

Vote 30

Communications and Digital Technologies

Budget summary

| R million | 2022/23 | | | | 2023/24 | 2024/25 |
|--|------------------|-------------------------|-----------------------------|----------------|----------------|----------------|
| | Current payments | Transfers and subsidies | Payments for capital assets | Total | Total | Total |
| MTEF allocation | | | | | | |
| Administration | 260.0 | 0.0 | 11.0 | 271.0 | 271.8 | 284.3 |
| ICT International Relations and Affairs | 24.6 | 38.4 | 0.4 | 63.4 | 68.9 | 71.9 |
| ICT Policy Development and Research | 53.4 | – | 0.4 | 53.7 | 49.7 | 52.1 |
| ICT Enterprise and Public Entity Oversight | 40.6 | 1 862.6 | 0.3 | 1 903.5 | 1 614.4 | 1 691.1 |
| ICT Infrastructure Development and Support | 282.6 | 59.4 | 1.0 | 343.0 | 338.9 | 354.0 |
| ICT Information Society and Capacity Development | 82.1 | – | 0.4 | 82.5 | 82.8 | 82.0 |
| Total expenditure estimates | 743.3 | 1 960.4 | 13.5 | 2 717.2 | 2 426.4 | 2 535.4 |

Executive authority Minister of Communications and Digital Technologies
Accounting officer Director-General of Communications and Digital Technologies
Website www.dcdt.gov.za

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

Vote purpose

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

Mandate

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

The department derives its mandate from several acts and policies. Key among these are:

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

Selected performance indicators

Table 30.1 Performance indicators by programme and related priority

| Indicator | Programme | MTSF priority | Audited performance | | | Estimated performance | MTEF targets | | |
|--|--|----------------------|---------------------|---------|---------|-----------------------|--------------|---------|---------|
| | | | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
| Number of ICT position papers developed for international engagements per year | ICT International Relations and Affairs | Departmental mandate | 4 | 4 | 2 | 3 | 3 | 2 | 2 |
| Number of quarterly state-owned entity performance reports analysed per year | ICT Enterprise Development and Public Entity Oversight | | 0 | 40 | 40 | 40 | 36 | 36 | 36 |
| Number of identified connected government institutions maintained as part of the national broadband plan: digital development (phase 1) per year | ICT Infrastructure Development and Support | | 570 | 561 | 970 | 970 | 970 | 970 | 970 |
| Number of position papers tabled at multilateral engagements per year | ICT Infrastructure Development and Support | | 1 | 1 | 2 | 2 | 1 | 2 | 2 |

Expenditure overview

Over the medium term, the department will mainly focus on implementing the broadcasting digital migration policy to release high-demand spectrum, which will aid socioeconomic development and bridge the digital divide; rolling out broadband to government facilities through the South Africa Connect project; and implementing the legislative programme to support the 2016 National Integrated ICT Policy White Paper.

The department has a budget of R7.7 billion over the medium term, of which 72.2 per cent (R5.4 billion) is allocated for transfers to entities for their operations, and for project-specific funding. Expenditure is expected to decrease at an average annual rate of 13.3 per cent, from R3.9 billion in 2021/22 to R2.5 billion in 2024/25 because of a one-off allocation of R1.1 billion in 2021/22 for the broadcasting digital migration project. The department's second-largest cost driver is compensation of employees, spending on which increases at an average annual rate of 1 per cent, from R295.8 million in 2021/22 to R304.4 million in 2024/25. The number of personnel is expected to decrease from 379 in 2021/22 to 376 in 2024/25 in line with the new organisational structure, which is expected to be finalised over the medium term. This is also expected to enable the department to remain within its expenditure ceiling for compensation of employees.

To fast-track the broadcasting digital migration project, the department has revised its delivery model. All analogue transmitters are expected to have been shut down by the end of 2021/22. The bulk of funding for this project has been transferred to the Universal Service and Access Fund and the South African Post Office in previous financial years and has been retained by the entities with approval from National Treasury where required. As a result, spending in the *Broadcasting Digital Migration* subprogramme in the *ICT Infrastructure Development and Support* programme is expected to decrease from R1.3 billion in 2021/22 to R84.1 million in 2024/25, at an average annual rate of 59.5 per cent.

The department will continue to provide broadband connectivity to government facilities through the South Africa Connect project, which will be supported by relevant state-owned entities. Accordingly, at a projected cost of R744 million over the MTEF period in the *Broadband* subprogramme in the *ICT Infrastructure Development and Support* programme, the department will monitor and maintain the provision of broadband services to 970 government buildings that have already been connected.

The department will continue to provide a supporting and enabling legislative environment through the development of relevant policies, strategies and legislation. Over the MTEF period, this will include finalising the audio-visual white paper; providing policy direction on discontinuing the local production of and importing analogue television sets; drafting and finalising the Digital Transformation Bill, the ICT Regulatory Reform Bill, and the State Digital Infrastructure Company Bill; and providing policy direction for the deployment of 5G. Expenditure for these activities is within an allocation of R155.5 million over the period ahead in the *ICT Policy Development and Research* programme.

Expenditure trends and estimates

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

| Programmes | | | | | | | | | | | |
|--|-----------------|----------------|----------------|-----------------------------------|--|--|----------------------------------|----------------|----------------|--|--|
| 1. Administration 2. ICT International Relations and Affairs 3. ICT Policy Development and Research 4. ICT Enterprise and Public Entity Oversight 5. ICT Infrastructure Development and Support 6. ICT Information Society and Capacity Development | | | | | | | | | | | |
| Programme | Audited outcome | | | Adjusted appropriation 2021/22 | Average growth rate (%) 2018/19 - 2021/22 | Average: Expenditure/ Total (%) 2018/19 - 2021/22 | Medium-term expenditure estimate | | | Average growth rate (%) 2021/22 - 2024/25 | Average: Expenditure/ Total (%) 2021/22 - 2024/25 |
| | 2018/19 | 2019/20 | 2020/21 | | | | 2022/23 | 2023/24 | 2024/25 | | |
| R million | | | | | | | | | | | |
| Programme 1 | 294.2 | 273.0 | 215.9 | 273.0 | -2.5% | 6.0% | 271.0 | 271.8 | 284.3 | 1.4% | 9.5% |
| Programme 2 | 84.9 | 53.1 | 61.5 | 56.5 | -12.7% | 1.5% | 63.4 | 68.9 | 71.9 | 8.4% | 2.3% |
| Programme 3 | 34.8 | 32.3 | 36.1 | 51.2 | 13.8% | 0.9% | 53.7 | 49.7 | 52.1 | 0.6% | 1.8% |
| Programme 4 | 3 936.6 | 4 663.4 | 1 784.0 | 1 663.5 | -25.0% | 68.7% | 1 903.5 | 1 614.4 | 1 691.1 | 0.5% | 59.4% |
| Programme 5 | 411.2 | 581.3 | 1 017.4 | 1 760.4 | 62.4% | 21.5% | 343.0 | 338.9 | 354.0 | -41.4% | 24.2% |
| Programme 6 | 64.9 | 60.6 | 49.8 | 79.8 | 7.1% | 1.5% | 82.5 | 82.8 | 82.0 | 0.9% | 2.8% |
| Total | 4 826.6 | 5 663.8 | 3 164.6 | 3 884.5 | -7.0% | 100.0% | 2 717.2 | 2 426.4 | 2 535.4 | -13.3% | 100.0% |
| Change to 2021 Budget estimate | | | | 191.6 | | | 300.0 | - | - | | |
| Economic classification | | | | | | | | | | | |
| Current payments | 643.6 | 646.8 | 575.8 | 908.5 | 12.2% | 15.8% | 743.3 | 732.5 | 765.4 | -5.6% | 27.2% |
| Compensation of employees | 292.5 | 266.9 | 270.6 | 295.8 | 0.4% | 6.4% | 302.9 | 291.3 | 304.4 | 1.0% | 10.3% |
| Goods and services ¹ | 351.1 | 380.0 | 305.1 | 612.6 | 20.4% | 9.4% | 440.3 | 441.2 | 461.0 | -9.0% | 16.9% |
| of which: | | | | | | | | | | | |
| Advertising | 11.5 | 6.7 | 4.1 | 10.3 | -3.9% | 0.2% | 12.4 | 9.0 | 9.2 | -3.5% | 0.4% |
| Computer services | 7.9 | 6.3 | 207.2 | 209.7 | 198.7% | 2.5% | 218.6 | 225.0 | 235.6 | 4.0% | 7.7% |
| Consultants: Business and advisory services | 113.8 | 231.5 | 12.1 | 247.1 | 29.5% | 3.4% | 41.9 | 41.8 | 43.4 | -44.0% | 3.2% |
| Operating leases | 42.6 | 24.7 | 26.1 | 31.7 | -9.4% | 0.7% | 31.2 | 31.7 | 33.0 | 1.4% | 1.1% |
| Property payments | 10.3 | 18.0 | 14.8 | 16.2 | 16.3% | 0.3% | 16.9 | 17.6 | 18.4 | 4.4% | 0.6% |
| Travel and subsistence | 58.1 | 50.0 | 10.3 | 34.6 | -15.9% | 0.9% | 49.8 | 48.0 | 51.0 | 13.8% | 1.6% |
| Transfers and subsidies¹ | 1 227.2 | 1 804.5 | 2 574.0 | 2 953.2 | 34.0% | 48.8% | 1 960.4 | 1 679.3 | 1 754.6 | -15.9% | 72.2% |
| Provinces and municipalities | 0.0 | 0.0 | 0.0 | 0.1 | 112.6% | 0.0% | 0.0 | 0.0 | 0.0 | -40.0% | 0.0% |
| Departmental agencies and accounts | 786.1 | 817.9 | 1 566.7 | 2 022.2 | 37.0% | 29.6% | 1 186.6 | 895.2 | 935.4 | -22.7% | 43.6% |
| Foreign governments and international organisations | 28.5 | 30.0 | 39.5 | 32.3 | 4.2% | 0.7% | 38.4 | 41.2 | 42.9 | 10.0% | 1.3% |
| Public corporations and private enterprises | 391.3 | 924.6 | 962.5 | 898.6 | 31.9% | 18.1% | 735.4 | 742.9 | 776.3 | -4.8% | 27.3% |
| Households | 21.3 | 32.0 | 5.4 | - | -100.0% | 0.3% | - | - | - | 0.0% | 0.0% |
| Payments for capital assets | 7.0 | 12.4 | 14.7 | 22.8 | 47.9% | 0.3% | 13.5 | 14.7 | 15.4 | -12.2% | 0.6% |
| Machinery and equipment | 5.3 | 10.3 | 9.7 | 12.6 | 33.4% | 0.2% | 5.3 | 5.9 | 6.2 | -21.0% | 0.3% |
| Software and other intangible assets | 1.7 | 2.1 | 5.0 | 10.2 | 80.8% | 0.1% | 8.2 | 8.8 | 9.2 | -3.4% | 0.3% |
| Payments for financial assets | 2 948.7 | 3 200.1 | 0.1 | - | -100.0% | 35.1% | - | - | - | 0.0% | 0.0% |
| Total | 4 826.6 | 5 663.8 | 3 164.6 | 3 884.5 | -7.0% | 100.0% | 2 717.2 | 2 426.4 | 2 535.4 | -13.3% | 100.0% |

