7	-0.1%	100.0%	1 425.1	1 520.7	1 612.3	6.1%	100.0%
Change to 2016 Budget estimate				(5.9)	(6.2)	(6.7)		
Economic classification								
Current payments	114.0	63.3%	5.0%	100.2	112.5	119.6	1.6%	7.6%
Compensation of employees	68.2	43.7%	3.4%	76.7	81.3	87.7	8.8%	5.3%
Goods and services	45.8	143.0%	1.5%	23.5	31.3	31.9	-11.3%	2.2%
Transfers and subsidies	1 231.9	-2.5%	94.9%	1 324.9	1 408.1	1 492.7	6.6%	92.4%
Departmental agencies and accounts	1 049.8	-0.3%	79.0%	1 151.1	1 220.6	1 293.7	7.2%	79.8%
Public corporations and private enterprises	182.1	-12.0%	15.9%	173.8	187.4	199.0	3.0%	12.6%
Households	0.1	-	-	-	-	-	-100.0%	-
Payments for capital assets	3.8	173.4%	0.1%	-	-	-	-77.0%	0.1%
Machinery and equipment	3.8	173.4%	0.1%	-	-	-	-77.0%	0.1%
Total	1 349.7	-0.1%	100.0%	1 425.1	1 520.7	1 612.3	6.1%	100.0%

Goods and services expenditure trends and estimates

Table 3.6 Vote Goods and services expenditure trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
R thousand											
Administrative fees	-	-	280	389	-	0.8%	276	191	444	4.5%	1.0%
Advertising	-	-	3 163	11 867	-	18.4%	290	2 336	330	-69.7%	11.2%
Minor assets	-	-	89	30	-	0.1%	424	472	499	155.3%	1.1%
Audit costs: External	-	-	-	765	-	0.9%	700	746	792	1.2%	2.3%
Bursaries: Employees	-	-	62	80	-	0.2%	-	-	-	-100.0%	0.1%
Catering: Departmental activities	-	-	1 085	600	-	2.1%	298	318	16	-70.1%	0.9%
Communication	27	28	1 887	4 804	462.4%	8.3%	1 287	1 464	1 756	-28.5%	7.0%
Computer services	650	684	34	130	-41.5%	1.8%	18	19	20	-46.4%	0.1%
Consultants: Business and advisory services	-	-	31	183	-	0.3%	125	440	465	36.5%	0.9%
Infrastructure and planning services	-	-	-	-	-	-	143	-	-	-	0.1%
Legal services	-	-	2 416	1 519	-	4.8%	1 361	1 451	1 539	0.4%	4.4%
Contractors	2 293	2 413	342	468	-41.1%	6.8%	214	248	263	-17.5%	0.9%
Agency and support/outsourced services	-	-	98	1 606	-	2.1%	272	286	305	-42.5%	1.9%
Entertainment	-	-	11	-	-	-	33	35	-	-	0.1%

Table 3.8 Vote personnel numbers and cost by salary level and programme¹

Number of posts estimated for 31 March 2017		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 2015/16			Revised estimate 2016/17			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		Number	Cost	Unit cost	Number	Cost	Unit cost	2017/18		2018/19		2019/20							
Communications																			
11 – 12	20	5	21	9.4	0.4	21	16.6	0.8	22	18.7	0.8	22	20.0	0.9	22	21.3	1.0	1.6%	22.7%
13 – 16	26	8	26	23.9	0.9	26	31.5	1.2	27	35.2	1.3	27	37.3	1.4	26	38.9	1.5	–	27.6%
Other	2	2	2	4.4	2.2	2	7.7	3.8	2	7.9	4.0	2	8.1	4.0	2	9.2	4.6	–	2.1%
Programme	80	37	92	47.6	0.5	92	68.2	0.7	98	76.7	0.8	98	81.3	0.8	96	87.7	0.9	1.4%	100.0%
Programme 1	57	21	53	29.3	0.6	53	43.6	0.8	59	50.2	0.9	59	53.2	0.9	66	61.8	0.9	7.6%	61.7%
Programme 2	10	–	8	3.8	0.5	8	5.7	0.7	8	6.1	0.8	8	6.5	0.8	10	8.2	0.8	7.7%	8.9%
Programme 3	8	14	25	11.0	0.4	25	14.6	0.6	25	15.7	0.6	25	16.5	0.7	14	12.3	0.9	-17.6%	23.2%
Programme 4	5	2	6	3.5	0.6	6	4.4	0.7	6	4.7	0.8	6	5.0	0.8	6	5.3	0.9	–	6.3%

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

Departmental receipts

Table 3.9 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2013/14	2014/15	2015/16					2016/17	2013/14 - 2016/17	2017/18		
Departmental receipts	1 196 370	976 478	1 328 069	1 026 751	1 026 751	-5.0%	99.8%	1 036 565	1 104 310	1 154 004	4.0%	100.0%
Sales of goods and services produced by department	6	7	12	74	74	131.0%	–	82	88	92	7.5%	–
Sales by market establishments	–	–	5	62	62	–	–	68	73	76	7.0%	–
of which:												
Market Establishment: Rental parking (covered and open)	–	–	5	62	62	–	–	68	73	76	7.0%	–
Other sales	6	7	7	12	12	26.0%	–	14	15	16	10.1%	–
of which:												
Commission on insurance	6	7	7	12	12	26.0%	–	14	15	16	10.1%	–
Interest, dividends and rent on land	1 894	1 583	3 406	2 168	2 168	4.6%	0.2%	2 200	2 352	2 458	4.3%	0.2%
Interest	1 894	1 583	3 406	2 168	2 168	4.6%	0.2%	2 200	2 352	2 458	4.3%	0.2%
Transactions in financial assets and liabilities	1 194 470	974 888	1 324 651	1 024 509	1 024 509	-5.0%	99.6%	1 034 283	1 101 870	1 151 454	4.0%	99.8%
National Revenue Fund receipts	8 795	–	–	–	–	-100.0%	0.2%	–	–	–	–	–
of which:												
Independent Communications Authority of South Africa	8 795	–	–	–	–	-100.0%	0.2%	–	–	–	–	–
Total	1 205 165	976 478	1 328 069	1 026 751	1 026 751	-5.2%	100.0%	1 036 565	1 104 310	1 154 004	4.0%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 3.10 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 (%)
	2013/14	2014/15	2015/16				2016/17	2013/14 - 2016/17	2017/18		
R thousand											
Ministry	–	12 000	12 032	9 696	–	23.9%	9 377	10 072	10 674	3.3%	15.1%
Departmental Management	819	867	28 725	25 192	213.3%	39.4%	30 537	31 718	36 656	13.3%	47.0%
Internal Audit	–	–	–	865	–	0.6%	787	840	2 456	41.6%	1.9%
Corporate Services	5 934	6 777	4 881	14 291	34.0%	22.6%	11 849	12 666	14 583	0.7%	20.2%
Financial Management	4 610	4 797	2 568	7 059	15.3%	13.5%	10 221	10 998	13 721	24.8%	15.9%
Total	11 363	24 441	48 206	57 103	71.3%	100.0%	62 771	66 294	78 090	11.0%	100.0%
Change to 2016 Budget estimate				12 001			8 876	6 763	14 301		

Table 3.10 Administration expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation 2016/17	Average growth rate (%) 2013/14 - 2016/17	Average: Expenditure/Total (%) 2013/14 - 2016/17	Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/Total (%) 2016/17 - 2019/20
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20		
R thousand											
Current payments	11 355	24 432	47 325	55 803	70.0%	98.4%	62 771	66 294	78 090	11.9%	99.5%
Compensation of employees	11 328	24 404	29 337	43 552	56.7%	77.0%	50 202	53 226	61 800	12.4%	79.0%
Goods and services ¹	27	28	17 988	12 251	668.4%	21.5%	12 569	13 068	16 290	10.0%	20.5%
of which:											
Audit costs: External	–	–	–	765	–	0.5%	700	746	792	1.2%	1.1%
Communication	27	28	1 124	1 181	252.3%	1.7%	820	836	1 087	-2.7%	1.5%
Legal services	–	–	576	1 519	–	1.5%	1 361	1 451	1 539	0.4%	2.2%
Fleet services (including government motor transport)	–	–	2 317	2 085	–	3.1%	1 507	1 615	2 222	2.1%	2.8%
Consumables: Stationery, printing and office supplies	–	–	406	275	–	0.5%	416	444	471	19.6%	0.6%
Travel and subsistence	–	–	11 722	5 084	–	11.9%	6 261	6 508	7 963	16.1%	9.8%
Transfers and subsidies ¹	–	–	49	–	–	–	–	–	–	–	–
Households	–	–	49	–	–	–	–	–	–	–	–
Payments for capital assets	8	9	832	1 300	445.7%	1.5%	–	–	–	-100.0%	0.5%
Machinery and equipment	8	9	832	1 300	445.7%	1.5%	–	–	–	-100.0%	0.5%
Total	11 363	24 441	48 206	57 103	71.3%	100.0%	62 771	66 294	78 090	11.0%	100.0%
Proportion of total programme expenditure to vote expenditure	0.8%	1.9%	3.7%	4.2%	–	–	4.4%	4.4%	4.8%	–	–

Details of transfers and subsidies

Households											
Social benefits											
Current	–	–	49	–	–	–	–	–	–	–	–
Households	–	–	49	–	–	–	–	–	–	–	–

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Personnel information

Table 3.11 Administration personnel numbers and cost by salary level¹

	Number of posts estimated for 31 March 2017		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 (%) 2016/17 - 2019/20	Average: Salary level/Total (%)						
			2015/16	Unit cost	2016/17	Unit cost	2017/18	Unit cost	2018/19	Unit cost	2019/20			Unit cost					
Administration			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Salary level	57	21	53	29.3	0.6	53	43.6	0.8	59	50.2	0.9	59	53.2	0.9	66	61.8	0.9	7.6%	100.0%
1 – 6	12	5	14	2.9	0.2	14	3.3	0.2	16	4.1	0.3	16	4.4	0.3	18	5.4	0.3	8.7%	27.0%
7 – 10	15	5	11	4.2	0.4	11	4.6	0.4	13	5.9	0.5	13	6.3	0.5	17	8.9	0.5	15.6%	22.8%
11 – 12	14	4	13	6.4	0.5	13	11.4	0.9	14	13.1	0.9	14	14.0	1.0	14	14.9	1.1	2.5%	23.2%
13 – 16	14	5	13	11.4	0.9	13	16.6	1.3	14	19.2	1.4	14	20.5	1.5	15	23.4	1.6	4.9%	23.6%
Other	2	2	2	4.4	2.2	2	7.7	3.8	2	7.9	4.0	2	8.1	4.0	2	9.2	4.6	–	3.4%

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

2. Rand million.

Programme 2: Communications Policy, Research and Development

Programme purpose

Conduct research and develop communications and broadcasting policies.

Objectives

- Improve universal access to broadcasting services by conducting research on the number of South African households with access to television and radio services by 31 March 2019.
- Broaden access to information to all citizens by conducting research on the number of South African households with access to information in order to develop appropriate media policies by 31 March 2019.
- Ensure the equitable allocation of broadcasting spectrum to public, private and community stakeholders by conducting research on broadcaster requirements and developing the appropriate casting spectrum policy by 31 March 2019.

- Promote socioeconomic development and investment by:
 - conducting research in order to assess South African and international stakeholder views on the reputation of South Africa by 31 March 2019
 - developing appropriate branding policies by 31 March 2019.

Subprogrammes

- Broadcasting Policy* oversees the development and implementation of public and community broadcasting policies and strategies, and policies and strategies to promote the commercial broadcasting tier; and facilitates the implementation of policies by regulatory institutions in the sector.
- Media Policy* conducts research and develops print media, new media and communications policies.
- Technology and Engineering Services* conducts research and develops broadcasting spectrum policy and plans, develops standards, and manages technology and engineering services.

Expenditure trends and estimates

Table 3.12 Communications Policy, Research and Development expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2016/17	Average growth rate (%) 2013/14 - 2016/17	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20		
R thousand											
Broadcasting Policy	5 671	6 547	4 883	6 168	2.8%	93.7%	6 802	7 929	9 710	16.3%	80.4%
Media Policy	–	–	–	150	–	0.6%	158	234	246	17.9%	2.1%
Technology and Engineering Services	–	–	13	1 410	–	5.7%	1 532	1 816	1 938	11.2%	17.6%
Total	5 671	6 547	4 896	7 728	10.9%	100.0%	8 492	9 979	11 894	15.5%	100.0%
Change to 2016 Budget estimate				(672)			(1 282)	(1 859)	(774)		
Economic classification											
Current payments	5 581	6 452	4 282	7 728	11.5%	96.8%	8 492	9 979	11 894	15.5%	100.0%
Compensation of employees	4 588	5 407	3 764	5 664	7.3%	78.2%	6 129	6 479	8 199	13.1%	69.5%
Goods and services ¹	993	1 045	518	2 064	27.6%	18.6%	2 363	3 500	3 695	21.4%	30.5%
of which:											
Advertising	–	–	19	187	–	0.8%	250	267	283	14.8%	2.6%
Minor assets	–	–	39	–	–	0.2%	173	195	206	–	1.5%
Contractors	993	1 045	–	188	-42.6%	9.0%	100	117	123	-13.2%	1.4%
Travel and subsistence	–	–	257	956	–	4.9%	1 132	2 146	2 600	39.6%	17.9%
Operating payments	–	–	–	174	–	0.7%	150	160	170	-0.8%	1.7%
Venues and facilities	–	–	–	–	–	–	300	320	–	–	1.6%
Payments for capital assets	90	95	614	–	-100.0%	3.2%	–	–	–	–	–
Machinery and equipment	90	95	614	–	-100.0%	3.2%	–	–	–	–	–
Total	5 671	6 547	4 896	7 728	10.9%	100.0%	8 492	9 979	11 894	15.5%	100.0%
Proportion of total programme expenditure to vote expenditure	0.4%	0.5%	0.4%	0.6%	–	–	0.6%	0.7%	0.7%	–	–

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Personnel information

Table 3.13 Communications Policy, Research and Development personnel numbers and cost by salary level¹

Communications Policy, Research and Development	Number of posts estimated for 31 March 2017	Number of posts additional to the establishment	Number and cost ² of personnel posts filled / planned for on funded establishment									Number							
			Actual			Revised estimate			Medium-term expenditure estimate			Average growth rate (%)	Average: Salary level/Total (%)						
			2015/16	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20											
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Salary level	10	–	8	3.8	0.5	8	5.7	0.7	8	6.1	0.8	8	6.5	0.8	10	8.2	0.8	7.7%	100.0%
7 – 10	2	–	2	0.6	0.3	2	0.8	0.4	2	0.9	0.4	2	0.9	0.5	4	2.3	0.6	26.0%	29.4%
11 – 12	4	–	4	1.2	0.3	4	3.2	0.8	4	3.4	0.8	4	3.6	0.9	4	3.9	1.0	–	47.1%
13 – 16	4	–	2	1.9	1.0	2	1.7	0.8	2	1.9	0.9	2	1.9	1.0	2	2.1	1.0	–	23.5%

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

2. Rand million.

Programme 3: Industry and Capacity Development

Programme purpose

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

Objectives

- Build a competitive communications industry through the implementation of targeted interventions to support the growth and development of the creative industries by 31 March 2019.
- Manage digital broadcasting migration through the registration of households, and the distribution and installation of various devices to ensure the successful migration from analogue to digital television in South Africa by September 2017.
- Conduct industry research and analysis to ensure evidence-based policy making through the provision of qualitative and quantitative analysis on an ongoing basis.
- Develop and implement structured programmes of intergovernmental and stakeholder engagement by hosting bilateral meetings with all spheres of government as well as statutory and non-statutory bodies in order to leverage support for the department's strategic priorities by 31 March 2018.

Subprogrammes

- *Enterprise Development* manages enterprise development; implements policy; manages and supports creative industries and media transformation; compiles skills profiles; and develops skills development programmes, including the development and implementation of broadcasting industry development strategies and plans.
- *Broadcasting Digital Migration* manages broadcasting digital migration with the aim of migrating from analogue to digital broadcasting, and plays an important role in creating and supporting small, medium and micro enterprises in the digital domain.
- *Industry Research and Analysis* manages industry research and analysis.
- *Intergovernmental Relations and Stakeholder Management* manages intergovernmental relations and stakeholder relations.

Expenditure trends and estimates

Table 3.14 Industry 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 (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
R thousand											
Enterprise Development	5 878	6 000	2 389	2 064	-29.5%	18.9%	3 045	3 263	3 489	19.1%	9.8%
Broadcasting Digital Migration	3 138	3 323	15 260	39 128	131.9%	70.4%	14 383	20 739	13 038	-30.7%	71.9%
Industry Research and Analysis	-	-	1 734	6 500	-	9.5%	2 922	3 140	3 371	-19.7%	13.1%
Inter-governmental Relations and Stakeholder Management	-	-	1 002	-	-	1.2%	1 940	2 084	2 236	-	5.2%
Total	9 016	9 323	20 385	47 692	74.2%	100.0%	22 290	29 226	22 134	-22.6%	100.0%
Change to 2016 Budget estimate				36 798			9 609	9 958	1 582		
Economic classification											
Current payments	8 928	9 181	20 315	45 135	71.6%	96.7%	22 249	29 182	22 088	-21.2%	97.8%
Compensation of employees	6 978	7 129	11 008	14 573	27.8%	45.9%	15 680	16 541	12 337	-5.4%	48.7%
Goods and services ¹	1 950	2 052	9 307	30 562	150.3%	50.8%	6 569	12 641	9 751	-31.7%	49.1%
of which:											
Advertising	-	-	3 045	11 610	-	17.0%	-	2 026	-	-100.0%	11.2%
Communication	-	-	707	3 593	-	5.0%	249	385	410	-51.5%	3.8%
Fleet services (including government motor transport)	-	-	-	600	-	0.7%	409	1 037	1 099	22.4%	2.6%
Consumable supplies	-	-	32	39	-	0.1%	1 272	1 357	1 440	233.0%	3.4%
Consumables: Stationery, printing and office supplies	-	-	416	250	-	0.8%	372	597	633	36.3%	1.5%
Travel and subsistence	-	-	2 208	10 857	-	15.1%	3 718	6 562	5 509	-20.2%	22.0%

Table 3.14 Industry and Capacity Development expenditure trends and estimates by subprogramme and economic classification

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
Transfers and subsidies ¹	-	-	-	57	-	0.1%	-	-	-	-100.0%	-
Households	-	-	-	57	-	0.1%	-	-	-	-100.0%	-
Payments for capital assets	88	142	70	2 500	205.1%	3.2%	41	44	46	-73.6%	2.2%
Machinery and equipment	88	142	70	2 500	205.1%	3.2%	41	44	46	-73.6%	2.2%
Total	9 016	9 323	20 385	47 692	74.2%	100.0%	22 290	29 226	22 134	-22.6%	100.0%
Proportion of total programme expenditure to vote expenditure	0.7%	0.7%	1.6%	3.5%	-	-	1.6%	1.9%	1.4%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	-	-	-	57	-	0.1%	-	-	-	-100.0%	-
Households	-	-	-	57	-	0.1%	-	-	-	-100.0%	-

¹ Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Personnel information

Table 3.15 Industry and Capacity Development personnel numbers and cost by salary level¹

Industry and Capacity Development	Number of posts estimated for 31 March 2017		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 (%)			
			2015/16			2016/17			2017/18		2018/19		2019/20						
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			Number	Cost	Unit cost
Salary level	8	14	25	11.0	0.4	25	14.6	0.6	25	15.7	0.6	25	16.5	0.7	14	12.3	0.9	-17.6%	100.0%
1 – 6	-	10	10	0.6	0.1	10	2.3	0.2	10	2.4	0.2	10	2.6	0.3	1	-	-	-53.6%	34.8%
7 – 10	3	1	4	1.1	0.3	4	1.2	0.3	4	1.3	0.3	4	1.4	0.3	4	1.5	0.4	-	18.0%
11 – 12	-	1	2	1.0	0.5	2	1.4	0.7	2	1.5	0.7	2	1.6	0.8	2	1.7	0.8	-	9.0%
13 – 16	5	2	9	8.3	0.9	9	9.7	1.1	9	10.5	1.2	9	11.0	1.2	7	9.2	1.3	-8.0%	38.2%

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

² Rand million.

Programme 4: Entity Oversight

Programme purpose

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

Objectives

- Ensure strategic alignment with departmental priorities by monitoring state-owned entities' implementation of communications and branding policies by 31 March 2018.
- Ensure strategic alignment with the department's priorities by issuing policy directives to the regulatory institutions as and when required.
- Ensure the viability and sustainability of state-owned entities by providing funding on an ongoing basis.

Subprogrammes

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

Expenditure trends and estimates

Table 3.16 Entity Oversight expenditure trends and estimates by subprogramme and economic classification

Subprogramme	Audited outcome			Adjusted appropriation 2016/17	Average growth rate (%) 2013/14 - 2016/17	Average Expenditure/ Total (%) 2013/14 - 2016/17	Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average Expenditure/ Total (%) 2016/17 - 2019/20
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20		
R thousand											
Programme Management for Entity Oversight	-	-	2 559	2 620	-	0.1%	2 570	1 244	1 308	-20.7%	0.1%
Broadcasting and Community Media	279 427	252 699	196 875	208 589	-9.3%	18.7%	205 449	220 674	233 762	3.9%	15.8%
Communication and Branding	569 605	539 078	539 136	566 442	-0.2%	44.1%	599 542	638 861	679 705	6.3%	45.3%
Regulatory Institutions	473 336	455 122	475 978	459 546	-1.0%	37.1%	523 981	554 372	585 447	8.4%	38.7%
Strategy and Policy Alignment	-	-	7	-	-	-	-	-	-	-	-
Total	1 322 368	1 246 899	1 214 555	1 237 197	-2.2%	100.0%	1 331 542	1 415 151	1 500 222	6.6%	100.0%
Change to 2016 Budget estimate				(43 813)			(23 092)	(21 110)	(16 670)		
Economic classification											
Current payments	2 067	3 642	4 357	5 305	36.9%	0.3%	6 654	7 092	7 554	12.5%	0.5%
Compensation of employees	1 846	2 834	3 483	4 380	33.4%	0.2%	4 686	5 010	5 346	6.9%	0.4%
Goods and services ¹	221	808	874	925	61.2%	0.1%	1 968	2 082	2 208	33.6%	0.1%
of which:											
Communication	-	-	46	-	-	-	150	160	171	-	-
Consultants: Business and advisory services	-	-	-	-	-	-	-	306	324	-	-
Consumables: Stationery, printing and office supplies	-	-	23	90	-	-	256	272	288	47.4%	-
Operating leases	-	-	-	-	-	-	72	77	82	-	-
Travel and subsistence	221	808	267	725	48.6%	-	1 149	1 056	1 122	15.7%	0.1%
Training and development	-	-	45	100	-	-	104	112	118	5.7%	-
Transfers and subsidies¹	1 320 301	1 243 183	1 210 156	1 231 892	-2.3%	99.7%	1 324 888	1 408 059	1 492 668	6.6%	99.5%
Departmental agencies and accounts	1 063 731	1 016 015	1 037 229	1 049 799	-0.4%	83.0%	1 151 122	1 220 638	1 293 652	7.2%	86.0%
Public corporations and private enterprises	256 570	227 168	172 927	182 093	-10.8%	16.7%	173 766	187 421	199 016	3.0%	13.5%
Payments for capital assets	-	74	42	-	-	-	-	-	-	-	-
Machinery and equipment	-	74	42	-	-	-	-	-	-	-	-
Total	1 322 368	1 246 899	1 214 555	1 237 197	-2.2%	100.0%	1 331 542	1 415 151	1 500 222	6.6%	100.0%
Proportion of total programme expenditure to vote expenditure	98.1%	96.9%	94.3%	91.7%	-	-	93.4%	93.1%	93.0%	-	-
Details of transfers and subsidies											
Current	1 063 731	1 016 015	1 037 229	1 049 799	-0.4%	83.0%	1 151 122	1 220 638	1 293 652	7.2%	86.0%
Media Development and Diversity Agency	20 790	21 815	22 615	23 814	4.6%	1.8%	30 005	31 455	32 836	11.3%	2.2%
Brand South Africa	160 434	167 686	173 160	181 186	4.1%	13.6%	194 300	205 569	217 081	6.2%	14.6%
Government Communication and Information System	409 171	371 392	365 476	385 256	-2.0%	30.5%	404 750	431 267	460 456	6.1%	30.7%
Independent Communications Authority of South Africa	390 661	376 221	393 619	373 071	-1.5%	30.5%	430 383	455 345	480 845	8.8%	31.7%
Film and Publication Board	82 675	78 901	82 359	86 472	1.5%	6.6%	91 684	97 002	102 434	5.8%	6.9%
Public corporations and private enterprises											
Public corporations											
Other transfers to public corporations											
Current	256 570	227 168	172 927	182 093	-10.8%	16.7%	173 766	187 421	199 016	3.0%	13.5%
South African Broadcasting Corporation: Channel Africa	44 673	47 413	49 640	52 271	5.4%	3.9%	54 885	58 068	61 320	5.5%	4.1%
South African Broadcasting Corporation: Public broadcaster	127 055	97 199	101 785	107 180	-5.5%	8.6%	105 947	115 669	123 246	4.8%	8.2%
South African Broadcasting Corporation: Community radio stations	8 842	9 373	9 804	10 324	5.3%	0.8%	-	-	-	-100.0%	0.2%
South African Broadcasting Corporation: Programme productions	-	11 183	11 698	12 318	-	0.7%	12 934	13 684	14 450	5.5%	1.0%
South African Broadcasting Corporation: Broadcasting digital migration	76 000	62 000	-	-	-100.0%	2.7%	-	-	-	-	-

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Personnel information

Table 3.17 Entity Oversight personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2017		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 (%)				
		2015/16			2016/17			2017/18		2018/19		2019/20				2016/17 - 2019/20			
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost		Unit cost		
Entity Oversight																			
Salary level	5	2	6	3.5	0.6	6	4.4	0.7	6	4.7	0.8	6	5.0	0.8	6	5.3	0.9	-	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	-	16.7%
7 – 10	-	-	1	0.2	0.2	1	-	-	1	-	-	1	-	-	1	-	-	-	16.7%
11 – 12	2	-	2	0.8	0.4	2	0.7	0.4	2	0.8	0.4	2	0.8	0.4	2	0.9	0.4	-	33.3%
13 – 16	3	1	2	2.3	1.2	2	3.4	1.7	2	3.7	1.8	2	3.9	2.0	2	4.2	2.1	-	33.3%

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

2. Rand million.

Other departments within the vote

Government Communication and Information System

Budget summary

R million	2017/18				2018/19	2019/20
	Total	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total
MTEF allocation						
Administration	154.3	153.9	-	0.3	163.4	173.1
Content Processing and Dissemination	140.4	140.0	-	0.4	149.3	159.8
Intergovernmental Coordination and Stakeholder Management	110.1	109.6	-	0.5	118.5	127.6
Total expenditure estimates	404.8	403.5	0.1	1.2	431.3	460.5

Executive authority

Minister of Communications

Accounting officer

Director General of Government Communication and Information System

Website address

www.gcis.gov.za

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

Department purpose

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

Mandate

The mandate of the Government Communication and Information System is derived from section 195(g) of the Constitution, which stipulates that the public should be provided with information that is timely, accurate and accessible. This is in support of the constitutional principles of freedom of expression, transparency and openness of government. The department is responsible for providing strategic leadership and coordinating government communication to ensure that the public is informed and have access to government programmes and policies that benefit them.

Selected performance indicators

Table 3.18 Performance indicators by programme and related outcome

Indicator	Programme	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Number of cluster reports on perceptions on government delivery and performance reports issued per year	Content Processing and Dissemination	Outcome 14: A diverse, socially cohesive society with a common national identity	14	14	14	10	10	10	10
Number of copies of Vuk'uzenzele newspaper published per year	Content Processing and Dissemination		21 million	18.7 million					
Number of radio advertisements and dramas produced per year	Content Processing and Dissemination		51	80	41	48	48	48	48
Number of video programmes produced per year	Content Processing and Dissemination		383	92	183	120	120	120	120
Number of requests for photographic coverage handled per year	Content Processing and Dissemination		819	884	564	500	500	500	500

Table 3.18 Performance indicators by programme and related outcome

Indicator	Programme	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Number of live broadcasts on community radio stations per year	Content Processing and Dissemination	Outcome 14: A diverse, socially cohesive society with a common national identity	70	80	66	54	54	54	54
Number of government and national events covered by video per year ¹	Content Processing and Dissemination		540	783	572	400	400	400	400
Number of graphic designs produced per year ¹	Content Processing and Dissemination		315	584	294	160	160	160	160
Number of requests for media briefings received from government departments per year	Intergovernmental Coordination and Stakeholder Management		22	100	21	21	100	100	100
Number of community and stakeholder liaison visits per year	Intergovernmental Coordination and Stakeholder Management		3 588	2 750	2 170	2 750	1 800	1 800	1 800
Number of development communication projects aligned with the government communication programme per year ¹	Intergovernmental Coordination and Stakeholder Management		2 184	2 184	1 920	2 184	1 200	1 200	1 200
Number of reports on rapid response facilitated per year ¹	Intergovernmental Coordination and Stakeholder Management		301	311	23	311	24	24	24
Number of marketing events per service centre per year	Intergovernmental Coordination and Stakeholder Management		484	484	580	484	486	486	486

1. Fluctuations in targets are due to these indicators being demand driven.

Expenditure analysis

The National Development Plan emphasises the need to unite all South Africans around a common goal, ensure citizens are active in their own development, and build a capable and developmental state. This goal is expressed in outcome 12 (an efficient, effective and development-oriented public service) and outcome 14 (a diverse, socially cohesive society with a common national identity) of government's 2014-2019 medium-term strategic framework. To support the realisation of these outcomes, the Government Communication and Information System will continue to focus on providing strategic communications, and facilitating active citizen participation over the medium term. The bulk of these activities, which include conducting research on government communication strategies and compiling communications products, such as the Vuk'uzenzele newspaper, are to be performed by the department's personnel. The department will spend 58.9 per cent of its total budget on compensation of employees towards 418 funded posts and projects over the medium term.

Providing strategic communications

The department provides information about government policies, plans, programmes and activities to the public. Over the medium term, the department plans to conduct 10 458 outreach programmes and publish 111 editions of communication products. This includes the production and distribution of 18.7 million copies of the Vuk'uzenzele newspaper in 11 official languages and 9 600 Braille copies each year over the medium term. Information published in Vuk'uzenzele focuses on key government priorities, such as issues affecting the youth, service delivery, rural development, and includes advertisements for government vacancies. The production and distribution of Vuk'uzenzele is funded in the *Products and Platforms* subprogramme, with a budget allocation of R80.9 million over the medium term.

The department aims to collect public opinion, research and analysis, and media coverage to understand the communications environment and to inform government messages. In 2015/16, the department produced 83 research advisory reports for various national departments and premiers' offices. These reports provide information that helps government communicators to develop communication strategies. In addition, 30 cluster reports will be produced over the medium term.

The department also plans to hold 14 strategic engagements with government communicators every year, to improve the coherence and alignment of government messages. These include four engagements with national government department heads of communication and 10 internal communicator forums to share best practices and content on government programmes. An amount of R287.1 million is allocated to compensation of employees in the *Intergovernmental Coordination and Stakeholder Management* programme over the medium term for this work, and R69 million is allocated for operational expenditure.