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

Transfers and subsidies expenditure trends and estimates

Table 30.3 Vote transfers and subsidies trends and estimates

| | Audited outcome | | | Adjusted appropriation 2021/22 | Average growth rate (%) 2018/19 - 2021/22 | Average: Expenditure/ Total (%) 2018/19 - 2021/22 | Medium-term expenditure estimate | | | Average growth rate (%) 2021/22 - 2024/25 | Average: Expenditure/ Total (%) 2021/22 - 2024/25 |
|--------------------------------------|-----------------|---------|---------|-----------------------------------|--|--|----------------------------------|---------|---------|--|--|
| | 2018/19 | 2019/20 | 2020/21 | | | | 2022/23 | 2023/24 | 2024/25 | | |
| R thousand | | | | | | | | | | | |
| Households | | | | | | | | | | | |
| Social benefits | | | | | | | | | | | |
| Current | 2 286 | 2 294 | 5 237 | - | -100.0% | 0.1% | - | - | - | - | - |
| Households | 2 286 | 2 294 | 5 237 | - | -100.0% | 0.1% | - | - | - | - | - |
| Provinces and municipalities | | | | | | | | | | | |
| Municipal bank accounts | | | | | | | | | | | |
| Current | 13 | 15 | 19 | 125 | 112.6% | - | 26 | 26 | 27 | -40.0% | - |
| Vehicle licences | 13 | 15 | 19 | 125 | 112.6% | - | 26 | 26 | 27 | -40.0% | - |
| Households | | | | | | | | | | | |
| Other transfers to households | | | | | | | | | | | |
| Current | 18 966 | 29 659 | 162 | - | -100.0% | 0.6% | - | - | - | - | - |
| Claims against the state | 18 940 | 29 643 | - | - | -100.0% | 0.6% | - | - | - | - | - |
| Households | 26 | 16 | 162 | - | -100.0% | - | - | - | - | - | - |

Table 30.3 Vote transfers and subsidies trends and estimates

| R thousand | Audited outcome | | | Adjusted appropriation 2021/22 | Average growth rate (%) 2018/19 - 2021/22 | Average: Expenditure/ Total (%) 2018/19 - 2021/22 | Medium-term expenditure estimate | | | Average growth rate (%) 2021/22 - 2024/25 | Average: Expenditure/ Total (%) 2021/22 - 2024/25 |
|---|------------------|------------------|------------------|-----------------------------------|--|--|----------------------------------|------------------|------------------|--|--|
| | 2018/19 | 2019/20 | 2020/21 | | | | 2022/23 | 2023/24 | 2024/25 | | |
| Departmental agencies and accounts | | | | | | | | | | | |
| Departmental agencies (non-business entities) | | | | | | | | | | | |
| Current | 786 094 | 817 936 | 1 566 655 | 2 022 181 | 37.0% | 60.7% | 1 186 638 | 895 168 | 935 370 | -22.7% | 60.4% |
| Independent Communications Authority of South Africa | 443 961 | 476 645 | 543 719 | 508 190 | 4.6% | 23.0% | 769 431 | 473 947 | 495 232 | -0.9% | 26.9% |
| Film and Publication Board | 94 577 | 99 373 | 100 596 | 100 937 | 2.2% | 4.6% | 53 870 | 103 860 | 108 524 | 2.4% | 4.4% |
| National Electronic Media Institute of South Africa | 90 761 | 95 347 | 97 448 | 98 468 | 2.8% | 4.5% | 53 121 | 103 104 | 107 734 | 3.0% | 4.3% |
| Universal Service and Access Agency of South Africa | 80 074 | 82 949 | 261 385 | 82 055 | 0.8% | 5.9% | 86 033 | 86 860 | 90 761 | 3.4% | 4.1% |
| Universal Service and Access Fund | 57 781 | 37 017 | 63 086 | 64 165 | 3.6% | 2.6% | 66 777 | 67 419 | 70 447 | 3.2% | 3.2% |
| Universal Service and Access Fund: Broadcasting digital migration | 18 940 | 26 605 | 500 421 | 1 073 366 | 284.1% | 18.9% | 59 406 | 59 978 | 62 672 | -61.2% | 15.0% |
| Universal Service and Access Agency of South Africa: Distribution costs to South African Post Office relating to the broadcasting digital migration project | - | - | - | 95 000 | - | 1.1% | - | - | - | -100.0% | 1.1% |
| Public corporations and private enterprises | | | | | | | | | | | |
| Other transfers to public corporations | | | | | | | | | | | |
| Current | 187 421 | 673 643 | 697 848 | 728 883 | 57.3% | 26.7% | 735 355 | 742 906 | 776 269 | 2.1% | 35.7% |
| South African Broadcasting Corporation: Channel Africa | 58 068 | 61 320 | 63 399 | 64 617 | 3.6% | 2.9% | 66 581 | 67 368 | 70 393 | 2.9% | 3.2% |
| South African Broadcasting Corporation: Public broadcaster | 115 669 | 123 246 | 127 424 | 129 872 | 3.9% | 5.8% | 133 821 | 135 403 | 141 484 | 2.9% | 6.5% |
| South African Broadcasting Corporation: Programme productions | 13 684 | 14 450 | 14 940 | 15 226 | 3.6% | 0.7% | 15 680 | 15 865 | 16 577 | 2.9% | 0.8% |
| South African Post Office | - | 474 627 | 492 085 | 504 168 | - | 17.2% | 519 273 | 524 270 | 547 815 | 2.8% | 25.1% |
| South African Post Office: Operations | - | - | - | 15 000 | - | 0.2% | - | - | - | -100.0% | 0.2% |
| Capital | 203 900 | 250 934 | 264 630 | 169 746 | -5.9% | 10.4% | - | - | - | -100.0% | 2.0% |
| Sentech: Migration of digital signals | - | 58 440 | 60 586 | 69 746 | - | 2.2% | - | - | - | -100.0% | 0.8% |
| Sentech: Dual illumination costs relating to the digital migration project | 203 900 | 192 494 | 204 044 | 100 000 | -21.1% | 8.2% | - | - | - | -100.0% | 1.2% |
| Foreign governments and international organisations | | | | | | | | | | | |
| Current | 28 538 | 30 025 | 39 458 | 32 254 | 4.2% | 1.5% | 38 401 | 41 153 | 42 926 | 10.0% | 1.9% |
| Universal Postal Union | 6 311 | 6 443 | 8 915 | 7 354 | 5.2% | 0.3% | 7 854 | 7 969 | 8 320 | 4.2% | 0.4% |
| International Telecommunication Union | 17 077 | 18 829 | 24 651 | 20 082 | 5.6% | 0.9% | 24 267 | 25 805 | 27 948 | 11.6% | 1.2% |
| African Telecommunications Union | 988 | 1 114 | 1 401 | 1 109 | 3.9% | 0.1% | 1 797 | 1 828 | 1 908 | 19.8% | 0.1% |
| Pan-African Postal Union | 1 061 | 1 142 | 1 436 | 1 137 | 2.3% | 0.1% | 1 383 | 2 400 | 1 462 | 8.7% | 0.1% |
| Organisation for Economic Cooperation and Development Commonwealth | 200 | 186 | 209 | 198 | -0.3% | - | 634 | 642 | 671 | 50.2% | - |
| Telecommunications Organisation | 440 | 462 | 536 | 405 | -2.7% | - | 636 | 646 | 673 | 18.4% | - |
| DONA Foundation | 1 007 | 1 108 | 1 386 | 1 199 | 6.0% | 0.1% | 1 830 | 1 863 | 1 944 | 17.5% | 0.1% |
| Smart Africa Alliance | 1 454 | 741 | 924 | 740 | -20.2% | - | - | - | - | -100.0% | - |
| Forum of Incident Response Security Teams | - | - | - | 30 | - | - | - | - | - | -100.0% | - |
| Total | 1 227 218 | 1 804 506 | 2 574 009 | 2 953 189 | 34.0% | 100.0% | 1 960 420 | 1 679 253 | 1 754 592 | -15.9% | 100.0% |