In addition, the department will provide media bulk-buying services, which are designed to reduce the cost to government on advertising; facilitate a rapid response mechanism to hasten government's response to issues arising in the media; and provide media production services to support other government departments. Over the

medium term, the department expects to handle 1 820 requests each year for media production services, such as photographic, video and graphic design services. It aims to provide more than 2 000 communication services. These include advertisements, hosting of talk shows, compilation of voice-overs, and video and photographic services to client departments and public entities. These activities are budgeted for in the *Content Processing and Dissemination* programme, which has a total budget allocation of R449.5 million over the medium term.

Facilitating active citizen participation

The department plans to conduct 1 200 communication development projects and 1 800 community and stakeholder liaison visits per year. These initiatives will deliver information to more than 1 million people per month through community radio talk shows, community newspapers, and awareness campaigns at taxi ranks and malls. An amount of R5.8 million is allocated mainly for communication development projects, R3.5 million for community and stakeholder liaison visits, and R2.1 million for Thusong service centres each year through the *Provincial and Local Liaison* subprogramme. The department expects to spend a further R1.6 million per year over the medium term in this subprogramme on the imbizos, which facilitates interactions between political principals and the public, and develops content for print and electronic communication products.

Expenditure trends

Table 3.19 Departmental expenditure trends by programme and economic classification

Programmes														
1. Administration														
2. Content Processing and Dissemination														
3. Intergovernmental Coordination and Stakeholder Management														
Programme	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Audited outcome	Annual budget	Adjusted appropriation	Revised estimate	Average: Outcome/Annual budget (%)	Average: Outcome/Adjusted appropriation (%)
R million	2013/14			2014/15			2015/16			2016/17			2013/14 - 2016/17	
Programme 1	132.6	181.4	178.8	141.4	134.6	133.6	139.8	139.8	144.9	143.1	144.2	147.5	108.6%	100.8%
Programme 2	144.2	137.5	130.9	150.0	145.6	137.3	130.9	130.9	126.9	133.6	136.1	134.1	94.7%	96.2%
Programme 3	120.0	118.2	99.4	121.7	99.3	93.9	94.7	94.7	93.5	105.5	104.9	95.8	86.6%	91.7%
Total	396.7	437.2	409.2	413.1	379.5	364.9	365.5	365.5	365.2	382.2	385.3	377.4	97.4%	96.8%
Change to 2016 Budget estimate											3.1			
Economic classification														
Current payments	374.3	378.1	362.2	388.0	374.8	356.2	364.5	363.9	362.9	381.0	384.1	375.6	96.6%	97.1%
Compensation of employees	188.4	188.7	171.3	200.1	188.3	181.6	210.0	209.4	202.5	222.8	222.8	214.9	93.8%	95.2%
Goods and services	185.9	189.4	190.9	187.9	186.5	174.6	154.5	154.5	160.4	158.2	161.3	160.7	100.0%	99.3%
Transfers and subsidies	20.8	21.1	0.8	21.8	0.6	1.0	0.1	0.7	1.0	0.1	0.1	0.7	8.3%	15.7%
Departmental agencies and accounts	20.8	20.8	-	21.8	0.6	0.6	0.1	0.1	0.1	0.1	0.1	0.1	-	-
Households	-	0.3	0.8	-	-	0.4	-	0.6	1.0	-	-	0.6	-	276.1%
Payments for capital assets	1.6	38.0	46.0	3.3	4.0	7.6	0.9	0.9	1.2	1.1	1.1	1.1	812.0%	127.0%
Buildings and other fixed structures	-	36.1	26.2	-	-	0.5	-	-	0.1	-	-	-	-	74.2%
Machinery and equipment	1.3	1.6	19.7	3.0	3.8	7.1	0.7	0.7	1.1	0.9	0.9	0.9	489.8%	415.5%
Software and other intangible assets	0.3	0.3	-	0.3	0.3	-	0.2	0.2	-	0.3	0.3	0.3	25.3%	25.3%
Payments for financial assets	-	-	0.1	-	-	-	-	-	0.2	-	-	-	-	-
Total	396.7	437.2	409.2	413.1	379.5	364.9	365.5	365.5	365.2	382.2	385.3	377.4	97.4%	96.8%

Expenditure estimates

Table 3.20 Departmental expenditure estimates by programme and economic classification

Programmes									
1. Administration									
2. Content Processing and Dissemination									
3. Intergovernmental Coordination and Stakeholder Management									
Programme	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
R million	2016/17	2013/14 - 2016/17		2017/18	2018/19	2019/20	2016/17 - 2019/20		
Programme 1	147.5	-6.7%	39.9%	154.3	163.4	173.1	5.5%	38.1%	
Programme 2	134.1	-0.8%	34.9%	140.4	149.3	159.8	6.0%	34.9%	
Programme 3	95.8	-6.8%	25.2%	110.1	118.5	127.6	10.0%	27.0%	
Total	377.4	-4.8%	100.0%	404.8	431.3	460.5	6.9%	100.0%	
Change to 2016				(1.1)	(1.1)	(1.3)			
Budget estimate									
Economic classification									
Current payments	375.6	-0.2%	96.1%	403.5	430.0	459.1	6.9%	99.7%	
Compensation of employees	214.9	4.4%	50.8%	236.8	254.0	273.3	8.3%	58.5%	
Goods and services	160.7	-5.3%	45.3%	166.7	176.0	185.8	4.9%	41.2%	
Transfers and subsidies	0.7	-67.8%	0.2%	0.1	0.1	0.1	-54.4%	0.1%	
Departmental agencies and accounts	0.1	-84.6%	-	0.1	0.1	0.1	-4.1%	-	
Households	0.6	25.4%	0.2%	-	-	-	-100.0%	-	
Payments for capital assets	1.1	-69.2%	3.7%	1.2	1.2	1.3	6.0%	0.3%	
Machinery and equipment	0.9	-18.9%	1.9%	1.2	1.2	1.3	15.5%	0.3%	
Software and other intangible assets	0.3	-4.7%	-	-	-	-	-115.9%	-	
Total	377.4	-4.8%	100.0%	404.8	431.3	460.5	6.9%	100.0%	

Goods and services expenditure trends and estimates

Table 3.21 Departmental goods and services expenditure trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
Administrative fees	578	663	478	695	6.3%	0.4%	693	721	770	3.5%	0.4%
Advertising	12 257	7 827	5 078	4 058	-30.8%	4.3%	4 888	5 473	5 650	11.7%	2.9%
Minor assets	5 964	693	156	222	-66.6%	1.0%	84	89	97	-24.1%	0.1%
Audit costs: External	2 467	2 077	2 349	1 988	-6.9%	1.3%	2 030	2 129	2 251	4.2%	1.2%
Bursaries: Employees	302	350	460	416	11.3%	0.2%	450	478	506	6.7%	0.3%
Catering: Departmental activities	1 683	1 350	679	1 216	-10.3%	0.7%	931	1 057	1 122	-2.6%	0.6%
Communication	14 206	12 550	9 988	8 943	-14.3%	6.6%	9 129	9 371	9 939	3.6%	5.4%
Computer services	15 327	16 009	15 129	14 553	-1.7%	8.9%	14 738	15 561	16 445	4.2%	8.9%
Consultants: Business and advisory services	1 306	2 098	2 349	1 704	9.3%	1.1%	2 659	1 238	1 332	-7.9%	1.0%
Laboratory services	-	2	-	-	-	-	-	-	-	-	-
Legal services	591	945	740	475	-7.0%	0.4%	432	458	485	0.7%	0.3%
Contractors	8 558	5 571	3 895	3 512	-25.7%	3.1%	3 487	3 693	3 908	3.6%	2.1%
Agency and support/outourced services	8 130	6 323	3 460	5 425	-12.6%	3.4%	6 146	6 363	6 656	7.1%	3.6%
Fleet services (including government motor transport)	2 935	2 505	2 000	1 234	-25.1%	1.3%	1 299	1 369	1 448	5.5%	0.8%
Consumable supplies	1 502	986	709	731	-21.3%	0.6%	708	689	728	-0.1%	0.4%
Consumables: Stationery, printing and office supplies	3 882	6 164	3 118	3 664	-1.9%	2.4%	3 583	3 735	3 925	2.3%	2.2%
Operating leases	39 437	43 465	47 556	48 185	6.9%	26.0%	50 814	53 738	56 752	5.6%	30.4%
Rental and hiring	82	115	109	160	25.0%	0.1%	148	157	166	1.2%	0.1%
Property payments	6 888	6 543	8 799	6 045	-4.3%	4.1%	7 060	8 036	8 454	11.8%	4.3%
Travel and subsistence	19 465	20 577	21 137	17 680	-3.2%	11.5%	18 527	19 556	20 905	5.7%	11.1%
Training and development	2 486	1 692	827	1 814	-10.0%	1.0%	1 927	1 872	1 814	-	1.1%
Operating payments	41 225	35 808	30 833	38 246	-2.5%	21.3%	36 275	39 490	41 682	2.9%	22.6%
Venues and facilities	1 661	246	545	327	-41.8%	0.4%	660	702	735	31.0%	0.4%
Total	190 932	174 559	160 394	161 293	-5.5%	100.0%	166 668	175 975	185 770	4.8%	100.0%

Transfers and subsidies expenditure trends and estimates

Table 3.22 Departmental transfers and subsidies trends and estimates

R thousand	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
Households											
Social benefits											
Current	789	413	963	-	-100.0%	74.9%	-	-	-	-	-
Employee social benefits	789	413	963	-	-100.0%	74.9%	-	-	-	-	-
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	47	568	56	56	6.0%	25.1%	60	63	67	6.2%	100.0%
Communication	47	39	56	56	6.0%	6.8%	60	63	67	6.2%	100.0%
Public Service Sector Education and Training Authority	-	529	-	-	-	18.3%	-	-	-	-	-
Total	836	981	1 019	56	-59.4%	100.0%	60	63	67	6.2%	100.0%

Personnel information

Table 3.23 Departmental personnel numbers and cost by salary level and programme¹

Number of posts estimated for 31 March 2017		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 2015/16			Revised estimate 2016/17			Medium-term expenditure estimate						Average growth rate (%)	Average: Salary level/Total (%)				
		Number	Cost	Unit cost	Number	Cost	Unit cost	2017/18		2018/19		2019/20							
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2016/17 - 2019/20		
Government Communication and Information System																			
Salary level	441	33	434	202.5	0.5	437	214.9	0.5	427	236.8	0.6	420	254.0	0.6	418	273.3	0.7	-1.5%	100.0%
1 – 6	112	18	114	24.0	0.2	113	24.8	0.2	108	25.0	0.2	103	25.9	0.3	102	27.9	0.3	-3.4%	25.0%
7 – 10	201	10	196	78.0	0.4	196	81.9	0.4	192	90.3	0.5	190	96.9	0.5	190	104.9	0.6	-1.0%	45.1%
11 – 12	85	4	79	52.6	0.7	80	54.4	0.7	79	62.3	0.8	79	67.6	0.9	78	72.3	0.9	-0.8%	18.6%
13 – 16	43	1	45	47.8	1.1	48	53.8	1.1	48	59.2	1.2	48	63.6	1.3	48	68.2	1.4	-	11.3%
Programme	441	33	434	202.5	0.5	437	214.9	0.5	427	236.8	0.6	420	254.0	0.6	418	273.3	0.7	-1.5%	100.0%
Programme 1	137	17	137	59.5	0.4	137	60.7	0.4	135	69.2	0.5	129	73.0	0.6	127	77.8	0.6	-2.5%	31.0%
Programme 2	141	12	138	70.4	0.5	138	76.0	0.6	135	79.3	0.6	134	85.4	0.6	134	92.3	0.7	-1.0%	31.8%
Programme 3	163	4	159	72.6	0.5	162	78.2	0.5	157	88.4	0.6	157	95.6	0.6	157	103.1	0.7	-1.0%	37.2%

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

2. Rand million.

Departmental receipts

Table 3.24 Departmental receipts by economic classification

R thousand	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2013/14	2014/15	2015/16					2016/17	2017/18	2018/19		
Departmental receipts	794	747	4 203	926	4 019	71.7%	100.0%	1 146	1 200	1 236	-32.5%	100.0%
Sales of goods and services produced by department	225	379	3 537	257	3 357	146.2%	76.8%	291	303	313	-54.7%	56.1%
Sales by market establishments of which:	140	146	141	145	145	1.2%	5.9%	150	155	160	3.3%	8.0%
Market establishment: Rental parking (covered and open)	140	146	141	145	145	1.2%	5.9%	150	155	160	3.3%	8.0%
Other sales of which:	85	233	3 396	112	3 212	235.6%	70.9%	141	148	153	-63.8%	48.1%
Services rendered: Commission on insurance and gamishee	53	129	73	78	78	13.7%	3.4%	88	92	95	6.8%	4.6%
Sales: Departmental publications and production	32	104	3 323	34	3 134	360.9%	67.5%	53	56	58	-73.5%	43.4%
Sales of scrap, waste, arms and other used current goods of which:	-	2	1	2	2	-	0.1%	2	2	2	-	0.1%
Sales: Waste paper	-	2	1	2	2	-	0.1%	2	2	2	-	0.1%
Interest, dividends and rent on land	79	105	224	264	264	49.5%	6.9%	265	278	286	2.7%	14.4%
Interest	79	105	224	264	264	49.5%	6.9%	265	278	286	2.7%	14.4%
Sales of capital assets	-	-	-	7	-	-	-	-	-	-	-	-
Transactions in financial assets and liabilities	490	261	441	396	396	-6.9%	16.3%	588	617	635	17.0%	29.4%
Total	794	747	4 203	926	4 019	71.7%	100.0%	1 146	1 200	1 236	-32.5%	100.0%

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

Table 3.25 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 (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
R thousand											
Departmental Management	6 391	5 380	6 479	7 189	4.0%	4.2%	7 665	8 205	8 805	7.0%	5.0%
Corporate Services	48 411	49 136	50 829	50 095	1.1%	33.0%	52 884	56 246	59 842	6.1%	34.5%
Financial Administration	75 210	26 555	29 754	30 746	-25.8%	27.0%	34 177	35 955	37 825	7.2%	21.8%
Internal Audit	6 912	7 041	7 719	7 632	3.4%	4.9%	7 764	8 205	8 806	4.9%	5.1%
Office Accommodation	41 905	45 503	50 139	48 571	5.0%	30.9%	51 826	54 799	57 836	6.0%	33.5%
Total	178 829	133 615	144 920	144 233	-6.9%	100.0%	154 316	163 410	173 114	6.3%	100.0%
Change to 2016 Budget estimate				1 169			2 617	1 922	1 117		
Economic classification											
Current payments	134 207	128 179	144 045	143 659	2.3%	91.4%	153 940	162 842	172 514	6.3%	99.7%
Compensation of employees	49 667	50 977	59 506	64 087	8.9%	37.3%	69 162	72 981	77 848	6.7%	44.7%
Goods and services ¹	84 540	77 202	84 539	79 572	-2.0%	54.2%	84 778	89 861	94 666	6.0%	54.9%
of which:											
Computer services	11 893	9 097	12 062	11 101	-2.3%	7.3%	11 829	12 508	13 201	5.9%	7.7%
Contractors	2 763	2 426	2 513	2 026	-9.8%	1.6%	2 110	2 239	2 371	5.4%	1.4%
Operating leases	38 349	42 785	46 685	47 156	7.1%	29.1%	49 742	52 609	55 556	5.6%	32.3%
Property payments	6 787	6 470	8 747	5 947	-4.3%	4.6%	6 944	7 927	8 339	11.9%	4.6%
Travel and subsistence	4 006	3 257	3 674	2 228	-17.8%	2.2%	2 645	3 003	3 172	12.5%	1.7%
Operating payments	2 493	2 604	2 993	2 598	1.4%	1.8%	3 164	3 036	3 191	7.1%	1.9%
Transfers and subsidies¹	304	845	150	44	-47.5%	0.2%	48	50	53	6.4%	-
Departmental agencies and accounts	38	564	46	44	5.0%	0.1%	48	50	53	6.4%	-
Households	266	281	104	-	-100.0%	0.1%	-	-	-	-	-
Payments for capital assets	44 317	4 572	683	530	-77.1%	8.3%	328	518	547	1.1%	0.3%
Buildings and other fixed structures	26 224	481	81	-	-100.0%	4.5%	-	-	-	-	-
Machinery and equipment	18 093	4 091	602	490	-70.0%	3.9%	328	518	547	3.7%	0.3%
Software and other intangible assets	-	-	-	40	-	-	-	-	-	-100.0%	-
Payments for financial assets	1	19	42	-	-100.0%	-	-	-	-	-	-
Total	178 829	133 615	144 920	144 233	-6.9%	100.0%	154 316	163 410	173 114	6.3%	100.0%
Proportion of total programme expenditure to vote expenditure	43.7%	36.6%	39.7%	37.4%	-	-	38.1%	37.9%	37.6%	-	-

Details of transfers and subsidies

Households											
Social benefits											
Current											
Employee social benefits	266	281	104	-	-100.0%	0.1%	-	-	-	-	-
Departmental agencies and accounts	38	564	46	44	5.0%	0.1%	48	50	53	6.4%	-
Departmental agencies (non-business entities)	38	35	46	44	5.0%	-	48	50	53	6.4%	-
Communication	-	529	-	-	-	0.1%	-	-	-	-	-
Public Service Sector Education and Authority	-	-	-	-	-	-	-	-	-	-	-

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Personnel information

Table 3.26 Administration personnel numbers and cost by salary level¹

Administration	Salary level	Number of posts estimated for 31 March 2017	Number of posts funded posts	Number of posts additional to the establishment	Number and cost ² of personnel posts filled / planned for on funded establishment												Number		
					Actual			Revised estimate			Medium-term expenditure estimate						Average growth rate (%)	Average Salary level/Total (%)	
					2015/16		Unit cost	2016/17		Unit cost	2017/18		Unit cost	2018/19		Unit cost			2019/20
					Number	Cost		Number	Cost		Number	Cost		Number	Cost		Number	Cost	Number
		17	137	59.5	0.4	137	60.7	0.4	135	69.2	0.5	129	73.0	0.6	127	77.8	0.6	-2.5%	100.0%
	1-6	12	57	10.0	0.2	57	10.8	0.2	55	11.4	0.2	50	11.2	0.2	49	12.0	0.2	-4.9%	40.0%
	7-10	3	42	18.2	0.4	42	18.1	0.4	42	21.5	0.5	41	22.6	0.6	41	24.5	0.6	-0.8%	31.4%
	11-12	2	25	16.0	0.6	25	15.8	0.6	25	19.0	0.8	25	20.6	0.8	24	21.4	0.9	-1.4%	18.8%
	13-16	13	13	15.3	1.2	13	16.1	1.2	13	17.3	1.3	13	18.6	1.4	13	19.9	1.5	-	9.8%

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

2. Rand million.

Programme 2: Content Processing and Dissemination

Programme purpose

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

Objectives

- Provide strategic leadership and support in government communications by conducting research on public opinion and analysis of media coverage to understand the communications environment and inform government messages over the medium term.
- Grow the share of government's voice and messages in the public domain by producing government's communications products and services over the medium term.
- Improve information dissemination by providing effective and efficient marketing and distribution services, cost-effective media bulk-buying services, and media products and services for government on an ongoing basis.
- Maintain a positive image of government through the management of government's corporate identity by conducting identity workshops annually over the medium term.

Subprogrammes

- *Programme Management for Content Processing and Dissemination* coordinates strategic planning for communications in the department and other government departments, and ensures adherence to government communications standards.
- *Policy and Research* conducts research through independent service providers to assess how government should address the public's information needs; monitors media coverage of issues affecting government and the country; provides analyses on how the media interprets government policies and programmes; formulates policy proposals where they are required; and assesses public perceptions in relation to government performance.
- *Products and Platforms* develops content for the department; provides language services for products that require translation, editing and proofreading; manages the development of the websites of national and provincial government departments; produces government publications; and develops the national communications strategy.
- *Communications Service Agency* provides media bulk buying services and media production services to all spheres of government; develops distribution strategies for all government communications; oversees the outsourcing of distribution services to service providers; manages government's corporate identity; and provides marketing services for the department and other government departments.

Expenditure trends and estimates

Table 3.27 Content Processing and Dissemination 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 (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
R thousand					2013/14 - 2016/17		2017/18	2018/19	2019/20	2016/17 - 2019/20	
Programme Management for Content Processing and Dissemination	2 481	3 395	2 984	3 411	11.2%	2.3%	3 633	3 889	4 176	7.0%	2.6%
Policy and Research	28 259	29 818	29 566	32 905	5.2%	22.7%	35 007	36 800	39 371	6.2%	24.6%
Products and Platforms	47 538	49 035	42 395	49 504	1.4%	35.5%	48 873	53 411	57 129	4.9%	35.7%
Communication Service Agency	52 658	55 097	51 909	50 280	-1.5%	39.5%	52 854	55 248	59 110	5.5%	37.1%
Total	130 936	137 345	126 854	136 100	1.3%	100.0%	140 367	149 348	159 786	5.5%	100.0%
Change to 2016 Budget estimate				2 492			(1 494)	(1 507)	(1 217)		

Table 3.27 Content Processing and Dissemination expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome			Adjusted appropriation 2016/17	Average growth rate (%) 2013/14 - 2016/17	Average Expenditure/Total (%) 2013/14 - 2016/17	Medium-term expenditure estimate			Average growth rate (%) 2016/17 - 2019/20	Average Expenditure/Total (%) 2016/17 - 2019/20
	2013/14	2014/15	2015/16				2017/18	2018/19	2019/20		
R thousand											
Current payments	129 236	134 855	126 020	135 604	1.6%	99.0%	139 959	148 823	159 230	5.5%	99.7%
Compensation of employees	56 585	62 406	70 390	74 346	9.5%	49.6%	79 287	85 442	92 317	7.5%	56.6%
Goods and services ¹	72 651	72 449	55 630	61 258	-5.5%	49.3%	60 672	63 381	66 913	3.0%	43.1%
of which:											
Advertising	6 650	5 507	3 813	2 519	-27.6%	3.5%	3 042	3 197	3 255	8.9%	2.1%
Communication	5 605	5 714	3 524	2 958	-19.2%	3.4%	2 978	3 093	3 277	3.5%	2.1%
Computer services	3 434	6 911	3 064	3 436	-	3.2%	2 909	3 053	3 244	-1.9%	2.2%
Agency and support/outsourced services	7 932	6 259	3 421	5 252	-12.8%	4.3%	5 996	6 204	6 488	7.3%	4.1%
Travel and subsistence	7 237	8 890	9 548	7 785	2.5%	6.3%	8 326	8 414	8 984	4.9%	5.7%
Operating payments	35 884	31 069	26 690	34 330	-1.5%	24.1%	31 708	34 966	36 921	2.5%	23.6%
Transfers and subsidies¹	247	91	587	-	-100.0%	0.2%	-	-	-	-	-
Households	247	91	587	-	-100.0%	0.2%	-	-	-	-	-
Payments for capital assets	1 381	2 380	230	496	-28.9%	0.8%	408	525	556	3.9%	0.3%
Machinery and equipment	1 381	2 380	230	285	-40.9%	0.8%	409	526	557	25.0%	0.3%
Software and other intangible assets	-	-	-	211	-	-	(1)	(1)	(1)	-116.8%	-
Payments for financial assets	72	19	17	-	-100.0%	-	-	-	-	-	-
Total	130 936	137 345	126 854	136 100	1.3%	100.0%	140 367	149 348	159 786	5.5%	100.0%
Proportion of total programme expenditure to vote expenditure	32.0%	37.6%	34.7%	35.3%	-	-	34.7%	34.6%	34.7%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	247	91	587	-	-100.0%	0.2%	-	-	-	-	-
Employee social benefits	247	91	587	-	-100.0%	0.2%	-	-	-	-	-

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Personnel information

Table 3.28 Content Processing and Dissemination personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2017	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 (%)						
	2015/16	2016/17	2015/16	2016/17	2017/18	2018/19	2019/20	2017/18	2018/19	2019/20	2017/18	2018/19	2019/20	2016/17 - 2019/20										
Content Processing and Dissemination	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost									
Salary level	141			12			138	70.4	0.5	138	76.0	0.6	135	79.3	0.6	134	85.4	0.6	134	92.3	0.7	-1.0%	100.0%	
1 – 6	22			4	23	7.1	0.3	23	6.7	0.3	21	5.8	0.3	21	6.2	0.3	21	6.7	0.3	21	6.7	0.3	-3.0%	15.9%
7 – 10	70			6	68	27.7	0.4	68	30.2	0.4	67	32.1	0.5	66	34.4	0.5	66	37.2	0.6	66	37.2	0.6	-1.0%	49.4%
11 – 12	34			1	32	21.8	0.7	32	23.8	0.7	32	25.9	0.8	32	28.1	0.9	32	30.4	1.0	32	30.4	1.0	-	23.7%
13 – 16	15			1	15	13.8	0.9	15	15.3	1.0	15	16.7	1.1	15	17.9	1.2	15	17.9	1.2	15	17.9	1.2	-	11.1%

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

2. Rand million.

Programme 3: Intergovernmental Coordination and Stakeholder Management

Programme purpose

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

Objectives

- Improve interdepartmental coordination to ensure that all government messages are coherent and aligned by jointly planning and sharing communications messages across the three spheres of government over the medium term.
- Ensure an informed and empowered citizenry on government's policies, plans, programmes and achievements; and increase public participation in government's activities through the implementation of stakeholder engagements over the medium term.

- Implement a proactive and reactive media engagement system by building, maintaining and improving relations with the media, and driving government's communications agenda over the medium term.

Subprogrammes

- *Programme Management for Intergovernmental Coordination and Stakeholder Management* ensures a well-functioning communications system that proactively informs and engages the public, and manages and oversees roles regarding the implementation of development communication. It does this by building sound stakeholder relations and partnerships, and ensuring that the public is informed about government policies and programmes.
- *Provincial and Local Liaison* ensures that the national communications strategy framework is aligned with provincial and local communications strategies; procures time on different media channels and platforms, to promote government messages to the public at the local government level; promotes the Thusong service centres to the public; and coordinates the imbizo programme of government.
- *Media Engagement* leads and drives interaction and communication between government and the media; ensures effective liaison between ministers and the media; manages ongoing media liaison services to government by providing government information; establishes, strengthens and maintains relationships with foreign media and independent media; and establishes relations with South African missions with the view of disseminating government information and key targeted messages.
- *Cluster Supervision (Human Development, Social Protection and Governance and Administration)* provides strategic cluster communications advice and support to national departments and leadership on key cluster communications issues and campaigns; and coordinates Cabinet cluster communications and the development of the government communications programme. It also develops communications strategies and key messages for the campaigns of the departments in these clusters.
- *Cluster Supervision (Economic and Infrastructure, Justice and International)* provides strategic cluster communications advice and support to national departments and leadership on key cluster communications issues and campaigns; and coordinates Cabinet cluster communications and the development of the government communications programme. It also develops communications strategies and key messages for the campaigns of the departments in these clusters.

Expenditure trends and estimates

Table 3.29 Intergovernmental Coordination and Stakeholder Management 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 (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
R thousand											
Programme Management for Intergovernmental Coordination and Stakeholder Management	2 495	2 659	2 856	3 054	7.0%	2.8%	3 252	3 483	3 740	7.0%	2.9%
Provincial and Local Liaison	71 933	70 042	68 043	73 273	0.6%	72.3%	77 061	82 443	88 670	6.6%	69.7%
Media Engagement	12 876	12 843	13 200	13 183	0.8%	13.3%	13 337	15 003	16 214	7.1%	12.5%
Cluster Supervision (Human Development, Social Protection and Governance and Administration)	8 426	4 561	5 482	8 201	-0.9%	6.8%	8 735	9 356	10 048	7.0%	7.9%
Cluster Supervision (Economic and Infrastructure, Justice and International)	3 676	3 788	3 886	7 212	25.2%	4.7%	7 682	8 224	8 884	7.2%	6.9%
Total	99 406	93 893	93 467	104 923	1.8%	100.0%	110 067	118 509	127 556	6.7%	100.0%
Change to 2016 Budget estimate				(561)			(2 190)	(1 561)	(1 168)		

Table 3.29 Intergovernmental Coordination and Stakeholder Management expenditure trends and estimates by subprogramme and economic classification

Economic classification	Audited outcome				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
R thousand												
Current payments	98 784	93 174	92 790	104 831		2.0%	99.5%	109 594	118 293	127 328	6.7%	99.8%
Compensation of employees	65 043	68 266	72 565	84 368		9.1%	74.1%	88 376	95 560	103 137	6.9%	80.6%
Goods and services ¹	33 741	24 908	20 225	20 463		-15.4%	25.4%	21 218	22 733	24 191	5.7%	19.2%
of which:												
Advertising	4 801	1 715	754	1 002		-40.7%	2.1%	1 281	1 609	1 687	19.0%	1.2%
Communication	5 685	4 947	4 858	4 666		-6.4%	5.1%	5 000	5 225	5 513	5.7%	4.4%
Contractors	4 918	2 072	1 236	1 226		-37.1%	2.4%	1 115	1 182	1 248	0.6%	1.0%
Fleet services (including government motor transport)	2 676	2 301	1 810	1 047		-26.9%	2.0%	1 108	1 173	1 237	5.7%	1.0%
Travel and subsistence	8 222	8 430	7 915	7 667		-2.3%	8.2%	7 556	8 139	8 749	4.5%	7.0%
Operating payments	2 848	2 135	1 150	1 318		-22.7%	1.9%	1 403	1 488	1 570	6.0%	1.3%
Transfers and subsidies	285	45	282	12		-65.2%	0.2%	12	13	14	5.3%	-
Departmental agencies and accounts	9	4	10	12		10.1%	-	12	13	14	5.3%	-
Households	276	41	272	-		-100.0%	0.2%	-	-	-	-	-
Payments for capital assets	269	666	303	80		-33.3%	0.3%	461	203	214	38.8%	0.2%
Machinery and equipment	269	666	303	80		-33.3%	0.3%	461	203	214	38.8%	0.2%
Payments for financial assets	68	8	92	-		-100.0%	-	-	-	-	-	-
Total	99 406	93 893	93 467	104 923		1.8%	100.0%	110 067	118 509	127 556	6.7%	100.0%
Proportion of total programme expenditure to vote expenditure	24.3%	25.7%	25.6%	27.2%		-	-	27.2%	27.5%	27.7%	-	-

Details of transfers and subsidies

Households												
Social benefits												
Current	276	41	272	-		-100.0%	0.2%	-	-	-	-	-
Employee social benefits	276	41	272	-		-100.0%	0.2%	-	-	-	-	-
Departmental agencies and accounts												
Departmental agencies (non-business entities)												
Current	9	4	10	12		10.1%	-	12	13	14	5.3%	-
Communication	9	4	10	12		10.1%	-	12	13	14	5.3%	-

1. Estimates of National Expenditure data tables are available and can be downloaded from www.treasury.gov.za. These data tables contain detailed information by goods and services, and transfers and subsidies item by programme.

Personnel information**Table 3.30 Intergovernmental Coordination and Stakeholder Management personnel numbers and cost by salary level¹**

Intergovernmental Coordination and Stakeholder Management	Number of posts estimated for 31 March 2017		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 (%)			
			2015/16			2016/17			2017/18		2018/19		2019/20				2016/17 - 2019/20		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Salary level	163	4	159	72.6	0.5	162	78.2	0.5	157	88.4	0.6	157	95.6	0.6	157	103.1	0.7	-1.0%	100.0%
1 – 6	33	2	34	6.9	0.2	33	7.4	0.2	32	7.8	0.2	32	8.5	0.3	32	9.1	0.3	-1.0%	20.4%
7 – 10	89	1	86	32.2	0.4	86	33.7	0.4	83	36.8	0.4	83	39.9	0.5	83	43.2	0.5	-1.2%	52.9%
11 – 12	26	1	22	14.7	0.7	23	14.8	0.6	22	17.5	0.8	22	19.0	0.9	22	20.5	0.9	-1.5%	14.1%
13 – 16	15	-	17	18.7	1.1	20	22.4	1.1	20	26.3	1.3	20	28.3	1.4	20	30.3	1.5	-	12.6%

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

2. Rand million.

Entities¹**Independent Communications Authority of South Africa****Mandate**

The Independent Communications Authority of South Africa was established by the Independent Communications Authority of South Africa Act (2000) to regulate the South African communications, broadcasting and postal services sectors. The regulator's mandate is defined in the Electronic Communications Act (2005) as licensing and regulating electronic communications and broadcasting services, and in the Postal Services Act (1998) as regulating the postal services sector. Enabling legislation also empowers the regulator to

¹ This section has been compiled with the latest available information from the entities concerned.

monitor licensee compliance with licence terms and conditions, develop regulations for the three sectors, plan and manage the radio frequency spectrum, and protect consumers in relation to these services.