Personnel information

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

| Number of posts estimated for 31 March 2022 | | Number and cost ² of personnel posts filled/planned for on funded establishment | | | | | | | | | | | | | | | Average growth rate (%) | Average: Salary level/ Total (%) | |
|---|---|--|------------|--------------|------------------|------------|--------------|----------------------------------|------------|--------------|------------|------------|-------------------|------------|-------------------|--------------|-------------------------|----------------------------------|---------------|
| Number of funded posts | Number of posts additional to the establishment | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | | 2021/22 - 2024/25 | | 2021/22 - 2024/25 | | | | |
| | | 2020/21 | | 2021/22 | | 2022/23 | | 2023/24 | | 2024/25 | | | | | | | | | |
| Communications and Digital Technologies | | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | | | |
| Salary level | 365 | 32 | 361 | 270.6 | 0.7 | 379 | 289.5 | 0.8 | 389 | 302.9 | 0.8 | 377 | 291.3 | 0.8 | 376 | 304.4 | 0.8 | -0.2% | 100.0% |
| 1 – 6 | 37 | 5 | 44 | 10.4 | 0.2 | 43 | 12.4 | 0.3 | 43 | 12.6 | 0.3 | 44 | 12.2 | 0.3 | 43 | 12.7 | 0.3 | -0.3% | 11.4% |
| 7 – 10 | 123 | 4 | 120 | 59.8 | 0.5 | 119 | 62.8 | 0.5 | 124 | 66.6 | 0.5 | 121 | 64.4 | 0.5 | 121 | 67.4 | 0.6 | 0.5% | 31.8% |
| 11 – 12 | 77 | – | 75 | 64.8 | 0.9 | 80 | 71.8 | 0.9 | 85 | 77.3 | 0.9 | 82 | 74.4 | 0.9 | 82 | 77.7 | 0.9 | 0.8% | 21.8% |
| 13 – 16 | 117 | 16 | 109 | 128.8 | 1.2 | 114 | 133.9 | 1.2 | 115 | 137.7 | 1.2 | 108 | 131.4 | 1.2 | 108 | 137.3 | 1.3 | -1.8% | 29.3% |
| Other | 11 | 7 | 13 | 6.8 | 0.5 | 22 | 8.6 | 0.4 | 22 | 8.8 | 0.4 | 22 | 8.9 | 0.4 | 22 | 9.4 | 0.4 | – | 5.8% |
| Programme | 365 | 32 | 361 | 270.6 | 0.7 | 379 | 289.5 | 0.8 | 389 | 302.9 | 0.8 | 377 | 291.3 | 0.8 | 376 | 304.4 | 0.8 | -0.2% | 100.0% |
| Programme 1 | 203 | 21 | 193 | 124.6 | 0.6 | 205 | 133.1 | 0.6 | 213 | 141.6 | 0.7 | 210 | 138.8 | 0.7 | 209 | 145.0 | 0.7 | 0.6% | 55.0% |
| Programme 2 | 16 | – | 16 | 20.1 | 1.3 | 15 | 17.1 | 1.1 | 15 | 17.4 | 1.2 | 15 | 17.5 | 1.2 | 15 | 18.3 | 1.2 | -0.2% | 4.0% |
| Programme 3 | 36 | 8 | 40 | 33.1 | 0.8 | 28 | 28.4 | 1.0 | 29 | 30.5 | 1.1 | 26 | 26.8 | 1.0 | 26 | 28.0 | 1.1 | -2.4% | 7.1% |
| Programme 4 | 21 | – | 23 | 18.3 | 0.8 | 32 | 27.0 | 0.8 | 34 | 28.3 | 0.8 | 32 | 26.4 | 0.8 | 32 | 27.6 | 0.9 | -0.1% | 8.6% |
| Programme 5 | 38 | 3 | 38 | 34.9 | 0.9 | 41 | 38.4 | 0.9 | 41 | 39.0 | 1.0 | 37 | 35.4 | 1.0 | 37 | 37.0 | 1.0 | -3.4% | 10.3% |
| Programme 6 | 51 | – | 51 | 39.7 | 0.8 | 57 | 45.4 | 0.8 | 57 | 46.2 | 0.8 | 57 | 46.4 | 0.8 | 57 | 48.5 | 0.9 | -0.2% | 15.0% |

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

2. Rand million.

Departmental receipts

Table 30.5 Departmental receipts by economic classification

| R thousand | Audited outcome | | | Adjusted estimate | Revised estimate | Average growth rate (%) | Average: Receipt item/ Total (%) | Medium-term receipts estimate | | | Average growth rate (%) | Average: Receipt item/ Total (%) |
|---|-----------------|----------------|----------------|-------------------|------------------|-------------------------|----------------------------------|-------------------------------|----------------|----------------|-------------------------|----------------------------------|
| | 2018/19 | 2019/20 | 2020/21 | | | | | 2021/22 | 2022/23 | 2023/24 | | |
| Departmental receipts | 751 780 | 665 564 | 105 728 | 1 161 | 1 161 | -88.4% | 100.0% | 114 837 | 120 557 | 120 461 | 369.9% | 100.0% |
| Sales of goods and services produced by department | 111 | 108 | 92 | 54 | 54 | -21.4% | – | 120 | 127 | 142 | 38.0% | 0.1% |
| Sales by market establishments | 111 | 41 | – | – | – | -100.0% | – | 60 | 60 | 70 | – | 0.1% |
| of which: | | | | | | | | | | | | |
| Market establishment: Rental parking (covered and open) | 111 | 41 | – | – | – | -100.0% | – | 60 | 60 | 70 | – | 0.1% |
| Administrative fees | – | – | 24 | 5 | 5 | – | – | 5 | 7 | 7 | 11.9% | – |
| of which: | | | | | | | | | | | | |
| Cryptography fees | – | – | 4 | 5 | 5 | – | – | 5 | 7 | 7 | 11.9% | – |
| Accreditation electric signature fee | – | – | 20 | – | – | – | – | – | – | – | – | – |
| Other sales | – | 67 | 68 | 49 | 49 | – | – | 55 | 60 | 65 | 9.9% | 0.1% |
| of which: | | | | | | | | | | | | |
| Commission on insurance | – | 67 | 68 | 49 | 49 | – | – | 55 | 60 | 65 | 9.9% | 0.1% |
| Sales of scrap, waste, arms and other used current goods | – | 1 | 2 | – | – | – | – | – | – | – | – | – |
| of which: | | | | | | | | | | | | |
| Sales tender documents | – | 1 | 2 | – | – | – | – | – | – | – | – | – |
| Transfers received | 26 000 | 360 | – | – | – | -100.0% | 1.7% | – | – | – | – | – |
| Interest, dividends and rent on land | 724 910 | 665 866 | 104 821 | 832 | 832 | -89.5% | 98.2% | 114 552 | 120 260 | 120 220 | 424.7% | 99.7% |
| Interest | 2 019 | 1 574 | 1 062 | 800 | 800 | -26.6% | 0.4% | 160 | 150 | 150 | -42.8% | 0.4% |
| Dividends | 722 891 | 664 292 | 103 759 | 32 | 32 | -96.5% | 97.8% | 114 392 | 120 110 | 120 070 | 1453.9% | 99.3% |
| of which: | | | | | | | | | | | | |
| Vodacom shares | 32 | – | – | 32 | 32 | – | – | 32 | 32 | 70 | 29.8% | – |
| Telkom shares | 722 859 | 664 292 | 103 759 | – | – | -100.0% | 97.8% | 114 360 | 120 078 | 120 000 | – | 99.3% |
| Sales of capital assets | 52 | 484 | 639 | 200 | 200 | 56.7% | 0.1% | 15 | 20 | 29 | -47.5% | 0.1% |
| Transactions in financial assets and liabilities | 707 | (1 255) | 174 | 75 | 75 | -52.7% | – | 150 | 150 | 70 | -2.3% | 0.1% |
| Total | 751 780 | 665 564 | 105 728 | 1 161 | 1 161 | -88.4% | 100.0% | 114 837 | 120 557 | 120 461 | 369.9% | 100.0% |

Programme 1: Administration

Programme purpose

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

Expenditure trends and estimates

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

| Subprogramme | Audited outcome | | | Adjusted appropriation | Average growth rate (%) | Average: Expenditure/Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average: Expenditure/Total (%) | |
|--|-----------------|--------------|--------------|------------------------|-------------------------|--------------------------------|----------------------------------|--------------|--------------|-------------------------|--------------------------------|---------|
| | 2018/19 | 2019/20 | 2020/21 | | | | 2021/22 | 2022/23 | 2023/24 | | | 2024/25 |
| R million | | | | | | | | | | | | |
| Ministry | 7.9 | 5.9 | 4.2 | 6.6 | -5.8% | 2.3% | 4.5 | 5.4 | 5.7 | -5.0% | 2.0% | |
| Departmental Management | 82.0 | 63.1 | 39.3 | 66.1 | -6.9% | 23.7% | 65.9 | 69.5 | 72.7 | 3.2% | 24.9% | |
| Internal Audit | 7.5 | 6.3 | 6.6 | 10.2 | 10.9% | 2.9% | 8.4 | 8.1 | 8.7 | -5.3% | 3.2% | |
| Corporate Services | 108.2 | 112.8 | 78.9 | 94.4 | -4.4% | 37.3% | 96.3 | 95.7 | 100.2 | 2.0% | 35.1% | |
| Financial Management | 79.5 | 56.4 | 58.2 | 61.5 | -8.2% | 24.2% | 62.6 | 59.3 | 61.8 | 0.1% | 22.3% | |
| Office Accommodation | 9.2 | 28.5 | 28.7 | 34.0 | 54.7% | 9.5% | 33.4 | 33.7 | 35.2 | 1.2% | 12.4% | |
| Total | 294.2 | 273.0 | 215.9 | 273.0 | -2.5% | 100.0% | 271.0 | 271.8 | 284.3 | 1.4% | 100.0% | |
| Change to 2021 | | | | (8.8) | | | (29.6) | (25.4) | (18.4) | | | |
| Budget estimate | | | | | | | | | | | | |
| Economic classification | | | | | | | | | | | | |
| Current payments | 266.2 | 231.5 | 196.7 | 252.3 | -1.8% | 89.6% | 260.0 | 259.7 | 271.6 | 2.5% | 94.9% | |
| Compensation of employees | 153.7 | 138.9 | 124.6 | 138.6 | -3.4% | 52.6% | 141.6 | 138.8 | 145.0 | 1.5% | 51.3% | |
| Goods and services | 112.5 | 92.6 | 72.0 | 113.7 | 0.3% | 37.0% | 118.4 | 120.9 | 126.6 | 3.7% | 43.6% | |
| <i>of which:</i> | | | | | | | | | | | | |
| <i>Audit costs: External</i> | 6.0 | 6.5 | 6.0 | 6.0 | -0.2% | 2.3% | 6.8 | 8.2 | 8.4 | 11.7% | 2.7% | |
| <i>Computer services</i> | 6.0 | 5.8 | 6.0 | 11.7 | 24.6% | 2.8% | 11.2 | 12.1 | 12.7 | 2.8% | 4.3% | |
| <i>Legal services</i> | 6.4 | 3.3 | 1.7 | 6.1 | -1.7% | 1.7% | 5.9 | 6.5 | 7.1 | 5.1% | 2.3% | |
| <i>Operating leases</i> | 40.3 | 24.0 | 25.6 | 30.4 | -8.9% | 11.4% | 30.1 | 30.3 | 31.7 | 1.4% | 11.1% | |
| <i>Property payments</i> | 10.3 | 18.0 | 14.8 | 16.2 | 16.4% | 5.6% | 16.9 | 17.6 | 18.4 | 4.4% | 6.3% | |
| <i>Travel and subsistence</i> | 20.0 | 17.3 | 5.1 | 16.1 | -6.9% | 5.5% | 18.7 | 19.1 | 20.1 | 7.6% | 6.7% | |
| Transfers and subsidies | 21.1 | 31.5 | 4.6 | 0.1 | -81.9% | 5.4% | 0.0 | 0.0 | 0.0 | -40.0% | - | |
| Provinces and municipalities | 0.0 | 0.0 | 0.0 | 0.1 | 112.6% | - | 0.0 | 0.0 | 0.0 | -40.0% | - | |
| Households | 21.1 | 31.4 | 4.6 | - | -100.0% | 5.4% | - | - | - | - | - | |
| Payments for capital assets | 5.3 | 10.1 | 14.5 | 20.6 | 57.6% | 4.8% | 11.0 | 12.0 | 12.6 | -15.0% | 5.1% | |
| Machinery and equipment | 3.5 | 8.0 | 9.5 | 10.4 | 43.3% | 3.0% | 2.8 | 3.3 | 3.6 | -30.0% | 1.8% | |
| Software and other intangible assets | 1.7 | 2.1 | 5.0 | 10.2 | 80.8% | 1.8% | 8.2 | 8.7 | 9.1 | -3.8% | 3.3% | |
| Payments for financial assets | 1.7 | 0.1 | 0.1 | - | -100.0% | 0.2% | - | - | - | - | - | |
| Total | 294.2 | 273.0 | 215.9 | 273.0 | -2.5% | 100.0% | 271.0 | 271.8 | 284.3 | 1.4% | 100.0% | |
| Proportion of total programme expenditure to vote expenditure | 6.1% | 4.8% | 6.8% | 7.0% | - | - | 10.0% | 11.2% | 11.2% | - | - | |
| Details of transfers and subsidies | | | | | | | | | | | | |
| Households | | | | | | | | | | | | |
| Social benefits | | | | | | | | | | | | |
| Current | 0.2 | 0.9 | 4.1 | - | -100.0% | 0.5% | - | - | - | - | - | |
| Households | 0.2 | 0.9 | 4.1 | - | -100.0% | 0.5% | - | - | - | - | - | |
| Households | | | | | | | | | | | | |
| Other transfers to households | | | | | | | | | | | | |
| Current | 18.9 | 29.6 | - | - | -100.0% | 4.6% | - | - | - | - | - | |
| Claims against the state | 18.9 | 29.6 | - | - | -100.0% | 4.6% | - | - | - | - | - | |