Selected performance indicators

Table 3.31 Independent Communications Authority of South Africa performance indicators by programme/objective/activity and related outcome

Indicator	Programme/Objective/Activity	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Number of community radio broadcasters per year	Licensing	Outcome 14: A diverse, socially cohesive society with a common national identity	- ¹	40	279	279	285	301	301
Number of channel authorisations per year	Licensing		- ¹	12	633	673	650	700	753
Number of electronic communications services per year	Licensing		- ¹	77	475	492	500	550	595
Number of electronic communications network services per year	Licensing		- ¹	75	546	596	636	666	666
Number of new spectrum licences issued per year	Licensing		- ¹	2 972	5 022	7 072	9 172	12 275	12 272
Number of community television licences issued per year	Licensing		- ¹	- ¹	5	11	11	27	27

1. No historical data available.

Expenditure analysis

Over the medium term, the Independent Communications Authority of South Africa will continue to focus on increasing access to meet the high demand for wireless broadband services; protecting consumers against harmful practices employed by operators in the use of premium rated services; increasing competition in the broadcasting sector; and developing a regulatory framework for dynamic spectrum management. The authority contributes to outcome 14 (a diverse, socially cohesive society with a common national identity) of government's 2014-2019 medium-term strategic framework, and indirectly to outcome 6 (an efficient, competitive and responsive economic infrastructure network) and outcome 12 (an efficient, effective and development-oriented public service).

The authority seeks to increase access to high-demand spectrum from the current 566.69MHz to 958MHz in 2019/20. Access to this spectrum will enable the rollout of wireless broadband infrastructure by licensees. In 2017/18, the authority will make an additional 240MHz of broadband spectrum available to licensees for the provision of broadband services.

The authority seeks to protect consumers from harmful practices employed by the operators in the use of premium-rated information and entertainment services. This will be achieved by finalising regulations on premium-rated services in 2017/18.

The authority, in a bid to increase competition in the telecommunications sector, plans to review the number of portability regulations available over the medium term, which allow cell phone number porting for all telecommunication service users. These activities are funded through the policy research and analysis programme, which has an allocation of R53.5 million over the medium term. The authority also plans to license an additional radio broadcaster in Northern Cape in 2017/18 and establish offices in North West and Northern Cape to expand its national footprint and increase competition in the commercial broadcasting sector, at a cost of R801.2 million over the medium term. Priority will also be given to finalising plans for relocation of the authority head office when the current lease expires in October 2017. As these processes are administered and managed by the authority's personnel, compensation of employees is expected to be the main driver of expenditure, accounting for an estimated 58.8 per cent of the total budget. These activities are funded through the licensing programme, which is allocated R162.3 million over the medium term.

The authority aims to increase the range of mobile network coverage by 15 per cent and to extend network measurements to include data, and not just voice calls. This will contribute to improving the quality of communications in South Africa and facilitate effective competition in the ICT sector by the end of 2019/20. The authority will receive inputs from the 5G Forum global network for making contributions to the International Telecommunications Union by the end of 2019/20 and update the national radio frequency plan and the radio frequency migration strategy through the engineering and technology programme, which has an allocation of R51.8 million over the medium term.

In 2016, the authority issued service licences to monitor the equitable coverage of political parties during the local government elections. Over the medium term, the authority will develop several regulatory frameworks

aimed at regulating dynamic and opportunistic spectrum management, V-band and E-band spectrums, and exemptions for resellers of electronic communications network services. These activities will be funded through the compliance and consumer affairs programme, which has an allocation of R83.3 million over the medium term.

The authority intends to manage the cost of living adjustments for spending on compensation of employees and to keep it below 10 per cent over the medium term, to bring salaries in line with other entities within the department and the ICT sector at large. As a result, expenditure on compensation of employees is set to increase at an average annual rate of 4 per cent from R257.3 million in 2017/18 to R287.8 million in 2019/20.

The authority's main source of funding is through transfers of R1.4 billion over the medium term from the Department of Communications. Revenue is expected to increase from R441.4 million in 2017/18 to R493.1 million in 2019/20.

Programmes/objectives/activities

Table 3.32 Independent Communications Authority of South Africa expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome				Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
Administration	226 865	212 854	294 960	310 509	11.0%	69.7%	329 761	349 216	360 773	5.1%	74.8%	
Licensing	29 391	38 629	42 673	48 094	17.8%	10.6%	51 076	54 089	57 118	5.9%	11.7%	
Engineering and technology	36 043	45 690	11 823	15 366	-24.7%	7.6%	16 319	17 281	18 249	5.9%	3.7%	
Policy research and analysis	27 393	33 219	15 412	15 844	-16.7%	6.3%	16 826	17 819	18 817	5.9%	3.8%	
Compliance and consumer affairs	19 671	22 476	19 973	24 677	7.9%	5.8%	26 207	27 753	29 307	5.9%	6.0%	
Total	339 363	352 868	384 841	414 490	6.9%	100.0%	440 188	466 160	484 264	5.3%	100.0%	

Statements of historical financial performance and position

Table 3.33 Independent Communications Authority of South Africa statements of historical financial performance and position

Statement of financial performance									
R thousand	Budget		Audited outcome		Budget		Audited outcome		Average: Outcome/ Budget (%)
	2013/14	2014/15	2015/16	2016/17	2016/17	2017/18	2018/19	2019/20	
Revenue									
Non-tax revenue	4 707	23 193	5 512	14 367	10 000	22 084	10 500	11 000	230.0%
Sale of goods and services other than capital assets	12	-	-	-	-	-	-	-	-
of which:									
Administrative fees	12	-	-	-	-	-	-	-	-
Other non-tax revenue	4 695	23 193	5 512	14 367	10 000	22 084	10 500	11 000	230.1%
Transfers received	390 661	360 764	376 221	386 672	393 619	418 816	414 981	414 481	100.3%
Total revenue	395 368	383 957	381 733	401 039	403 619	440 900	425 481	425 481	102.8%
Expenses									
Current expenses	395 368	339 363	384 103	352 868	392 262	384 841	414 490	414 490	94.0%
Compensation of employees	206 072	204 158	232 007	235 959	253 685	229 099	242 288	242 288	97.6%
Goods and services	173 246	120 822	133 314	101 752	120 577	140 263	155 685	155 685	89.0%
Depreciation	16 050	14 383	18 782	15 157	18 000	15 479	16 517	16 517	88.7%
Total expenses	395 368	339 363	384 103	352 868	392 262	384 841	414 490	414 490	94.0%
Surplus/(Deficit)	-	44 594	(2 370)	48 171	11 357	56 059	10 991	10 991	-
Statement of financial position									
Carrying value of assets	210 410	108 455	208 000	109 335	203 000	120 917	197 300	197 300	65.5%
of which:									
Acquisition of assets	(46 975)	(22 132)	(31 412)	(25 865)	(9 300)	(28 172)	(9 839)	(9 839)	88.2%
Inventory	-	582	530	492	550	580	560	560	135.0%
Receivables and prepayments	14 400	729 846	8 100	754 742	8 300	756 005	8 600	8 600	5 708.6%
Cash and cash equivalents	25 500	321 594	23 000	574 602	23 500	711 180	23 500	23 500	1 707.7%
Total assets	250 310	1 160 477	239 630	1 439 171	235 350	1 588 682	229 960	229 960	462.5%
Accumulated surplus/(deficit)	215 430	178 778	207 006	227 445	198 900	282 519	190 560	190 560	108.3%
Capital reserve fund	-	85 858	-	93 309	-	-	-	-	-
Finance lease	680	455	324	324	2 250	-	1 400	1 400	46.8%
Trade and other payables	34 200	29 432	4 000	24 436	4 500	1 285 075	5 000	5 000	2 817.5%
Provisions	-	31 399	28 300	2 582	29 700	21 088	33 000	33 000	96.8%
Managed funds (e.g. poverty alleviation fund)	-	834 555	-	1 091 075	-	-	-	-	-
Total equity and liabilities	250 310	1 160 477	239 630	1 439 171	235 350	1 588 682	229 960	229 960	462.5%

Statements of estimates of financial performance and position

Table 3.34 Independent Communications Authority of South Africa statements of estimates of financial performance and position

Statement of financial performance		Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2016/17				2013/14 - 2016/17	2017/18	2018/19		
R thousand									
Revenue									
Non-tax revenue	11 000	-22.0%	4.3%	11 000	11 638	12 290	3.8%	2.5%	
Other non-tax revenue	11 000	-22.0%	4.3%	11 000	11 638	12 290	3.8%	2.5%	
Transfers received	414 481	4.7%	95.7%	430 383	455 345	480 845	5.1%	97.5%	
Total revenue	425 481	3.5%	100.0%	441 383	466 983	493 135	5.0%	100.0%	
Expenses									
Current expenses	414 490	6.9%	100.0%	440 188	466 159	484 264	5.3%	118.6%	
Compensation of employees	242 288	5.9%	61.3%	257 310	272 491	287 751	5.9%	58.7%	
Goods and services	155 685	8.8%	34.6%	165 337	175 092	176 898	4.3%	37.3%	
Depreciation	16 517	4.7%	4.1%	17 541	18 576	19 616	5.9%	4.0%	
Total expenses	414 490	6.9%	100.0%	440 188	466 159	484 264	5.3%	100.0%	
Surplus/(Deficit)	10 991	-	-	1 195	824	8 870	-6.9%	-	
Statement of financial position									
Carrying value of assets	197 300	22.1%	27.6%	209 138	221 268	233 659	5.8%	85.8%	
of which:									
Acquisition of assets	(9 839)	-23.7%	-2.4%	(10 410)	(11 014)	(11 631)	5.7%	-4.3%	
Inventory	560	-1.3%	0.1%	594	623	658	5.5%	0.2%	
Receivables and prepayments	8 600	-77.2%	41.7%	9 116	9 572	10 108	5.5%	3.7%	
Cash and cash equivalents	23 500	-58.2%	30.7%	24 910	26 430	27 910	5.9%	10.2%	
Total assets	229 960	-41.7%	100.0%	243 758	257 893	272 335	5.8%	100.0%	
Accumulated surplus/(deficit)	190 560	2.2%	33.0%	201 994	213 709	225 677	5.8%	82.9%	
Finance lease	1 400	45.4%	0.2%	1 484	1 567	1 654	5.7%	0.6%	
Trade and other payables	5 000	-44.6%	21.8%	5 300	5 607	5 921	5.8%	2.2%	
Provisions	33 000	1.7%	4.6%	34 980	37 009	39 081	5.8%	14.4%	
Total equity and liabilities	229 960	-41.7%	100.0%	243 758	257 892	272 334	5.8%	100.0%	

Personnel information

Table 3.35 Independent Communications Authority of South Africa personnel numbers and cost by salary level

Number of posts estimated for 31 March 2017		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 (%)				
		2015/16		2016/17		2017/18		2018/19		2019/20		2016/17 - 2019/20							
Independent Communications Authority 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	387	389	360	229.1	0.6	442	242.3	0.5	426	257.3	0.6	427	272.5	0.6	437	287.8	0.7	5.9%	100.0%
1 - 6	4	4	4	0.6	0.1	18	2.4	0.1	33	4.5	0.1	34	4.9	0.1	34	5.2	0.2	30.1%	6.9%
7 - 10	282	284	260	117.7	0.5	323	135.1	0.4	292	141.6	0.5	292	149.7	0.5	302	158.1	0.5	5.4%	69.8%
11 - 12	71	71	69	56.6	0.8	71	62.2	0.9	71	66.0	0.9	71	69.9	1.0	71	73.9	1.0	5.9%	16.4%
13 - 16	29	29	26	51.8	2.0	29	40.0	1.4	29	42.4	1.5	29	45.0	1.6	29	47.5	1.6	5.9%	6.7%
17 - 22	1	1	1	2.5	2.5	1	2.6	2.6	1	2.8	2.8	1	3.0	3.0	1	3.1	3.1	5.9%	0.2%

1. Rand million.

South African Broadcasting Corporation

Mandate

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

Selected performance indicators

Table 3.36 South African Broadcasting Corporation performance indicators by programme/objective/activity and related outcome

Indicator	Programme/objective/activity	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Percentage of television audience share achieved per year	Local content delivery: Television	Outcome 12: An efficient, effective and development-oriented public service	53%	51%	52%	50%	50%	50%	50%
Percentage of radio share achieved per year	Local content delivery: Radio		67%	69%	70%	70%	70%	70%	70%
Number of new/additional programmes broadcast with sign language per year	Local content delivery: Television		- ¹	2	3	3	6	12	12
Number of companies controlled/owned by people with disabilities from which content was procured per year	Local content delivery: Television		- ¹	3	3	2	4	6	6
Number of provincial programmes and inserts broadcast per year	Local content delivery: Television		- ¹	26	26	100 ²	200 ²	200	200

1. No historical data available.

2. More provincial programmes were broadcast than anticipated and hence the 100 per cent increase from the current plan.

Expenditure analysis

The South African Broadcasting Corporation's spending focus over the medium term will be on improving the quality, diversity and accessibility of content; supporting digital migration; and retaining sports broadcasting rights for production. The work of the corporation contributes to outcome 12 (an efficient, effective and development-oriented public service) and outcome 14 (a diverse, socially cohesive society with a common national identity) of government's 2014-2019 medium-term strategic framework.

The corporation will continue to produce news and current affairs content that is editorially independent, credible, relevant and informative. The corporation will fund this activity from transfers from the department of R560 million over the medium term. The corporation projects to spend R174 million on Channel Africa's operations and broadcasts in Southern Africa, East Africa and West Africa in English, French, Chinyanja, Portuguese, Silozi and Swahili, and R345 million over the same period to produce educational programmes on all channels.

Digital migration is a way of increasing the volume and quality of content. The corporation will source new content from new producers and producers who operate outside of major urban areas. Expenditure is projected to increase at an average annual rate of 5.4 per cent over the medium term, from R9.9 billion to R11.5 billion. This is mainly driven by spending on compensation of employees increasing at an average rate of 7.8 per cent or R701.1 million, to improve capacity in the technology departments; and spending on goods and services increasing at an average rate of 8.5 per cent or R1.5 million, for broadcasting sports of national interest, digital terrestrial migration and technology upgrades. The corporation expects to make its content freely accessible on the internet, as part of the preparations for digital migration, with the goal of maintaining audience share for all five television channels at 50 per cent. The corporation also aims to maintain its radio audience share at 70 per cent over the medium term.

The corporation is planning to implement strategies that lay the groundwork for the launch of new channels on digital terrestrial television. Implementing the strategies is expected to increase capital expenditure from R321 million in 2015/16 to R958 million in 2018/19. Replacing and upgrading studios to become compatible, ahead of the launch of digital terrestrial television, is expected to increase spending on television outside broadcasting to R155 million, Henley Broadcasting Studios to R387 million, radio broadcast facilities to R174 million, and information technology to R243 million.

Spending on sports broadcasting rights is projected at R1.7 billion over the medium term to focus on ensuring the development and maintenance of an innovative, sustainable content portfolio; entrance into long term rights contracts with federations; and maximisation of revenue. Developing, maintaining and prioritising relationships with sporting federations are essential to building sustainability in content delivery. In addition, the corporation has committed to developing an appealing cross platform brand strategy over the medium term to enhance the brand, increase revenue and generate new audiences for sporting events.

The corporation expects to generate 96 per cent of its revenue over the medium term from license fees, commercial revenue from advertising, programme and sports sponsorships across television, radio and online platforms; 1.8 per cent from transfers from the department; and 2.2 per cent from other sources, such as interest,

dividends and rent on land. Revenue is expected to grow steadily from R9.3 billion in 2016/17 to R11.4 billion in 2019/20.

Programmes/objectives/activities

Table 3.37 South African Broadcasting Corporation expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome				Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2013/14	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
Administration	1 253 217	1 285 006	1 845 327	1 724 637		11.2%	19.0%	1 854 564	1 994 770	2 145 574	7.6%	18.7%
Local content delivery: Television	2 382 475	2 604 426	2 729 279	3 363 097		12.2%	34.6%	3 508 183	3 678 227	4 111 726	6.9%	35.5%
Local content delivery: Radio	768 245	990 518	1 098 156	1 223 676		16.8%	12.7%	1 315 958	1 425 320	1 533 075	7.8%	13.3%
Universal access transmitter rollout news	688 798	803 951	875 802	943 621		11.1%	10.4%	1 014 249	1 121 641	1 206 436	8.5%	10.4%
Sports of national interest and mandate	581 674	811 835	885 430	751 651		8.9%	9.5%	808 411	872 311	938 257	7.7%	8.2%
Digital terrestrial migration and technology	1 019 970	1 009 082	1 135 679	1 255 385		7.2%	13.9%	1 383 818	1 491 219	1 603 954	8.5%	13.9%
Total	6 694 379	7 504 817	8 569 673	9 262 067		11.4%	100.0%	9 885 183	10 583 487	11 539 023	7.6%	100.0%

Statements of historical financial performance and position

Table 3.38 South African Broadcasting Corporation statements of historical financial performance and position

Statement of financial performance									
R thousand	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/ Budget (%)
	Budget	2013/14	Budget	2014/15	Budget	2015/16			
Revenue									
Non-tax revenue	6 120 298	6 525 576	7 023 136	7 438 832	8 266 470	7 955 636	8 886 337	9 032 443	102.2%
Sale of goods and services other than capital assets	6 087 706	6 460 596	6 969 220	6 873 053	7 341 591	7 297 460	7 925 616	8 317 783	102.2%
<i>of which:</i>									
Administrative fees	985 776	935 127	1 106 676	986 241	1 040 749	986 361	1 150 028	1 147 000	94.7%
Sales by market establishment	5 101 930	5 525 469	5 862 544	5 886 812	6 300 842	6 311 099	6 775 588	7 170 783	103.5%
Other non-tax revenue	32 592	64 980	53 916	565 779	924 879	658 176	960 721	714 660	101.6%
Transfers received	536 603	820 734	744 412	203 874	194 663	212 122	194 663	233 045	88.0%
Total revenue	6 656 901	7 346 310	7 767 548	7 642 707	8 461 133	8 167 758	9 081 000	9 265 488	101.4%
Expenses									
Current expenses	6 908 850	6 796 644	7 806 520	7 916 709	8 367 755	8 724 152	8 959 811	9 255 693	102.0%
Compensation of employees	1 455 365	2 073 843	2 320 550	2 928 368	2 676 035	3 264 774	2 917 614	2 999 808	120.2%
Goods and services	5 046 924	4 291 631	5 145 823	4 742 197	5 406 995	5 203 613	5 758 275	6 005 279	94.8%
Depreciation	318 794	398 069	324 997	211 084	270 146	201 573	268 282	237 473	88.7%
Interest, dividends and rent on land	87 767	33 101	15 150	35 060	14 578	54 191	15 640	13 133	101.8%
Transfers and subsidies	4 400	80 375	57 806	-	74 201	7 934	85 301	6 374	42.7%
Total expenses	6 913 250	6 694 379	7 864 326	7 504 819	8 441 956	8 569 674	9 045 112	9 262 067	99.3%
Surplus/(Deficit)	(256 349)	651 931	(96 778)	137 888	19 177	(401 916)	35 888	3 421	-
Statement of financial position									
Carrying value of assets	2 081 805	1 485 177	1 242 437	1 609 811	1 489 255	1 694 529	1 613 990	1 812 248	102.7%
<i>of which:</i>									
Acquisition of assets	(180 000)	(104 455)	(350 000)	(190 677)	(650 217)	(323 894)	(397 635)	(432 155)	66.6%
Investments	1 027 059	1 506 554	896 826	36 220	156 893	11 135	184 152	158 737	75.6%
Inventory	1 664 819	729 693	677 016	696 080	652 731	761 794	843 242	786 174	77.5%
Receivables and prepayments	1 046 353	1 251 580	1 055 816	1 290 796	1 599 899	1 248 857	1 602 190	1 476 930	99.3%
Cash and cash equivalents	200 000	59 243	20 000	1 014 249	1 200 671	874 652	1 057 825	900 032	114.9%
Defined benefit plan assets	9 649	155 657	-	75 435	-	805 420	-	-	10 742.2%
Taxation	-	-	-	266 257	-	113 913	-	-	-
Derivatives financial instruments	4 753	8 243	6 759	11 227	8 243	9 812	8 243	13 833	154.0%
Total assets	6 034 438	5 196 147	3 898 854	5 000 075	5 107 692	5 520 112	5 309 642	5 147 954	102.5%
Accumulated surplus/(deficit)	2 140 681	2 397 118	1 206 410	2 011 534	1 962 024	2 448 474	1 997 913	2 001 331	121.2%
Capital and reserves	3 147	6 977	5 765	9 408	6 976	8 257	6 976	11 805	159.4%
Capital reserve fund	377 777	348 739	326 650	461 332	341 494	400 327	235 296	270 706	119.3%
Borrowings	410 189	26 778	-	-	-	2 636	20 000	32 155	14.3%
Finance lease	1 137	92 239	224	22 614	-	736	-	-	8 492.9%
Deferred income	82 828	218 829	115 370	93 037	204 089	49 106	221 436	105 992	74.9%
Trade and other payables	1 668 948	725 475	899 616	600 996	1 134 544	852 838	1 210 216	737 275	59.4%
Taxation	-	134 945	-	282 073	-	281 390	-	-	-
Provisions	1 287 731	1 222 874	1 317 194	1 491 691	257 252	1 448 958	280 054	1 961 300	194.9%
Managed funds (e.g. poverty alleviation fund)	-	-	-	-	1 173 923	-	1 310 361	-	-
Derivatives financial instruments	102 000	22 173	27 625	27 390	27 390	27 390	27 390	27 390	56.6%
Total equity and liabilities	6 034 438	5 196 147	3 898 854	5 000 075	5 107 692	5 520 112	5 309 642	5 147 954	102.5%

Statements of estimates of financial performance and position

Table 3.39 South African Broadcasting Corporation statements of estimates of financial performance and position

Statement of financial performance		Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	Revised estimate	2013/14 - 2016/17		2017/18	2018/19	2019/20	2016/17 - 2019/20	
R thousand								
Revenue								
Non-tax revenue	9 032 443	11.4%	95.3%	9 869 313	10 742 129	11 203 445	7.4%	98.0%
Sale of goods and services other than capital assets	8 317 783	8.8%	89.2%	9 088 056	9 949 219	10 061 276	6.5%	89.9%
of which:								
Administrative fees	1 147 000	7.0%	12.5%	1 208 938	1 269 385	1 459 793	8.4%	12.2%
Sales by market establishment	7 170 783	9.1%	76.7%	7 879 118	8 679 834	8 601 483	6.3%	77.7%
Other non-tax revenue	714 660	122.4%	6.0%	781 257	792 910	1 142 169	16.9%	8.2%
Transfers received	233 045	-34.3%	4.7%	180 358	190 818	201 504	-4.7%	2.0%
Total revenue	9 265 488	8.0%	100.0%	10 049 671	10 932 947	11 404 949	7.2%	100.0%
Expenses								
Current expenses	9 255 693	10.8%	102.2%	9 878 153	10 583 486	11 539 023	7.6%	131.4%
Compensation of employees	2 999 808	13.1%	35.1%	3 210 195	3 446 833	3 700 919	7.3%	32.4%
Goods and services	6 005 279	11.9%	63.2%	6 411 589	6 856 955	7 539 986	7.9%	65.0%
Depreciation	237 473	-15.8%	3.4%	251 721	266 825	284 359	6.2%	2.5%
Interest, dividends and rent on land	13 133	-26.5%	0.4%	4 648	12 873	13 759	1.6%	0.1%
Transfers and subsidies	6 374	-57.0%	0.3%	7 030	-	-	-100.0%	0.0%
Total expenses	9 262 067	11.4%	100.0%	9 885 183	10 583 486	11 539 023	7.6%	100.0%
Surplus/(Deficit)	3 421	(1)		164 488	349 461	(134 074)	-439.7%	-
Statement of financial position								
Carrying value of assets	1 812 248	6.9%	31.7%	1 965 261	2 098 847	2 267 232	7.8%	34.7%
of which:								
Acquisition of assets	(432 155)	60.5%	-5.0%	(450 000)	(406 876)	(400 000)	-2.5%	-7.3%
Investments	158 737	-52.8%	8.3%	175 087	193 646	214 172	10.5%	3.2%
Inventory	786 174	2.5%	14.3%	866 720	958 075	1 058 673	10.4%	15.6%
Receivables and prepayments	1 476 930	5.7%	25.3%	1 620 457	1 781 870	1 960 910	9.9%	29.1%
Cash and cash equivalents	900 032	147.7%	13.7%	895 637	1 032 784	1 187 702	9.7%	17.1%
Derivatives financial instruments	13 833	18.8%	0.2%	15 327	16 860	18 546	10.3%	0.3%
Total assets	5 147 954	-0.3%	100.0%	5 538 489	6 082 082	6 707 235	9.2%	100.0%
Accumulated surplus/(deficit)	2 001 331	-5.8%	42.4%	2 051 075	2 387 540	2 811 261	12.0%	39.3%
Capital and reserves	11 805	19.2%	0.2%	13 299	14 832	16 538	11.9%	0.2%
Capital reserve fund	270 706	-8.1%	7.1%	237 032	155 540	115 729	-24.7%	3.5%
Borrowings	32 155	6.3%	0.3%	52 155	72 155	92 155	42.0%	1.0%
Deferred income	105 992	-21.5%	2.3%	116 910	129 302	143 008	10.5%	2.1%
Trade and other payables	737 275	0.5%	13.9%	793 047	852 946	916 917	7.5%	14.1%
Provisions	1 961 300	17.1%	29.4%	2 247 581	2 442 377	2 584 237	9.6%	39.3%
Derivatives financial instruments	27 390	7.3%	0.5%	27 390	27 390	27 390	-	0.5%
Total equity and liabilities	5 147 954	-0.3%	100.0%	5 538 489	6 082 082	6 707 235	9.2%	100.0%

Personnel information

Table 3.40 South African Broadcasting Corporation personnel numbers and cost by salary level

Number of posts estimated for 31 March 2017		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 (%)				
		2015/16	2016/17	2017/18	2018/19	2019/20	2016/17 - 2019/20												
South African Broadcasting Corporation		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost				
Salary level	3 921	3 921	3 882	3264.8	0.8	3 921	2999.8	0.8	3 921	3210.2	0.8	3 921	3446.8	0.9	3 921	3700.9	0.9	7.3%	100.0%
1 - 6	12	12	12	1.9	0.2	12	1.8	0.1	12	1.9	0.2	12	2.1	0.2	12	2.2	0.2	7.0%	0.3%
7 - 10	2 460	2 460	2 436	1829.2	0.8	2 460	1618.7	0.7	2 460	1732.4	0.7	2 460	1865.6	0.8	2 460	2009.0	0.8	7.5%	62.7%
11 - 12	1 125	1 125	1 114	966.4	0.9	1 125	929.7	0.8	1 125	994.8	0.9	1 125	1064.4	0.9	1 125	1138.9	1.0	7.0%	28.7%
13 - 16	302	302	299	402.0	1.3	302	386.7	1.3	302	413.8	1.4	302	442.7	1.5	302	473.7	1.6	7.0%	7.7%
17 - 22	22	22	22	65.4	3.0	22	62.9	2.9	22	67.3	3.1	22	72.0	3.3	22	77.1	3.5	7.0%	0.6%

1. Rand million.

Brand South Africa

Mandate

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

Selected performance indicators

Table 3.41 Brand South Africa performance indicators by programme/objective/activity and related outcome

Indicator	Programme/objective/activity	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
South Africa's ranking on the global competitiveness index (out of 140 countries)	Brand strategy development and management	Outcome 11: Create a better South Africa and contribute to a better Africa and a better world	53	56	48	47	47	46	46
South Africa's ranking on the brand ranking index ¹ (out of 50 countries)	Brand strategy development and management		36	38	38	35	35	35	35
Number of national perception studies conducted per year ²	Brand strategy development and management		67	73	80	81	81	82	82
South Africa's index on the measurement of pride and patriotism among South Africans and global South Africans out of 100	Brand strategy development and management		55	58	70	75	75	80	80
South Africa's ranking on the ease of doing business internationally ³ (out of 185 countries)	Brand strategy development and management		41	43	43	43	43	43	43
South Africa's ranking on the Ibrahim index of African governance (out of 52 countries)	Brand strategy development and management		5	4	4	4	4	4	4
South Africa's ranking on the index of economic freedom (out of 185 countries)	Brand strategy development and management		74	75	75	73	73	73	73
South Africa's ranking on the human development index ⁴ (out of 185 countries)	Brand strategy development and management		121	118	118	119	117	117	117
South Africa's ranking on the Institute for Management Development competitiveness index ⁵ (out of 60 countries)	Brand strategy development and management		53	52	52	51	51	51	51

1. The brand ranking index measures the national brand of South Africa in terms of immigration, exports, innovation, governance, tourism, culture and heritage against the indices of other countries.

2. The national perception study measures active citizenship and social cohesion among South African citizens

3. This measures the factors that create a conducive atmosphere for investors to easily set up their businesses in South Africa as compared with other countries

4. This index compares South Africa's performance with other countries in the achievement of key dimensions of human development such as good health and decent standard of living

5. This index measures the competitiveness of nations by analysing how they create a competitive business environment.

Expenditure analysis

Brand South Africa works to improve South Africa's global competitiveness index ranking, boost business confidence in the country and boost its reputation in the region and the world. The entity's activities over the medium term will be focused on promoting pride, patriotism and active citizenry; strengthening the brand and the alignment of stakeholders to its message; and maintaining a positive, cohesive image of South Africa. Pursuing these objectives contributes to the realisation of outcome 11 (create a better South Africa and contribute to better Africa and a better world) and outcome 14 (a diverse, socially cohesive society with a common national identity) of government's 2014-2019 medium-term strategic framework.

Several initiatives, such as roadshows, dialogues and public relations activities in all nine provinces are planned to deepen and strengthen the Play Your Part campaign, which aims to encourage patriotism and active citizenry by encouraging South Africans all over the world to contribute to positive change. The brand strategy development and management programme will place greater emphasis on developing joint initiatives, with provincial offices, government departments, civil society and ordinary South Africans, that are aligned to the Play Your Part objectives. Expenditure on this programme is expected to increase from R10 million in 2016/17 to R15 million in 2019/20, mainly due to travel costs and marketing activities, such as advertisements.

The entity plans to develop a corporate identity toolkit that provides insights and guidelines for all stakeholders, to maximise the impact of their communication when they independently market South Africa globally. To further support the alignment of stakeholder communication on efforts to strengthen the brand, the entity plans to hold nation brand alignment training sessions over the medium term. The sessions, to be held in all provinces, provide a formal framework to train and equip marketers, communicators and corporates with the necessary skills to make profiles of the unique features of South Africa's brand. Expenditure for marketing the corporate identity toolkit and running the nation brand alignment training sessions is estimated at R5.1 million over the medium term, mainly for travel costs; professional services, such as the ongoing review and updating of the corporate identity toolkit; and training-related expenses. These activities are funded by the Department of Communications through transfers, which are expected to increase from R194.3 million in 2017/18 to R217.1 million in 2019/20.