Personnel information

Table 30.7 Administration personnel numbers and cost by salary level¹

| Salary level | Number of posts estimated for 31 March 2022 | | Number and cost ² of personnel posts filled/planned for on funded establishment | | | | | | | | | | Average growth rate (%) | Average: Salary level/Total (%) | | | | | | |
|----------------|---|---|--|---------|------------------|-----------|----------------------------------|-------|-----------|--------|-------------------|-----------|-------------------------|---------------------------------|-----------|-----|-------|-----|-------|--------|
| | Number of funded posts | Number of posts additional to the establishment | Actual | | Revised estimate | | Medium-term expenditure estimate | | | | | | | | | | | | | |
| | | | 2020/21 | 2021/22 | 2022/23 | | 2023/24 | | 2024/25 | | 2021/22 - 2024/25 | | | | | | | | | |
| Administration | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | | | | | |
| 1 – 6 | 28 | 21 | 0.6 | 193 | 124.6 | 0.6 | 205 | 133.1 | 0.6 | 213 | 141.6 | 0.7 | 210 | 138.8 | 0.7 | 209 | 145.0 | 0.7 | 0.6% | 100.0% |
| 7 – 10 | 79 | 1 | 0.5 | 27 | 6.4 | 0.2 | 27 | 6.9 | 0.3 | 27 | 7.0 | 0.3 | 28 | 6.8 | 0.2 | 27 | 6.9 | 0.3 | -0.1% | 13.0% |
| 11 – 12 | 42 | – | 0.8 | 75 | 37.4 | 0.5 | 78 | 40.9 | 0.5 | 81 | 43.5 | 0.5 | 79 | 41.9 | 0.5 | 79 | 43.8 | 0.6 | 0.4% | 37.8% |
| 13 – 16 | 43 | 8 | 1.1 | 40 | 33.6 | 0.8 | 38 | 33.2 | 0.9 | 43 | 38.1 | 0.9 | 41 | 36.3 | 0.9 | 41 | 37.9 | 0.9 | 2.6% | 19.5% |
| Other | 11 | 7 | 0.5 | 38 | 40.5 | 1.1 | 40 | 43.5 | 1.1 | 40 | 44.2 | 1.1 | 40 | 45.0 | 1.1 | 40 | 47.0 | 1.2 | - | 19.1% |
| | | | | 22 | 8.6 | 0.4 | 22 | 8.6 | 0.4 | 22 | 8.8 | 0.4 | 22 | 8.9 | 0.4 | 22 | 9.4 | 0.4 | - | 10.5% |

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

2. Rand million.

Programme 2: ICT International Relations and Affairs

Programme purpose

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

Objectives

- Advance South Africa's ICT interests in regional and international forums to secure partnerships for economic growth and development by:
 - engaging international forums on international satellite matters on an ongoing basis
 - developing 3 position papers focusing on the agenda of the Brazil-Russia-India-China-South Africa Group of countries, the action plans of the 2022 African Telecommunications Union Plenipotentiary Conference, and the 2022 International Telecommunications Union Plenipotentiary Conference to support the digital economy by March 2023
 - facilitating the implementation of international relations and engagement strategy forums on an ongoing basis.

Subprogrammes

- *Programme Management for International Relations and Affairs* provides for the overall management of the programme.
- *International Affairs* leads South Africa's ICT interests and advances strategic programmes in multilateral forums.
- *ICT Trade/Partnership* develops and advances the country's interests in international trade forums through participation in the World Trade Organisation's ICT-related initiatives, and other international trade agreements such as the South Africa-European Union trade agreement and bilateral agreements with counterpart countries. This subprogramme also makes payments for international membership fees.

Expenditure trends and estimates

Table 30.8 ICT International Relations and Affairs expenditure trends and estimates by subprogramme and economic classification

| Subprogramme | Audited outcome | | | Adjusted appropriation | Average growth rate (%) | Average: Expenditure/ Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average: Expenditure/ Total (%) |
|--|-----------------|-------------|-------------|------------------------|-------------------------|---------------------------------|----------------------------------|-------------|-------------|-------------------------|---------------------------------|
| | 2018/19 | 2019/20 | 2020/21 | | | | 2021/22 | 2022/23 | 2023/24 | | |
| R million | | | | | | | | | | | |
| Programme Management for International Relations and Affairs | – | – | 2.3 | 2.7 | – | 1.9% | 3.0 | 2.8 | 2.9 | 2.8% | 4.3% |
| International Affairs | 14.8 | 12.9 | 8.2 | 12.8 | -4.9% | 19.0% | 12.9 | 12.9 | 13.5 | 1.7% | 19.9% |
| ICT Trade/Partnership | 70.0 | 40.3 | 51.0 | 41.1 | -16.3% | 79.0% | 47.6 | 53.2 | 55.5 | 10.6% | 75.7% |
| Total | 84.9 | 53.1 | 61.5 | 56.5 | -12.7% | 100.0% | 63.4 | 68.9 | 71.9 | 8.4% | 100.0% |
| Change to 2021 Budget estimate | | | | (8.1) | | | 6.2 | 11.8 | (0.1) | | |
| Economic classification | | | | | | | | | | | |
| Current payments | 55.9 | 23.1 | 22.0 | 23.6 | -25.0% | 48.7% | 24.6 | 27.1 | 28.3 | 6.2% | 39.7% |
| Compensation of employees | 17.1 | 17.8 | 20.1 | 17.1 | -0.1% | 28.2% | 17.4 | 17.5 | 18.3 | 2.3% | 27.0% |
| Goods and services | 38.8 | 5.3 | 1.9 | 6.5 | -44.9% | 20.5% | 7.2 | 9.5 | 10.0 | 15.3% | 12.8% |
| of which: | | | | | | | | | | | |
| Catering: Departmental activities | 0.2 | 0.1 | – | 0.1 | -9.2% | 0.2% | 0.2 | 0.3 | 0.3 | 27.7% | 0.3% |
| Communication | 0.7 | 0.3 | 0.3 | 0.2 | -36.0% | 0.6% | 0.3 | 0.2 | 0.2 | 7.0% | 0.4% |
| Contractors | 0.2 | 0.0 | 0.1 | 0.6 | 47.9% | 0.3% | – | 1.2 | 1.3 | 29.6% | 1.2% |
| Operating leases | 0.1 | 0.1 | 0.0 | 0.2 | 26.7% | 0.2% | 0.2 | 0.3 | 0.3 | 7.3% | 0.4% |
| Travel and subsistence | 7.7 | 4.0 | 0.8 | 2.8 | -28.2% | 6.0% | 2.5 | 4.2 | 4.4 | 15.3% | 5.3% |
| Venues and facilities | 25.4 | 0.1 | 0.2 | 1.3 | -62.5% | 10.6% | 3.1 | 1.9 | 2.0 | 14.8% | 3.2% |
| Transfers and subsidies | 28.5 | 30.0 | 39.5 | 32.3 | 4.2% | 50.9% | 38.4 | 41.2 | 42.9 | 10.0% | 59.4% |
| Foreign governments and international organisations | 28.5 | 30.0 | 39.5 | 32.3 | 4.2% | 50.9% | 38.4 | 41.2 | 42.9 | 10.0% | 59.4% |
| Households | – | 0.0 | 0.0 | – | – | – | – | – | – | – | – |
| Payments for capital assets | 0.4 | – | – | 0.6 | 17.3% | 0.4% | 0.4 | 0.6 | 0.7 | 2.0% | 0.9% |
| Machinery and equipment | 0.4 | – | – | 0.6 | 17.3% | 0.4% | 0.4 | 0.6 | 0.7 | 2.0% | 0.9% |
| Total | 84.9 | 53.1 | 61.5 | 56.5 | -12.7% | 100.0% | 63.4 | 68.9 | 71.9 | 8.4% | 100.0% |
| Proportion of total programme expenditure to vote expenditure | 1.8% | 0.9% | 1.9% | 1.5% | – | – | 2.3% | 2.8% | 2.8% | – | – |

Table 30.8 ICT International Relations and Affairs expenditure trends and estimates by subprogramme and economic classification

| Details of transfers and subsidies | | | | Adjusted appropriation | Average growth rate (%) | Average: Expenditure/Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average: Expenditure/Total (%) |
|--|-------------|-------------|-------------|------------------------|-------------------------|--------------------------------|----------------------------------|-------------|-------------|-------------------------|--------------------------------|
| Audited outcome | | | 2021/22 | | | | 2018/19 - 2021/22 | 2022/23 | 2023/24 | | |
| R million | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2018/19 - 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2021/22 | 2024/25 | |
| Foreign governments and international organisations | | | | | | | | | | | |
| Current | 28.5 | 30.0 | 39.5 | 32.2 | 4.1% | 50.9% | 38.4 | 41.2 | 42.9 | 10.0% | 59.4% |
| Organisation for Economic Cooperation and Development | 0.2 | 0.2 | 0.2 | 0.2 | -0.3% | 0.3% | 0.6 | 0.6 | 0.7 | 50.2% | 0.8% |
| Universal Postal Union | 6.3 | 6.4 | 8.9 | 7.4 | 5.2% | 11.3% | 7.9 | 8.0 | 8.3 | 4.2% | 12.1% |
| International Telecommunication Union | 17.1 | 18.8 | 24.7 | 20.1 | 5.6% | 31.5% | 24.3 | 25.8 | 27.9 | 11.6% | 37.6% |
| African Telecommunications Union | 1.0 | 1.1 | 1.4 | 1.1 | 3.9% | 1.8% | 1.8 | 1.8 | 1.9 | 19.8% | 2.5% |
| Pan-African Postal Union | 1.1 | 1.1 | 1.4 | 1.1 | 2.3% | 1.9% | 1.4 | 2.4 | 1.5 | 8.7% | 2.4% |
| Commonwealth Telecommunications Organisation | 0.4 | 0.5 | 0.5 | 0.4 | -2.7% | 0.7% | 0.6 | 0.6 | 0.7 | 18.4% | 0.9% |
| DONA Foundation | 1.0 | 1.1 | 1.4 | 1.2 | 6.0% | 1.8% | 1.8 | 1.9 | 1.9 | 17.5% | 2.6% |
| Smart Africa Alliance | 1.5 | 0.7 | 0.9 | 0.7 | -20.2% | 1.5% | – | – | – | -100.0% | 0.3% |

Personnel information

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

| Number of posts estimated for 31 March 2022 | | Number and cost ² of personnel posts filled/planned for on funded establishment | | | | | | | | | | Average growth rate (%) | Average: Salary level/Total (%) | | | | |
|---|---|--|-----------|------------------|-----------|--------|----------------------------------|--------|-----------|--------|-----------|-------------------------|---------------------------------|------|-------|-------|--------|
| Number of funded posts | Number of posts additional to the establishment | Actual | | Revised estimate | | | Medium-term expenditure estimate | | | | | | | | | | |
| | | 2020/21 | | 2021/22 | | | 2022/23 | | 2023/24 | | 2024/25 | | 2021/22 - 2024/25 | | | | |
| | | Number | Unit cost | Number | Unit cost | Number | Unit cost | Number | Unit cost | Number | Unit cost | Number | Unit cost | | | | |
| ICT International Relations and Affairs | | 16 | – | 16 | 20.1 | 1.3 | 15 | 17.1 | 1.1 | 15 | 17.4 | 1.2 | 15 | 17.5 | 1.2 | –0.2% | 100.0% |
| Salary level | | | | | | | | | | | | | | | | | |
| 7 – 10 | 7 | – | 7 | 4.0 | 0.6 | 8 | 4.7 | 0.6 | 8 | 4.7 | 0.6 | 8 | 4.9 | 0.6 | –0.3% | 53.4% | |
| 13 – 16 | 9 | – | 9 | 16.1 | 1.8 | 7 | 12.5 | 1.8 | 7 | 12.7 | 1.8 | 7 | 12.9 | 1.8 | – | 46.6% | |

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

2. Rand million.

Programme 3: ICT Policy Development and Research

Programme purpose

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

Objectives

- Enable digital transformation policies and strategies by:
 - implementing and monitoring the implementation of the audio-visual white paper by March 2025
 - developing a policy to increase the development of local content in support of the community broadcasting industry by March 2024
 - assessing compliance with and the impact of the implementation of the South African Broadcasting Corporation Bill, once enacted, by March 2025
 - facilitating the amendments of the Electronic Communications Act (2005) by March 2025
 - introducing the Digital Transformation Bill to Parliament by March 2025
 - submitting the ICT Regulatory Reform Bill for approval by Cabinet by March 2025
 - facilitating the implementation of the State Digital Infrastructure Company Bill, once enacted, to restructure state-owned entities and form a state digital infrastructure company, by March 2025.
- Restructure the Postbank by assessing compliance with and the impact of the implementation of the South African Postbank Amendment Bill, once enacted, by March 2025.

Subprogrammes

- *Programme Management for ICT Policy Development and Research* provides for the overall management of the programme.
- *ICT Policy Development* drafts legislation, regulations, policies, strategies and guidelines that govern the telecommunications, postal and IT sectors.
- *Economic and Market Analysis* conducts economic and market analysis of the telecommunications, audio-visual, postal and IT sectors. It also conducts market research to explore areas that require policy intervention and is responsible for reducing the cost of communication.
- *Research* is responsible for understanding the ICT landscape and delivering a national ICT strategy.
- *Small, Medium and Micro Enterprise* facilitates the growth and development of digital small, medium and micro enterprises.
- *Broadcasting Policy* drafts legislation, regulations, policies, strategies and guidelines that govern audio-visual media sectors.
- *Presidential Commission on 4IR* coordinates, monitors and evaluates multisectoral initiatives to position South Africa as a globally competitive player in the fourth industrial revolution.

Expenditure trends and estimates

Table 30.10 ICT Policy Development and Research expenditure trends and estimates by subprogramme and economic classification

| Subprogramme | Audited outcome | | | Adjusted appropriation | Average growth rate (%) | Average Expenditure/ Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average Expenditure/ Total (%) |
|--|-----------------|-------------|-------------|------------------------|-------------------------|--------------------------------|----------------------------------|-------------|-------------|-------------------------|--------------------------------|
| | 2018/19 | 2019/20 | 2020/21 | | | | 2021/22 | 2022/23 | 2023/24 | | |
| R million | | | | | | | | | | | |
| Programme Management for ICT Policy Development and Research | – | – | 0.6 | 1.2 | – | 1.2% | 2.8 | 2.7 | 2.8 | 33.3% | 4.6% |
| ICT Policy Development | 12.8 | 16.9 | 8.8 | 14.0 | 2.9% | 34.1% | 11.5 | 10.9 | 14.6 | 1.3% | 24.7% |
| Economic and Market Analysis | 4.6 | 3.1 | 3.2 | 5.6 | 6.7% | 10.7% | 6.3 | 6.6 | 7.0 | 7.6% | 12.3% |
| Research | 7.2 | 5.0 | 4.7 | 8.9 | 7.2% | 16.7% | 7.6 | 7.8 | 8.2 | -2.5% | 15.7% |
| Small, Medium and Micro Enterprise | 1.6 | 1.7 | 4.3 | 1.8 | 4.6% | 6.0% | 2.1 | 2.2 | 2.2 | 8.1% | 4.0% |
| Broadcasting Policy | 8.6 | 5.5 | 5.5 | 10.2 | 5.8% | 19.3% | 9.4 | 9.1 | 9.6 | -1.7% | 18.6% |
| Presidential Commission on 4IR | – | – | 9.0 | 9.6 | – | 12.0% | 14.2 | 10.3 | 7.6 | -7.3% | 20.2% |
| Total | 34.8 | 32.3 | 36.1 | 51.2 | 13.8% | 100.0% | 53.7 | 49.7 | 52.1 | 0.6% | 100.0% |
| Change to 2021 Budget estimate | | | | (6.4) | | | 4.7 | 1.8 | 3.8 | | |
| Economic classification | | | | | | | | | | | |
| Current payments | 34.6 | 32.2 | 35.5 | 51.0 | 13.8% | 99.4% | 53.4 | 49.5 | 51.9 | 0.6% | 99.6% |
| Compensation of employees | 21.4 | 20.1 | 33.1 | 28.4 | 10.0% | 66.7% | 30.5 | 26.8 | 28.0 | -0.5% | 55.0% |
| Goods and services | 13.3 | 12.1 | 2.4 | 22.6 | 19.4% | 32.7% | 22.9 | 22.8 | 23.9 | 1.9% | 44.6% |
| of which: | | | | | | | | | | | |
| Communication | 1.9 | 0.5 | 0.6 | 0.8 | -25.2% | 2.4% | 0.7 | 0.6 | 0.7 | -4.8% | 1.4% |
| Consultants: Business and advisory services | 1.5 | 1.3 | 0.2 | 10.6 | 91.8% | 8.8% | 9.5 | 9.9 | 10.6 | 0.2% | 19.7% |
| Agency and support/outsourced services | 0.6 | – | – | 0.8 | 8.5% | 1.0% | 1.8 | 1.8 | 1.9 | 31.1% | 3.1% |
| Travel and subsistence | 4.8 | 8.2 | 0.3 | 4.6 | -1.5% | 11.7% | 6.4 | 6.0 | 6.3 | 10.6% | 11.3% |
| Training and development | 0.4 | 0.1 | 0.0 | 0.7 | 19.5% | 0.8% | 0.5 | 0.6 | 0.6 | -7.3% | 1.1% |
| Venues and facilities | 1.0 | 0.3 | 0.0 | 1.1 | 2.7% | 1.6% | 0.8 | 0.8 | 0.9 | -8.0% | 1.7% |
| Transfers and subsidies | – | 0.0 | 0.6 | – | – | 0.4% | – | – | – | – | – |
| Households | – | 0.0 | 0.6 | – | – | 0.4% | – | – | – | – | – |
| Payments for capital assets | 0.1 | 0.0 | 0.0 | 0.1 | 8.4% | 0.2% | 0.4 | 0.2 | 0.2 | 4.8% | 0.4% |
| Machinery and equipment | 0.1 | 0.0 | 0.0 | 0.1 | 8.4% | 0.2% | 0.4 | 0.2 | 0.2 | 4.8% | 0.4% |
| Total | 34.8 | 32.3 | 36.1 | 51.2 | 13.8% | 100.0% | 53.7 | 49.7 | 52.1 | 0.6% | 100.0% |
| Proportion of total programme expenditure to vote expenditure | 0.7% | 0.6% | 1.1% | 1.3% | – | – | 2.0% | 2.0% | 2.1% | – | – |