As part of promoting a unified South Africa and improving the country's global competitiveness rankings, Brand South Africa launched a nation brand forum in 2016. The objective of the nation brand forum is to bring together members of government, business representatives and citizens to agree on a common approach on how to implement the Department of Communication's mandate to brand the country locally and abroad. The intended outcome of the forum is to strengthen stakeholder participation and to develop inputs to the policy framework by 2017/18. The entity will host another nation brand forum in 2017/18. A budget of R1.5 million has been allocated for this event, mainly for goods and services.

The entity will also partner with another nation brand summit. This brand summit is with corporate brands and the business sector to ensure that they too contribute their vision and understanding of the nation brand and that they play their role in active citizenry. The contribution of the entity to the summit – which includes meetings, discussion forums and national and provincial imbizos – include media assistance, online promotions and making presentations. The budgeted amount for participation at the summit is R1 million.

Programmes/objectives/activities

Table 3.42 Brand South Africa expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome				Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2013/14	2014/15	2015/16	2016/17				2017/18	2018/19	2019/20		
Administration	205 439	173 868	174 065	181 186		-4.1%	100.0%	194 300	205 569	217 081	6.2%	100.0%
Total	205 439	173 868	174 065	181 186		-4.1%	100.0%	194 300	205 569	217 081	6.2%	100.0%

Statements of historical financial performance and position

Table 3.43 Brand South Africa statements of historical financial performance and position

Statement of financial performance									
R thousand	Budget		Audited outcome		Budget		Audited outcome		Average: Outcome/Budget (%)
	2013/14	2014/15	2015/16	2016/17	2016/17	2017/18	2018/19	2013/14 - 2016/17	
Revenue									
Non-tax revenue	3 200	34 481	8 759	2 492	-	905	-	-	316.7%
Other non-tax revenue	3 200	34 481	8 759	2 492	-	905	-	-	316.7%
Transfers received	160 434	160 434	167 686	167 686	173 160	173 160	181 186	181 186	100.0%
Total revenue	163 634	194 915	176 445	170 178	173 160	174 065	181 186	181 186	103.7%
Expenses									
Current expenses	163 634	205 439	176 202	173 868	173 160	174 065	181 186	181 186	105.8%
Compensation of employees	30 928	33 014	33 633	34 405	51 627	52 406	68 582	68 582	102.0%
Goods and services	132 706	171 318	141 366	138 396	120 125	120 032	111 173	111 173	107.0%
Depreciation	-	1 059	1 203	1 028	1 371	1 422	1 403	1 403	123.5%
Interest, dividends and rent on land	-	49	-	39	37	205	28	28	493.9%
Total expenses	163 634	205 439	176 202	173 868	173 160	174 065	181 186	181 186	105.8%
Surplus/(Deficit)	-	(10 524)	243	(3 690)	-	-	-	-	-
Statement of financial position									
Carrying value of assets	300	2 843	3 524	3 324	3 910	3 719	4 250	4 250	118.0%
of which:									
Acquisition of assets	(1 574)	(1 714)	(1 607)	(1 516)	(2 346)	(1 831)	(2 699)	(2 699)	94.3%
Investments	-	660	-	719	50	892	-	-	4 542.0%
Receivables and prepayments	1 100	10 484	1 250	4 382	1 465	1 666	1 566	1 566	336.4%
Cash and cash equivalents	10 585	16 090	14 104	5 655	5 000	21 114	5 500	5 500	137.4%
Total assets	11 985	30 077	18 878	14 080	10 425	27 391	11 316	11 316	157.5%
Accumulated surplus/(deficit)	-	(4 723)	6 645	(9 132)	1 378	14 461	1 378	1 378	21.1%
Finance lease	125	401	511	455	659	224	560	560	88.4%
Trade and other payables	11 210	33 054	10 547	18 519	6 895	5 949	5 256	5 256	185.1%
Provisions	650	1 157	1 175	3 992	1 293	6 680	3 922	3 922	223.8%
Derivatives financial instruments	-	188	-	246	200	77	200	200	177.8%
Total equity and liabilities	11 985	30 077	18 878	14 080	10 425	27 391	11 316	11 316	157.5%

Statements of estimates of financial performance and position

Table 3.44 Brand South Africa statements of estimates of financial performance and position

Statement of financial performance		Revised estimate	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2016/17				2013/14 - 2016/17	2017/18	2018/19		
R thousand									
Revenue									
Transfers received	181 186	4.1%	95.1%	194 300	205 958	217 081	6.2%	100.0%	
Total revenue	181 186	-2.4%	100.0%	194 300	205 958	217 081	6.2%	100.0%	
Expenses									
Current expenses	181 186	-4.1%	100.0%	194 300	205 569	217 081	6.2%	116.5%	
Compensation of employees	68 582	27.6%	26.0%	73 382	78 529	84 015	7.0%	38.1%	
Goods and services	111 173	-13.4%	73.3%	119 272	125 296	131 224	5.7%	61.0%	
Depreciation	1 403	9.8%	0.7%	1 543	1 635	1 726	7.2%	0.8%	
Interest, dividends and rent on land	28	-17.0%	-	103	109	115	60.3%	-	
Total expenses	181 186	-4.1%	100.0%	194 300	205 569	217 081	6.2%	100.0%	
Surplus/(Deficit)	-	(1)	-	-	389	-	-	-	
Statement of financial position									
Carrying value of assets	4 250	14.3%	21.0%	4 554	5 977	9 069	28.7%	44.9%	
of which:									
Acquisition of assets	(2 699)	16.3%	-11.8%	(2 861)	(3 061)	(3 274)	6.6%	-23.0%	
Receivables and prepayments	1 566	-46.9%	21.5%	1 674	1 300	1 000	-13.9%	11.0%	
Cash and cash equivalents	5 500	-30.1%	54.8%	6 050	5 523	5 500	-	44.1%	
Total assets	11 316	-27.8%	100.0%	12 278	12 800	15 569	11.2%	100.0%	
Accumulated surplus/(deficit)	1 378	-166.3%	-3.9%	1 378	1 378	3 314	34.0%	13.9%	
Finance lease	560	11.8%	2.6%	420	285	220	-26.8%	3.0%	
Trade and other payables	5 256	-45.8%	77.4%	6 067	6 687	7 155	10.8%	48.5%	
Provisions	3 922	50.2%	22.8%	4 214	4 410	4 800	7.0%	33.6%	
Derivatives financial instruments	200	2.1%	1.1%	200	40	80	-26.3%	1.1%	
Total equity and liabilities	11 316	-27.8%	100.0%	12 279	12 800	15 569	11.2%	100.0%	

Personnel information

Table 3.45 Brand South Africa personnel numbers and cost by salary level

Number of posts estimated for 31 March 2017			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 (%)			
			2015/16		Unit cost	2016/17		Unit cost	2017/18		Unit cost	2018/19		Unit cost			2019/20		Unit cost
Brand South Africa			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
Salary level	66	66	62	52.4	0.8	57	68.6	1.2	64	73.4	1.1	64	78.5	1.2	64	84.0	1.3	7.0%	100.0%
1 - 6	11	11	-	-	-	11	1.3	0.1	11	1.4	0.1	11	1.5	0.1	11	1.6	0.1	7.1%	17.7%
7 - 10	22	22	-	-	-	21	11.7	0.6	22	12.5	0.6	22	13.4	0.6	22	14.3	0.7	7.0%	35.0%
11 - 12	13	13	-	-	-	9	11.9	1.3	13	12.7	1.0	13	13.6	1.0	13	14.6	1.1	7.0%	19.2%
13 - 16	19	19	61	49.9	0.8	15	40.0	2.7	17	42.8	2.5	17	45.8	2.7	17	49.0	2.9	7.0%	26.5%
17 - 22	1	1	1	2.5	2.5	1	3.7	3.7	1	4.0	4.0	1	4.3	4.3	1	4.6	4.6	7.0%	1.6%

1. Rand million.

Film and Publication Board

Mandate

The Film and Publication Board was established as a schedule 3A public entity in accordance with the Public Finance Management Act (1999). The Film and Publication Board regulates and controls the creation, production, possession, exhibition and distribution of films, interactive computer games and certain publications in terms of the Film and Publications Act (1996). The board is also responsible for monitoring age restricted business premises for compliance with their licence and registration terms.

Selected performance indicators

Table 3.46 Film and Publication Board performance indicators by programme/objective/activity and related outcome

Indicator	Programme/objective/activity	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Percentage of applications for the classification of content classified and labelled per year	Industry compliance	Outcome 3: All people in South Africa are and feel safe	100%	100%	100%	100%	100%	100%	100%
Number of convergence surveys conducted per year	Industry compliance		- ¹	7 500	- ²	1 000	3 000	3 000	3 000
Number of unregistered distributors identified per year	Industry compliance		- ¹	2 000	2 703	2 000	2 000	2 000	2 000
Number of new distributors identified per year	Industry compliance		- ¹	400	2 600 ³	2 500	2 500	2 500	2 500
Number of raids conducted in provinces per year	Industry compliance		- ¹	36	24	24	24	24	24
Number of inspections conducted on existing distributors	Industry compliance		5 541	6 000	6 000	6 000	6 000	6 000	6 000

Table 3.46 Film and Publication Board performance indicators by programme/objective/activity and related outcome

Indicator	Programme/objective/activity	Outcome	Past			Current	Projections		
			2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20
Number of stakeholder relation strategies developed and implemented per year	Administration and compliance	Outcome 3: All people in South Africa are and feel safe	- ¹	4	4	4	4	4	4
Number of outreach and awareness campaigns conducted per year	Administration and compliance		- ¹	- ¹	1	1	1	1	1
Number of educators trained on cyber safety	Online and mobile content regulation		- ¹	- ¹	266	300	300	300	300

1. No historical data available.

2. Target not achieved during the year due to budget constraints.

3. Online distributors included in the updated target

Expenditure analysis

The National Development Plan states that special attention should be paid to preventing crimes against women and children. This vision is expressed in outcome 3 (all people in South Africa are and feel safe) of government's 2014-2019 medium-term strategic framework. The Film and Publication Board's work contributes to the realisation of this outcome. Over the medium term, the board plans to focus its activities on informing and educating society to empower adults and protect children against harmful content; monitoring and evaluation of compliance of distributors; developing cutting-edge technology to perform online content regulation; reviewing existing legislation to align with new developments in technology; and conducting research on the impact of content on the public.

The Films and Publications Act (1996) makes the use of children in pornography a punishable criminal offence. Over the medium term, the board aims to protect children against premature exposure to adult experiences and harmful materials, particularly on films, games and publications. The board aims to conduct outreach programmes and public campaigns over the medium term. These will focus on encouraging adults to foster responsible viewing, gaming and reading choices among children. As a result, outreach programme and public campaign expenditure will increase marginally at an average of 0.3 per cent over the medium term.

The board will also monitor compliance with the act, focusing on physical and online distribution platforms; and the proliferation of online and digital distribution platforms. The board has made progress in implementing a content regulation framework that will ensure 100 per cent classification and labelling of classifiable content distributed on online, mobile and related platforms by 2017/18. The board will also implement programmes aimed at cyber safety and online child protection. The entity is a member of the International Association of Internet Hotlines, which makes the internet a safer place by helping countries regulate online content and coordinating a global network to help countries respond to reports of illegal content. New technology implemented in 2016/17 will allow distributors to submit video games for classification. New technology will assist the board in fielding public complaints about apparent illegal content.

The board's activities are informed by programmes that aim to inform and educate the public about films, videos and games that are harmful to children; conduct research on human trafficking; and monitor distributors and traders for compliance. These objectives are expected to be achieved over the medium term through industry workshops and parent/teacher workshops that will focus on child protection with regards to the internet. Over the medium term, R11.2 million has been allocated to public awareness and education for these activities. The production of marketing material, the rental of equipment, and travel and accommodation costs are expected to be the main cost drivers on goods and services which decreases from R4.1 million in 2017/18 to R3.6 million in 2018/19 due to reprioritisation of funds to maintain ICT infrastructure.

Parliament's approval of the Film and Publications Bill is taking a considerable amount of time and resources from the board, specifically relating to consultancy fees. Because of this, the planned cost-saving measures on consultancy fees could not be implemented over the medium term. Expenditure has grown marginally, mainly due to travel costs and consulting fees.

The transfer received from the Department of Communications is estimated to increase by an average of 5.8 per cent to R91.7 million in 2017/18, R97 million in 2018/19 and R102.4 million in 2019/20. The use of online platforms has negatively affected the board's revenue-generating capabilities. As such, revenue growth will increase by an average of R7 million per year over the medium term.

Programmes/objectives/activities

Table 3.47 Film and Publication Board 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 (%)
	2013/14	2014/15	2015/16				2016/17	2017/18	2018/19		
R thousand					2013/14 - 2016/17		2017/18	2018/19	2019/20	2016/17 - 2019/20	
Administration	54 274	53 938	57 597	66 973	7.3%	66.1%	70 595	75 280	80 192	6.2%	71.0%
Industry compliance	9 507	10 541	10 891	10 252	2.5%	11.8%	10 547	10 852	11 615	4.2%	10.5%
Public awareness and education	14 480	4 985	5 483	6 551	-23.2%	9.1%	6 841	6 615	6 227	-1.7%	6.4%
Online and mobile content regulation	1 838	7 906	8 168	12 047	87.1%	8.3%	9 719	9 807	9 759	-6.8%	10.1%
Partnerships and collaboration	1 581	6 149	6 353	2 399	14.9%	4.7%	1 814	2 101	2 213	-2.7%	2.1%
Total	81 680	83 519	88 492	98 222	6.3%	100.0%	99 516	104 655	110 006	3.8%	100.0%

Statements of historical financial performance and position

Table 3.48 Film and Publication Board statements of historical financial performance and position

Statement of financial performance									
R thousand	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/ Budget (%)
	Budget	2013/14	Budget	2014/15	Budget	2015/16			
Revenue									
Non-tax revenue	10 952	4 439	11 904	7 941	6 133	6 133	7 785	7 785	71.5%
Other non-tax revenue	10 952	4 439	11 904	7 941	6 133	6 133	7 785	7 785	71.5%
Transfers received	82 675	82 675	78 901	78 901	82 359	82 359	86 472	86 472	100.0%
Total revenue	93 627	87 114	90 805	86 842	88 492	88 492	94 257	94 257	97.1%
Expenses									
Current expenses	163 634	81 680	176 202	83 519	173 160	88 492	94 257	98 222	58.0%
Compensation of employees	30 928	36 116	33 633	36 503	51 627	41 238	43 870	45 226	99.4%
Goods and services	132 706	42 381	141 366	43 833	120 125	44 071	46 887	52 996	41.6%
Depreciation	-	3 183	1 203	3 183	1 371	3 183	3 500	-	157.2%
Interest, dividends and rent on land	-	-	-	-	37	-	-	-	-
Total expenses	163 634	81 680	176 202	83 519	173 160	88 492	94 257	98 222	58.0%
Surplus/(Deficit)	(70 007)	5 434	(85 397)	3 323	(84 668)	-	-	(3 965)	
Statement of financial position									
Carrying value of assets	3 677	5 748	2 822	4 891	3 800	9 410	4 250	4 250	167.0%
of which:									
Acquisition of assets	-	(2 338)	-	(2 571)	(2 828)	(2 828)	(3 111)	(3 111)	182.7%
Receivables and prepayments	521	340	521	1 178	550	2 063	600	600	190.7%
Cash and cash equivalents	4 478	3 523	5 648	9 167	3 538	6 877	2 700	2 700	136.1%
Total assets	8 676	9 611	8 991	15 236	7 888	18 350	7 550	7 550	153.3%
Accumulated surplus/(deficit)	2 196	(441)	2 546	4 595	1 096	9 592	495	495	224.9%
Finance lease	1 220	1 291	1 185	947	388	2 207	300	300	153.4%
Trade and other payables	2 882	6 702	2 882	7 303	3 884	4 127	4 005	4 005	162.1%
Provisions	2 378	2 059	2 378	2 391	2 520	2 424	2 750	2 750	96.0%
Total equity and liabilities	8 676	9 611	8 991	15 236	7 888	18 350	7 550	7 550	153.3%

Statements of estimates of financial performance and position

Table 3.49 Film and Publication Board statements of estimates of financial performance and position

Statement of financial performance									
R thousand	Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
				2016/17	2013/14 - 2016/17	2017/18			2018/19
Revenue									
Non-tax revenue	7 785	20.6%	7.4%	7 833	7 652	7 570	-0.9%	7.6%	
Other non-tax revenue	7 785	20.6%	7.4%	7 833	7 652	7 570	-0.9%	7.6%	
Transfers received	86 472	1.5%	92.6%	91 684	97 002	102 434	5.8%	92.4%	
Total revenue	94 257	2.7%	100.0%	99 517	104 654	110 004	5.3%	100.0%	
Expenses									
Current expenses	98 222	6.3%	100.0%	99 516	104 655	110 006	3.8%	91.0%	
Compensation of employees	45 226	7.8%	45.1%	47 462	50 793	54 463	6.4%	47.9%	
Goods and services	52 996	7.7%	52.0%	52 054	53 862	55 543	1.6%	52.1%	
Total expenses	98 222	6.3%	100.0%	99 516	104 655	110 006	3.8%	100.0%	
Surplus/(Deficit)	(3 965)	(2)		1	(1)	(2)	-92.0%		
Statement of financial position									
Carrying value of assets	4 250	-9.6%	49.9%	4 600	5 500	5 843	11.2%	58.1%	
of which:									
Acquisition of assets	(3 111)	10.0%	-24.5%	(1 087)	(1 070)	(1 002)	-31.5%	-19.1%	
Receivables and prepayments	600	20.8%	7.6%	650	690	750	7.7%	7.8%	
Cash and cash equivalents	2 700	-8.5%	42.5%	2 850	3 021	3 200	5.8%	34.1%	
Total assets	7 550	-7.7%	100.0%	8 100	9 211	9 793	9.1%	100.0%	
Accumulated surplus/(deficit)	495	-203.9%	21.1%	720	1 911	2 443	70.3%	15.3%	
Finance lease	300	-38.5%	8.9%	300	450	510	19.3%	4.4%	
Trade and other payables	4 005	-15.8%	48.3%	4 080	3 050	2 840	-10.8%	41.4%	
Provisions	2 750	10.1%	21.7%	3 000	3 800	4 000	13.3%	38.9%	
Total equity and liabilities	7 550	-7.7%	100.0%	8 100	9 211	9 793	9.1%	100.0%	

Personnel information

Table 3.50 Film and Publication Board personnel numbers and cost by salary level

Number of posts estimated for 31 March 2017			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 (%)			
			2015/16		Unit cost	2016/17		Unit cost	2017/18		Unit cost	2018/19		Unit cost			2019/20		Unit cost
Film and Publication Board			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2016/17 - 2019/20	
Salary level	99	105	81	41.2	0.5	99	45.2	0.5	102	47.5	0.5	102	50.8	0.5	102	54.5	0.5	6.4%	100.0%
1 – 6	15	15	5	3.1	0.6	15	1.6	0.1	15	1.7	0.1	15	1.8	0.1	15	1.9	0.1	7.0%	14.8%
7 – 10	69	75	71	33.2	0.5	69	27.5	0.4	71	29.6	0.4	71	31.8	0.4	71	34.1	0.5	7.4%	69.6%
11 – 12	10	10	1	0.4	0.4	10	10.0	1.0	11	9.6	0.9	11	10.3	0.9	11	11.1	1.0	3.3%	10.6%
13 – 16	5	5	4	4.6	1.1	5	6.2	1.2	5	6.5	1.3	5	7.0	1.4	5	7.4	1.5	6.3%	4.9%

1. Rand million.

Media Development and Diversity Agency

Mandate

The Media Development and Diversity Agency was set up in terms of the Media Development and Diversity Agency Act (2002) to enable historically disadvantaged communities and individuals to gain access to the media. The mandate of the agency is to: create an enabling environment for media development and diversity which reflects the needs and aspirations of all South Africans; redress the exclusion and marginalisation of disadvantaged communities and people from access to the media and the media industry; and promote media development and diversity by providing support primarily to community and small commercial media projects. The overall objective of the agency is to ensure that all citizens can access information in a language of their choice, and to transform media access, ownership and control patterns in South Africa.

Selected performance indicators

Table 3.51 Media Development and Diversity Agency performance indicators by programme/objective/activity and related outcome

Indicator	Programme/objective/activity	Outcome	Past		Current	Projections			
			2013/14	2014/15		2015/16	2016/17	2017/18	2018/19
Number of community print projects funded per year	Grant funding and non-financial support	Outcome 14: A diverse, socially cohesive society with a common national identity	9	4	10	16	20	20	20
Number of marketing and communications strategies approved per year	Partnerships, awareness and advocacy		- ¹	1	1	1	1	1	1
Number of newsletters produced per year	Partnerships, awareness and advocacy		- ¹	- ¹	1	2	4	4	4
Number of outreach programmes supported per year	Partnerships, awareness and advocacy		- ¹	- ¹	15	15	9	15	15
Number of partnership agreements with accredited learning and training institutions signed per year	Capacity building and sector development		4	0 ²	2	4	4	4	4
Number of training interventions conducted per year on financial management and governance	Capacity building and sector development		- ¹	8	3	5	6	6	6
Number of media literacy workshops conducted per year	Capacity building and sector development		1	1	1	1	1	1	1
Number of community broadcast projects funded per year ³	Grant funding and non-financial support		15	34	19	32	25	27	29

1. No historical data available.

2. No agreement in place for 2014/15.

3. Less funding from external funders, hence not all projects were completed. Projects are dependent on external funders. 2015/16 and 2016/17 funding has been secured. Numbers reduced over the MTEF period due to non-securing of funds.

Expenditure analysis

The role of the Media Development and Diversity Agency in assisting community media to harness the power of a rapidly changing telecommunications environment contributes to outcome 6 (an efficient, competitive and responsive economic infrastructure network), outcome 12 (an efficient, responsive and development-oriented public service) and outcome 14 (a diverse, socially cohesive society with a common national identity) of government's 2014-2019 medium-term strategic framework through its approach in supporting and enabling content and production. Over the medium term, the agency's spending focus will be on promoting media development and diversity through the provision of financial and non-financial support to community broadcasting and small commercial print projects; allocating grant funding towards ensuring sustainability, through the strengthening of existing small community print projects and community broadcasting projects; and

funding new, small, commercial, community print projects and community broadcasting projects. Spending on these activities is expected to amount to R125 million over the medium term.

The agency will focus on capacitating 150 projects for enhanced sustainability over a range of areas from enterprise development to content generation. The number of projects supported in any given year depends on the quality and quantity of the applications received and on the funds available. An average of 570 projects were supported between 2013/14 and 2016/17. The agency aims to support 117 projects over the medium term.

Community broadcast media grants assist with the initiation of new projects and the strengthening of existing projects, accounting for 43 per cent of the agency's total budget over the medium term. Spending on transfers and subsidies to community recipients of print and digital and community broadcast media grant recipients is expected to decrease by an average of 7.4 per cent over the medium term. The decrease in spending on transfers and subsidies is attributed to a decline in funding from print media. The agency has begun extensive stakeholder engagement to revive the print media funding stream and has begun to optimise funding from other broadcast media. Over the medium term, the agency will embark on developing a business case in an attempt to secure additional funding from the private sector.

The agency's main source of funding is through transfers from the Department of Communications of R94.3 million over the medium term. The agency also receives an average of R96.3 million over the medium term from broadcast funders.

Programmes/objectives/activities

Table 3.52 Media Development and Diversity Agency expenditure trends and estimates by programme/objective/activity

R thousand	Audited outcome			Revised estimate	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2013/14	2014/15	2015/16				2016/17	2013/14 - 2016/17	2017/18		
Administration	15 670	13 829	15 422	27 441	20.5%	31.2%	22 762	23 760	24 740	-3.4%	37.0%
Community media and small commercial media	42 089	42 189	35 522	33 264	-7.5%	67.2%	40 149	40 693	41 211	7.4%	58.0%
Research, and monitoring and evaluation	-	-	1 808	596	-	1.1%	1 500	1 573	1 642	40.2%	2.0%
Strategy, policy, advocacy, capacity building	-	-	-	1 191	-	0.5%	2 250	2 329	2 463	27.4%	3.1%
Total	57 759	56 018	52 752	62 492	2.7%	100.0%	66 661	68 355	70 056	3.9%	100.0%

Statements of historical financial performance and position

Table 3.53 Media Development and Diversity Agency statements of historical financial performance and position

Statement of financial performance									
R thousand	Audited outcome		Audited outcome		Audited outcome		Budget estimate	Revised estimate	Average: Outcome/ Budget (%)
	Budget	2013/14	Budget	2014/15	Budget	2015/16			
Revenue									
Non-tax revenue	7 465	4 103	7 378	4 624	27 229	4 646	27 459	4 291	25.4%
Other non-tax revenue	7 465	4 103	7 378	4 624	27 229	4 646	27 459	4 291	25.4%
Transfers received	46 629	56 594	50 318	54 028	47 017	55 116	50 766	58 201	115.0%
Total revenue	54 094	60 697	57 696	58 652	74 246	59 762	78 225	62 492	91.4%
Expenses									
Current expenses	15 247	20 850	15 683	20 438	26 971	25 825	26 504	33 956	119.7%
Compensation of employees	7 149	12 029	7 896	11 523	16 294	16 102	16 526	17 466	119.3%
Goods and services	7 902	8 610	7 601	8 710	10 482	9 421	9 770	16 238	120.2%
Depreciation	196	211	186	205	195	302	208	252	123.6%
Transfers and subsidies	38 514	36 909	42 013	35 580	47 275	26 927	38 832	28 536	76.8%
Total expenses	53 761	57 759	57 696	56 018	74 246	52 753	65 336	62 492	91.2%
Surplus/(Deficit)	333	2 938	-	2 634	-	7 009	12 889	-	
Statement of financial position									
Carrying value of assets	254	437	281	380	301	888	493	1 068	208.6%
of which:									
Acquisition of assets	(93)	(234)	(86)	(148)	-	-	-	-	213.4%
Inventory	-	19	-	19	10	7	10	-	225.0%
Accrued investment interest	-	-	-	148	-	-	-	-	-
Receivables and prepayments	234	9 194	8 005	8 562	8 005	908	8 010	456	78.8%
Cash and cash equivalents	27 938	76 498	13 268	78 340	14 500	93 467	10 500	79 879	495.7%
Total assets	28 426	86 148	21 554	87 449	22 816	95 270	19 013	81 403	381.5%

Table 3.53 Media Development and Diversity Agency statements of historical financial performance and position

R thousand	2013/14		2014/15		2015/16		2016/17		Average: Outcome/ Budget (%)
	Budget	Audited outcome	Budget	Audited outcome	Budget	Audited outcome	Budget estimate	Revised estimate	
Accumulated surplus/(deficit)	5 471	76 568	2 810	79 202	20 951	85 764	17 363	79 635	689.3%
Capital reserve fund	-	6 882	16 478	6 571	-	6 479	-	-	121.0%
Finance lease	-	393	-	-	-	140	-	140	-
Trade and other payables	1 180	1 721	2 038	1 639	1 500	2 637	1 200	1 507	126.8%
Provisions	199	584	228	37	365	250	450	-	70.1%
Managed funds (e.g. poverty alleviation fund)	21 576	-	-	-	-	-	-	-	-
Derivatives financial instruments	-	-	-	-	-	-	-	121	-
Total equity and liabilities	28 426	86 148	21 554	87 449	22 816	95 270	19 013	81 403	381.5%

Statements of estimates of financial performance and position**Table 3.54 Media Development and Diversity Agency statements of estimates of financial performance and position**

Statement of financial performance		Average growth rate (%)	Average: Expen- diture/ Total (%)	Medium-term estimate			Average growth rate (%)	Average: Expen- diture/ Total (%)
Revised estimate	2013/14 - 2016/17			2017/18	2018/19	2019/20		
R thousand	2016/17							
Revenue								
Non-tax revenue	4 291	1.5%	7.3%	4 548	4 821	5 110	6.0%	7.0%
Other non-tax revenue	4 291	1.5%	7.3%	4 548	4 821	5 110	6.0%	7.0%
Transfers received	58 201	0.9%	92.7%	62 113	63 563	64 944	3.7%	93.0%
Total revenue	62 492	1.0%	100.0%	66 661	68 384	70 054	3.9%	100.0%
Expenses								
Current expenses	33 956	17.7%	44.0%	33 875	35 648	37 368	3.2%	60.6%
Compensation of employees	17 466	13.2%	25.0%	20 508	20 775	21 662	7.4%	30.0%
Goods and services	16 238	23.6%	18.6%	13 021	14 600	15 418	-1.7%	22.2%
Depreciation	252	6.1%	0.4%	346	273	288	4.6%	0.4%
Transfers and subsidies	28 536	-8.2%	56.0%	32 786	32 707	32 688	4.6%	47.3%
Total expenses	62 492	2.7%	100.0%	66 661	68 355	70 056	3.9%	100.0%
Surplus/(Deficit)	-	(1)	-	-	29	(2)	-	-
Statement of financial position								
Carrying value of assets	1 068	34.7%	0.8%	1 192	1 000	920	-4.8%	1.4%
of which:								
Acquisition of assets	-	-100.0%	-0.1%	(1 730)	(2 500)	(2 640)	-	-2.3%
Receivables and prepayments	456	-63.3%	5.5%	510	510	510	3.8%	0.6%
Cash and cash equivalents	79 879	1.5%	93.7%	76 366	73 662	71 799	-3.5%	98.0%
Total assets	81 403	-1.9%	100.0%	78 068	75 172	73 229	-3.5%	100.0%
Accumulated surplus/(deficit)	79 635	1.3%	91.8%	71 000	71 000	71 000	-3.8%	95.0%
Capital reserve fund	-	-100.0%	5.6%	4 500	2 000	-	-	2.1%
Finance lease	140	-29.1%	0.2%	390	260	130	-2.4%	0.3%
Trade and other payables	1 507	-4.3%	2.1%	1 467	1 354	1 695	4.0%	2.0%
Provisions	-	-100.0%	0.2%	250	250	250	-	0.2%
Derivatives financial instruments	121	-	0.0%	461	307	154	8.3%	0.3%
Total equity and liabilities	81 403	-1.9%	100.0%	78 068	75 172	73 229	-3.5%	100.0%

Personnel information**Table 3.55 Media Development and Diversity Agency personnel numbers and cost by salary level**

Number of posts estimated for 31 March 2017		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 (%)	
		2015/16		Unit cost	2016/17		Unit cost	2017/18			2018/19			2019/20					2016/17 - 2019/20
Media Development and Diversity Agency																			
Salary level	37	37	18	16.1	0.9	37	17.5	0.5	37	20.5	0.6	37	20.8	0.6	37	21.7	0.6	7.4%	100.0%
7 - 10	24	24	13	11.7	0.9	24	7.7	0.3	24	8.3	0.3	24	9.3	0.4	24	9.3	0.4	6.7%	64.9%
11 - 12	10	10	5	4.4	0.9	10	6.2	0.6	10	8.4	0.8	10	7.1	0.7	10	6.8	0.7	3.0%	27.0%
13 - 16	3	3	-	-	-	3	3.5	1.2	3	3.8	1.3	3	4.4	1.5	3	5.5	1.8	15.9%	8.1%

1. Rand million.

BUDGET 2017

ESTIMATES OF NATIONAL EXPENDITURE

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national treasury

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REPUBLIC OF SOUTH AFRICA