Personnel information

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

| Number of posts estimated for 31 March 2022 | | Number and cost ² of personnel posts filled/planned for on funded establishment | | | | | | | | | | | | | | | Average growth rate (%) | Average: Salary level/ Total (%) | |
|---|---|--|------|-----------|------------------|------|-----------|----------------------------------|------|-----------|---------|------|-----------|---------|------|-----------|-------------------------|----------------------------------|--------|
| | | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | | | | | | | | |
| Number of funded posts | Number of posts additional to the establishment | 2020/21 | | | 2021/22 | | | 2022/23 | | | 2023/24 | | | 2024/25 | | | 2021/22 - 2024/25 | | |
| | | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | | | |
| ICT Policy Development and Research | 36 | 8 | 40 | 33.1 | 0.8 | 28 | 28.4 | 1.0 | 29 | 30.5 | 1.1 | 26 | 26.8 | 1.0 | 26 | 28.0 | 1.1 | -2.4% | 100.0% |
| 1-6 | - | - | 8 | 0.4 | 0.1 | 1 | 0.1 | 0.1 | 1 | 0.1 | 0.1 | 1 | 0.1 | 0.1 | 1 | 0.1 | 0.1 | 0.3% | 3.7% |
| 7-10 | 8 | 1 | 8 | 4.3 | 0.5 | 6 | 3.2 | 0.6 | 6 | 3.3 | 0.6 | 6 | 3.3 | 0.6 | 6 | 3.4 | 0.6 | - | 21.4% |
| 11-12 | 7 | - | 7 | 6.9 | 1.0 | 7 | 7.2 | 1.0 | 7 | 7.3 | 1.0 | 7 | 7.3 | 1.0 | 7 | 7.6 | 1.1 | - | 25.8% |
| 13-16 | 21 | 7 | 17 | 21.4 | 1.3 | 14 | 17.9 | 1.3 | 15 | 19.7 | 1.3 | 12 | 16.1 | 1.3 | 12 | 16.8 | 1.4 | -4.9% | 49.1% |

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

2. Rand million.

Programme 4: ICT Enterprise and Public Entity Oversight

Programme purpose

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

Objectives

- Improve the performance of state-owned entities through proactive oversight by monitoring and evaluating the service delivery performance and compliance of public entities against strategic plans and relevant prescripts on an ongoing basis.
- Improve the impact of public entities' service delivery and market responsiveness by:
 - facilitating the monitoring and evaluation of the performance management system for Independent Communications Authority of South Africa councillors on an ongoing basis.
 - completing a regulatory review report of public entities by March 2023 and implementing the recommendations by March 2025.

Subprogrammes

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

Expenditure trends and estimates

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

| Subprogramme | Audited outcome | | | Adjusted appropriation 2021/22 | Average growth rate (%) 2018/19 - 2021/22 | Average Expenditure/Total (%) 2018/19 - 2021/22 | Medium-term expenditure estimate | | | Average growth rate (%) 2021/22 - 2024/25 | Average Expenditure/Total (%) 2021/22 - 2024/25 |
|---|-----------------|----------------|----------------|-----------------------------------|--|--|----------------------------------|----------------|----------------|--|--|
| | 2018/19 | 2019/20 | 2020/21 | | | | 2022/23 | 2023/24 | 2024/25 | | |
| R million | | | | | | | | | | | |
| Programme Management for ICT Enterprise and Public Entity Oversight | 2.5 | 2.0 | 3.1 | 3.6 | 12.4% | 0.1% | 4.3 | 4.0 | 4.1 | 4.3% | 0.2% |
| Regulatory Institutions | 545.8 | 552.0 | 645.8 | 567.3 | 1.3% | 19.2% | 880.7 | 585.9 | 612.2 | 2.6% | 38.5% |
| Universal Service and Access | 3 293.9 | 4 008.6 | 1 037.7 | 988.8 | -33.0% | 77.4% | 909.2 | 916.8 | 962.2 | -0.9% | 55.0% |
| ICT Skills Development | 90.8 | 95.3 | 97.4 | 98.5 | 2.8% | 3.2% | 102.1 | 103.1 | 107.7 | 3.0% | 6.0% |
| State-owned Enterprise Governance and Support | 3.6 | 5.4 | - | 5.3 | 13.6% | 0.1% | 7.2 | 4.7 | 4.9 | -2.6% | 0.3% |
| Total | 3 936.6 | 4 663.4 | 1 784.0 | 1 663.5 | -25.0% | 100.0% | 1 903.5 | 1 614.4 | 1 691.1 | 0.5% | 100.0% |
| Change to 2021 Budget estimate | | | | 13.4 | | | 291.3 | (11.6) | (0.1) | | |
| Economic classification | | | | | | | | | | | |
| Current payments | 34.5 | 22.2 | 19.9 | 33.6 | -0.9% | 0.9% | 40.6 | 35.6 | 41.3 | 7.2% | 2.2% |
| Compensation of employees | 24.2 | 18.7 | 18.3 | 27.8 | 4.8% | 0.7% | 28.3 | 26.4 | 27.6 | -0.3% | 1.6% |
| Goods and services | 10.3 | 3.5 | 1.6 | 5.7 | -17.7% | 0.2% | 12.3 | 9.2 | 13.8 | 33.9% | 0.6% |
| of which: | | | | | | | | | | | |
| <i>Bursaries: Employees</i> | 0.6 | 0.1 | 0.0 | 0.3 | -20.2% | - | 0.9 | 0.4 | 0.7 | 30.4% | - |
| <i>Communication</i> | 0.7 | 0.5 | 0.4 | 0.7 | -0.1% | - | 1.3 | 1.0 | 1.4 | 23.7% | 0.1% |
| <i>Consultants: Business and advisory services</i> | 0.1 | 0.0 | 1.0 | 1.1 | 132.3% | - | 1.1 | 1.6 | 2.7 | 32.8% | 0.1% |
| <i>Consumables: Stationery, printing and office supplies</i> | 0.2 | 0.1 | - | 0.5 | 35.2% | - | 0.6 | 0.7 | 0.9 | 25.1% | - |
| <i>Travel and subsistence</i> | 2.2 | 1.8 | 0.1 | 1.8 | -5.5% | - | 4.6 | 4.0 | 6.0 | 47.8% | 0.2% |
| <i>Training and development</i> | 0.1 | 0.2 | 0.0 | 0.3 | 25.7% | - | 0.6 | 0.4 | 0.6 | 28.8% | - |
| Transfers and subsidies | 954.6 | 1 441.0 | 1 764.1 | 1 629.5 | 19.5% | 48.1% | 1 862.6 | 1 578.1 | 1 649.0 | 0.4% | 97.8% |
| Departmental agencies and accounts | 767.2 | 767.3 | 1 066.2 | 900.6 | 5.5% | 29.1% | 1 127.2 | 835.2 | 872.7 | -1.0% | 54.4% |
| Public corporations and private enterprises | 187.4 | 673.6 | 697.8 | 728.9 | 57.3% | 19.0% | 735.4 | 742.9 | 776.3 | 2.1% | 43.4% |
| Households | 0.1 | 0.0 | 0.0 | - | -100.0% | - | - | - | - | - | - |
| Payments for capital assets | 0.5 | 0.2 | - | 0.5 | 0.1% | - | 0.3 | 0.7 | 0.8 | 18.7% | - |
| Machinery and equipment | 0.5 | 0.2 | - | 0.5 | 0.1% | - | 0.3 | 0.7 | 0.8 | 18.7% | - |
| Payments for financial assets | 2 947.0 | 3 200.0 | - | - | -100.0% | 51.0% | - | - | - | - | - |
| Total | 3 936.6 | 4 663.4 | 1 784.0 | 1 663.5 | -25.0% | 100.0% | 1 903.5 | 1 614.4 | 1 691.1 | 0.5% | 100.0% |
| Proportion of total programme expenditure to vote expenditure | 81.6% | 82.3% | 56.4% | 42.8% | - | - | 70.1% | 66.5% | 66.7% | - | - |
| Details of transfers and subsidies | | | | | | | | | | | |
| Departmental agencies and accounts | | | | | | | | | | | |
| Departmental agencies (non-business entities) | | | | | | | | | | | |
| Current | 767.2 | 767.3 | 1 066.2 | 900.6 | 5.5% | 29.1% | 1 127.2 | 835.2 | 872.7 | -1.0% | 54.4% |
| Independent Communications Authority of South Africa | 444.0 | 452.6 | 543.7 | 460.0 | 1.2% | 15.8% | 769.4 | 473.9 | 495.2 | 2.5% | 32.0% |
| Film and Publication Board | 94.6 | 99.4 | 100.6 | 100.9 | 2.2% | 3.3% | 102.9 | 103.9 | 108.5 | 2.4% | 6.1% |
| National Electronic Media Institute of South Africa | 90.8 | 95.3 | 97.4 | 98.5 | 2.8% | 3.2% | 102.1 | 103.1 | 107.7 | 3.0% | 6.0% |
| Universal Service and Access Agency of South Africa | 80.1 | 82.9 | 261.4 | 82.1 | 0.8% | 4.2% | 86.0 | 86.9 | 90.8 | 3.4% | 5.0% |
| Universal Service and Access Fund | 57.8 | 37.0 | 63.1 | 64.2 | 3.6% | 1.8% | 66.8 | 67.4 | 70.4 | 3.2% | 3.9% |
| Universal Service and Access Agency of South Africa: Distribution costs to South African Post Office relating to the broadcasting digital migration project | - | - | - | 95.0 | - | 0.8% | - | - | - | -100.0% | 1.4% |
| Public corporations and private enterprises | | | | | | | | | | | |
| Public corporations | | | | | | | | | | | |
| Other transfers to public corporations | | | | | | | | | | | |
| Current | 187.4 | 673.6 | 697.8 | 728.9 | 57.3% | 19.0% | 735.4 | 742.9 | 776.3 | 2.1% | 43.4% |
| South African Broadcasting Corporation: Channel Africa | 58.1 | 61.3 | 63.4 | 64.6 | 3.6% | 2.1% | 66.6 | 67.4 | 70.4 | 2.9% | 3.9% |
| South African Broadcasting Corporation: Public broadcaster | 115.7 | 123.2 | 127.4 | 129.9 | 3.9% | 4.1% | 133.8 | 135.4 | 141.5 | 2.9% | 7.9% |
| South African Broadcasting Corporation: Programme productions | 13.7 | 14.5 | 14.9 | 15.2 | 3.6% | 0.5% | 15.7 | 15.9 | 16.6 | 2.9% | 0.9% |
| South African Post Office | - | 474.6 | 492.1 | 504.2 | - | 12.2% | 519.3 | 524.3 | 547.8 | 2.8% | 30.5% |
| South African Post Office: Operations | - | - | - | 15.0 | - | 0.1% | - | - | - | -100.0% | 0.2% |

Personnel information

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

| Number of posts estimated for 31 March 2022 | | Number and cost ² of personnel posts filled/planned for on funded establishment | | | | | | | | | | | | | | | Average growth rate (%) | Average: Salary level/ Total (%) |
|---|---|--|------|-----------|------------------|------|-----------|----------------------------------|------|-----------|---------|------|-----------|---------|------|-----------|-------------------------|----------------------------------|
| Number of funded posts | Number of posts additional to the establishment | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | | | | | | | |
| | | 2020/21 | | | 2021/22 | | | 2022/23 | | | 2023/24 | | | 2024/25 | | | 2021/22 - 2024/25 | |
| ICT Enterprise and Public Entity Oversight | | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | | |
| Salary level | 21 | 23 | 18.3 | 0.8 | 32 | 27.0 | 0.8 | 34 | 28.3 | 0.8 | 32 | 26.4 | 0.8 | 32 | 27.6 | 0.9 | -0.1% | 100.0% |
| 1-6 | - | - | - | - | 2 | 0.3 | 0.2 | 2 | 0.4 | 0.2 | 2 | 0.3 | 0.2 | 2 | 0.3 | 0.2 | - | 6.1% |
| 7-10 | 6 | 6 | 2.3 | 0.4 | 5 | 2.6 | 0.5 | 7 | 3.5 | 0.5 | 7 | 3.4 | 0.5 | 7 | 3.6 | 0.5 | 11.4% | 19.6% |
| 11-12 | 5 | 6 | 4.6 | 0.8 | 9 | 7.5 | 0.8 | 9 | 7.6 | 0.8 | 9 | 7.6 | 0.8 | 9 | 7.9 | 0.8 | - | 28.7% |
| 13-16 | 10 | 11 | 11.4 | 1.0 | 16 | 16.6 | 1.0 | 16 | 16.8 | 1.1 | 14 | 15.0 | 1.1 | 14 | 15.7 | 1.1 | -4.3% | 45.6% |
| Other | - | - | 0.0 | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |

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

2. Rand million.

Programme 5: ICT Infrastructure Development and Support

Programme purpose

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

Objectives

- Increase access to secure digital infrastructure and services by:
 - coordinating the implementation of the revised South Africa Connect model by March 2025
 - coordinating and monitoring priority interventions related to the rapid deployment of digital infrastructure on an ongoing basis
 - monitoring the implementation of relevant interventions within the national cybersecurity strategy by March 2025
 - coordinating the broadcasting digital migration process for households registered after 31 October 2021, by March 2023
 - monitoring and maintaining the provision of broadband services to 970 connected sites over the medium term.

Subprogrammes

- *Programme Management for ICT Infrastructure Development and Support* provides for the overall management of the programme.
- *Broadband* develops and facilitates the implementation of the broadband policy, strategy and rollout plan for South Africa Connect.
- *ICT Support* is responsible for projects related to authentication, digital object architecture and internet governance.
- *Broadcasting Digital Migration* manages the transition from analogue to digital broadcasting to enhance the digital broadcasting platform and subsequently release dividend spectrum for mobile broadband applications. This subprogramme also provides transfers to the Universal Service and Access Fund and Sentech for the implementation of broadcasting digital migration.

Expenditure trends and estimates

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

| Subprogramme | Audited outcome | | | Adjusted appropriation 2021/22 | Average growth rate (%) | | Medium-term expenditure estimate | | | Average growth rate (%) | |
|--|-----------------|--------------|----------------|-----------------------------------|-------------------------|--------------------------------|----------------------------------|--------------|--------------|-------------------------|--------------------------------|
| | 2018/19 | 2019/20 | 2020/21 | | 2018/19 - 2021/22 | Average Expenditure/ Total (%) | 2022/23 | 2023/24 | 2024/25 | 2021/22 - 2024/25 | Average Expenditure/ Total (%) |
| R million | | | | | | | | | | | |
| Programme Management for ICT Infrastructure Development and Support | – | – | 2.2 | 3.0 | – | 0.1% | 2.9 | 2.8 | 2.9 | -0.3% | 0.4% |
| Broadband | 143.8 | 274.8 | 226.9 | 476.7 | 49.1% | 29.8% | 239.8 | 246.1 | 258.0 | -18.5% | 43.7% |
| ICT Support | 8.6 | 6.1 | 5.7 | 11.4 | 9.8% | 0.8% | 11.6 | 9.4 | 9.0 | -7.6% | 1.5% |
| Broadcasting Digital Migration | 258.8 | 300.4 | 782.6 | 1 269.4 | 69.9% | 69.3% | 88.7 | 80.6 | 84.1 | -59.5% | 54.5% |
| Total | 411.2 | 581.3 | 1 017.4 | 1 760.4 | 62.4% | 100.0% | 343.0 | 338.9 | 354.0 | -41.4% | 100.0% |
| Change to 2021 Budget estimate | | | | 196.4 | | | 8.4 | 2.8 | 1.5 | | |
| Economic classification | | | | | | | | | | | |
| Current payments | 187.7 | 277.9 | 252.1 | 468.7 | 35.7% | 31.5% | 282.6 | 278.5 | 290.9 | -14.7% | 47.2% |
| Compensation of employees | 33.8 | 29.9 | 34.9 | 38.4 | 4.4% | 3.6% | 39.0 | 35.4 | 37.0 | -1.2% | 5.4% |
| Goods and services | 153.9 | 248.0 | 217.2 | 430.3 | 40.9% | 27.8% | 243.6 | 243.0 | 253.9 | -16.1% | 41.9% |
| <i>of which:</i> | | | | | | | | | | | |
| Advertising | 7.4 | 4.2 | 1.1 | 6.5 | -4.1% | 0.5% | 7.3 | 5.2 | 5.3 | -6.7% | 0.9% |
| Audit costs: External | – | 0.0 | – | 1.5 | – | – | 1.5 | 1.1 | 0.9 | -15.6% | 0.2% |
| Computer services | 1.7 | 0.3 | 201.1 | 197.8 | 392.1% | 10.6% | 207.2 | 212.8 | 222.8 | 4.0% | 30.1% |
| Consultants: Business and advisory services | 105.6 | 227.4 | 8.0 | 208.3 | 25.4% | 14.6% | 8.6 | 8.9 | 9.4 | -64.4% | 8.4% |
| Travel and subsistence | 17.8 | 9.1 | 3.0 | 5.9 | -30.7% | 0.9% | 10.3 | 8.4 | 8.7 | 13.7% | 1.2% |
| Venues and facilities | 2.3 | 1.4 | 0.1 | 1.4 | -14.4% | 0.1% | 1.7 | 1.4 | 1.4 | 0.1% | 0.2% |
| Transfers and subsidies | 223.0 | 301.9 | 765.3 | 1 291.3 | 79.6% | 68.5% | 59.4 | 60.0 | 62.7 | -63.5% | 52.7% |
| Departmental agencies and accounts | 18.9 | 50.6 | 500.4 | 1 121.6 | 289.8% | 44.9% | 59.4 | 60.0 | 62.7 | -61.8% | 46.6% |
| Public corporations and private enterprises | 203.9 | 250.9 | 264.6 | 169.7 | -5.9% | 23.6% | – | – | – | -100.0% | 6.1% |
| Households | 0.1 | 0.4 | 0.2 | – | -100.0% | – | – | – | – | – | – |
| Payments for capital assets | 0.6 | 1.5 | 0.1 | 0.4 | -9.4% | 0.1% | 1.0 | 0.4 | 0.5 | 4.1% | 0.1% |
| Machinery and equipment | 0.6 | 1.5 | 0.1 | 0.4 | -9.4% | 0.1% | 1.0 | 0.3 | 0.4 | -4.6% | 0.1% |
| Software and other intangible assets | – | – | – | – | – | – | – | 0.1 | 0.1 | – | – |
| Payments for financial assets | 0.0 | 0.0 | – | – | -100.0% | – | – | – | – | – | – |
| Total | 411.2 | 581.3 | 1 017.4 | 1 760.4 | 62.4% | 100.0% | 343.0 | 338.9 | 354.0 | -41.4% | 100.0% |
| Proportion of total programme expenditure to vote expenditure | 8.5% | 10.3% | 32.1% | 45.3% | – | – | 12.6% | 14.0% | 14.0% | – | – |
| Details of transfers and subsidies | | | | | | | | | | | |
| Departmental agencies and accounts | | | | | | | | | | | |
| Departmental agencies (non-business entities) | | | | | | | | | | | |
| Current | 18.9 | 50.6 | 500.4 | 1 121.6 | 289.8% | 44.9% | 59.4 | 60.0 | 62.7 | -61.8% | 46.6% |
| Independent Communications Authority of South Africa | – | 24.0 | – | 48.2 | – | 1.9% | – | – | – | -100.0% | 1.7% |
| Universal Service and Access Fund: Broadcasting digital migration | 18.9 | 26.6 | 500.4 | 1 073.4 | 284.1% | 42.9% | 59.4 | 60.0 | 62.7 | -61.2% | 44.9% |
| Public corporations and private enterprises | | | | | | | | | | | |
| Public corporations | | | | | | | | | | | |
| Other transfers to public corporations | | | | | | | | | | | |
| Capital | 203.9 | 250.9 | 264.6 | 169.7 | -5.9% | 23.6% | – | – | – | -100.0% | 6.1% |
| Sentech: Migration of digital signals | – | 58.4 | 60.6 | 69.7 | – | 5.0% | – | – | – | -100.0% | 2.5% |
| Sentech: Dual illumination costs relating to the digital migration project | 203.9 | 192.5 | 204.0 | 100.0 | -21.1% | 18.6% | – | – | – | -100.0% | 3.6% |

Personnel information

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

| Number of posts estimated for 31 March 2022 | | | Number and cost ² of personnel posts filled/planned for on funded establishment | | | | | | | | | | | | | | | Average growth rate (%) | Average: Salary level/ Total (%) |
|---|---|---|--|------|-----------|------------------|------|-----------|----------------------------------|------|-----------|---------|------|-----------|---------|------|-----------|-------------------------|----------------------------------|
| Number of funded posts | Number of posts additional to the establishment | | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | | | | | | | |
| | | | 2020/21 | | | 2021/22 | | | 2022/23 | | | 2023/24 | | | 2024/25 | | | 2021/22 - 2024/25 | |
| ICT Infrastructure Development and Support | | | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | | |
| Salary level | 38 | 3 | 38 | 34.9 | 0.9 | 41 | 38.4 | 0.9 | 41 | 39.0 | 1.0 | 37 | 35.4 | 1.0 | 37 | 37.0 | 1.0 | -3.4% | 100.0% |
| 1 – 6 | 1 | – | 1 | 0.4 | 0.4 | 2 | 0.8 | 0.4 | 2 | 0.8 | 0.4 | 2 | 0.8 | 0.4 | 2 | 0.8 | 0.4 | – | 5.1% |
| 7 – 10 | 10 | 2 | 10 | 4.8 | 0.5 | 10 | 5.0 | 0.5 | 10 | 5.1 | 0.5 | 9 | 4.7 | 0.5 | 9 | 4.9 | 0.6 | -3.7% | 24.2% |
| 11 – 12 | 11 | – | 11 | 10.1 | 0.9 | 12 | 11.3 | 0.9 | 12 | 11.5 | 1.0 | 11 | 10.5 | 0.9 | 11 | 10.9 | 1.0 | -2.8% | 29.6% |
| 13 – 16 | 16 | 1 | 16 | 19.7 | 1.2 | 17 | 21.3 | 1.3 | 17 | 21.7 | 1.3 | 15 | 19.5 | 1.3 | 15 | 20.4 | 1.4 | -4.1% | 41.0% |

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

2. Rand million.

Programme 6: ICT Information Society and Capacity Development

Programme purpose

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

Objectives

- Contribute towards building a digitally transformed economy and society by:
 - conducting a study on the cost of communicating to inform the revision of data costs, and ensure that recommendations from the study are implemented by March 2023
 - developing a reporting dashboard for socioeconomic trends in the ICT sector by March 2023
 - coordinating and monitoring the implementation of the e-government strategy and roadmap on an ongoing basis
 - developing a green paper on the proposed digital government act by March 2023
 - monitoring the implementation of the digital economy master plan by March 2024.
- Enable digital transformation policies, strategies and regulation by:
 - monitoring the implementation of public service obligations for new spectrum licence holders on an ongoing basis
 - developing a strategy to leverage service delivery through 5G and Wi-Fi 6 to stimulate the digital economy by March 2023.

Subprogrammes

- *Programme Management for ICT Information Society and Capacity Development* provides for the overall management of the programme.
- *Information Society Development* supports the promotion of a digital society by facilitating the adoption and use of digital technologies.
- *Capacity Development* facilitates capacity building interventions related to the development of digital and future skills towards a digital society.

Expenditure trends and estimates

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

| Subprogramme | Audited outcome | | | Adjusted appropriation 2021/22 | Average growth rate (%) 2018/19 - 2021/22 | Average Expenditure/ Total (%) 2018/19 - 2021/22 | Medium-term expenditure estimate | | | Average growth rate (%) 2021/22 - 2024/25 | Average Expenditure/ Total (%) 2021/22 - 2024/25 |
|---|-----------------|-------------|-------------|-----------------------------------|--|---|----------------------------------|-------------|-------------|--|---|
| | 2018/19 | 2019/20 | 2020/21 | | | | 2022/23 | 2023/24 | 2024/25 | | |
| R million | | | | | | | | | | | |
| Programme Management for ICT Information Society and Capacity Development | – | – | 1.5 | 2.7 | – | 1.6% | 2.9 | 2.8 | 2.9 | 2.3% | 3.4% |
| Information Society Development | 55.6 | 57.2 | 39.0 | 67.3 | 6.6% | 85.8% | 69.6 | 69.8 | 68.7 | 0.7% | 84.2% |
| Capacity Development | 9.3 | 3.4 | 9.4 | 9.8 | 1.9% | 12.5% | 10.0 | 10.2 | 10.4 | 1.8% | 12.4% |
| Total | 64.9 | 60.6 | 49.8 | 79.8 | 7.1% | 100.0% | 82.5 | 82.8 | 82.0 | 0.9% | 100.0% |
| Change to 2021 Budget estimate | | | | 5.2 | | | 19.0 | 20.6 | 13.4 | | |
| Economic classification | | | | | | | | | | | |
| Current payments | 64.6 | 59.9 | 49.6 | 79.2 | 7.0% | 99.3% | 82.1 | 82.1 | 81.3 | 0.8% | 99.3% |
| Compensation of employees | 42.3 | 41.4 | 39.7 | 45.4 | 2.4% | 66.2% | 46.2 | 46.4 | 48.5 | 2.2% | 57.0% |
| Goods and services | 22.3 | 18.5 | 10.0 | 33.8 | 14.9% | 33.1% | 35.9 | 35.7 | 32.8 | -1.0% | 42.3% |
| of which: | | | | | | | | | | | |
| Administrative fees | 0.3 | 0.6 | 0.1 | 0.4 | 7.9% | 0.5% | 4.9 | 0.3 | 0.3 | -8.2% | 1.8% |
| Bursaries: Employees | 0.5 | 0.0 | 0.1 | 0.9 | 21.1% | 0.6% | 0.6 | 0.8 | 0.7 | -7.4% | 0.9% |
| Consultants: Business and advisory services | 4.6 | 1.8 | 0.9 | 19.7 | 62.4% | 10.6% | 16.3 | 15.8 | 15.1 | -8.6% | 20.5% |
| Agency and support/outsourced services | – | – | – | 4.3 | – | 1.7% | – | 6.1 | 5.5 | 7.9% | 4.9% |
| Travel and subsistence | 5.6 | 9.6 | 1.0 | 3.3 | -16.7% | 7.7% | 7.4 | 6.2 | 5.7 | 20.1% | 6.9% |
| Venues and facilities | 0.8 | 3.7 | 0.5 | 0.5 | -14.7% | 2.1% | 1.9 | 1.9 | 1.9 | 58.2% | 1.9% |
| Transfers and subsidies | – | 0.1 | 0.1 | – | – | 0.1% | – | – | – | – | – |
| Households | – | 0.1 | 0.1 | – | – | 0.1% | – | – | – | – | – |
| Payments for capital assets | 0.3 | 0.6 | 0.1 | 0.6 | 29.0% | 0.6% | 0.4 | 0.7 | 0.7 | 6.5% | 0.7% |
| Machinery and equipment | 0.3 | 0.6 | 0.1 | 0.6 | 29.0% | 0.6% | 0.4 | 0.7 | 0.7 | 6.5% | 0.7% |
| Total | 64.9 | 60.6 | 49.8 | 79.8 | 7.1% | 100.0% | 82.5 | 82.8 | 82.0 | 0.9% | 100.0% |
| Proportion of total programme expenditure to vote expenditure | 1.3% | 1.1% | 1.6% | 2.1% | – | – | 3.0% | 3.4% | 3.2% | – | – |

Personnel information

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

| Number of posts estimated for 31 March 2022 | Number and cost ² of personnel posts filled/planned for on funded establishment | | | | | | | | | | | | | | | Average growth rate (%) 2021/22 - 2024/25 | Average: Salary level/ Total (%) | | |
|---|--|---|---------|---------|------------------|---------|----------------------------------|-----|----|------|-----|----|------|-----|----|--|----------------------------------|-------|--------|
| | Number of funded posts | Number of posts additional to the establishment | Actual | | Revised estimate | | Medium-term expenditure estimate | | | | | | | | | | | | |
| | | | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | | | | | | | | | | | | |
| ICT Information Society and Capacity Development | | | | | | | | | | | | | | | | | | | |
| Salary level | 51 | – | 51 | 39.7 | 0.8 | 57 | 45.4 | 0.8 | 57 | 46.2 | 0.8 | 57 | 46.4 | 0.8 | 57 | 48.5 | 0.9 | -0.2% | 100.0% |
| 1 – 6 | 8 | – | 8 | 3.2 | 0.4 | 11 | 4.3 | 0.4 | 11 | 4.3 | 0.4 | 11 | 4.3 | 0.4 | 11 | 4.5 | 0.4 | -1.1% | 19.4% |
| 7 – 10 | 13 | – | 14 | 7.0 | 0.5 | 12 | 6.4 | 0.5 | 12 | 6.5 | 0.5 | 12 | 6.5 | 0.5 | 12 | 6.8 | 0.6 | – | 21.0% |
| 11 – 12 | 12 | – | 11 | 9.6 | 0.9 | 14 | 12.6 | 0.9 | 14 | 12.8 | 0.9 | 14 | 12.7 | 0.9 | 14 | 13.3 | 1.0 | – | 24.5% |
| 13 – 16 | 18 | – | 18 | 19.9 | 1.1 | 20 | 22.1 | 1.1 | 20 | 22.5 | 1.1 | 20 | 22.9 | 1.1 | 20 | 23.9 | 1.2 | – | 35.0% |

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

2. Rand million.

Entities

Broadband Infraco

Selected performance indicators

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

| Indicator | Programme/Objective/Activity | MTSF priority | Audited performance | | | | Estimated performance | MTEF targets | | |
|--|------------------------------|--|---------------------|-----------|-----------|-----------|-----------------------|--------------|-----------|--|
| | | | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | |
| Network performance rebates paid as percentage of gross revenue per year | Network operations | Entity mandate | 0.2% | 0.15% | <=0.3% | <=0.3% | <=0.3% | <=0.3% | <=0.2% | |
| Time taken to restore core network faults per year | Network operations | | 5.9 hours | 5.7 Hours | 7.5 hours | 7.5 hours | 7.5 hours | 7.5 hours | 7.5 hours | |
| Number of government sites connected to the Broadband Infraco network for phase 1 of the South Africa Connect project per year | Network operations | Priority 2: Economic transformation and job creation | 258 | 400 | 713 | 713 | 713 | 713 | 713 | |

Entity overview

Broadband Infraco's legislative mandate, as set out in the Broadband Infraco Act (2007), is to provide ICT infrastructure and broadband capacity in South Africa. Its main objectives are to expand the availability and affordability of access to electronic communications, including in underdeveloped and underserved areas; ensure that the bandwidth requirements for specific projects of national interests are met; and enable the state to provide affordable access to electronic communications networks and services.

Over the medium term, the entity will focus on becoming financially and operationally sustainable. This will involve obtaining access to additional infrastructure, investment and funding, which will assist its growth and enable it to offer customers better network and connectivity. Structural changes such as working from home and delivering education online have resulted in greater cost efficiencies. The entity will harness these insights to optimise its business model; review its operating model; and implement improved processes, systems, structures and governance. Over the MTEF period, the entity plans to facilitate the connection of 713 government sites to broadband and maintain the time taken to restore faults on the core network at 7.5 hours.

Expenditure is expected to increase at an average annual rate of 3.7 per cent, from R734.8 million in 2021/22 to R820 million in 2024/25. This is mainly due to increased spending on goods and services, which accounts for an estimated 53.9 per cent (R1.3 billion) of the company's total expenditure over the MTEF period. Revenue is derived mainly from rendering connectivity services and is expected to increase at an average annual rate of 0.5 per cent, from R914.2 million in 2021/22 to R929.1 million in 2024/25.

Programmes/Objectives/Activities

Table 30.19 Broadband Infraco expenditure trends and estimates by programme/objective/activity

| R million | Audited outcome | | | Revised estimate | Average growth rate (%) | Average: Expenditure/ Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average: Expenditure/ Total (%) |
|--------------------|-----------------|--------------|--------------|------------------|-------------------------|---------------------------------|----------------------------------|--------------|--------------|-------------------------|---------------------------------|
| | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2018/19 - 2021/22 | | 2022/23 | 2023/24 | 2024/25 | 2021/22 - 2024/25 | |
| Administration | 210.1 | 241.9 | 114.8 | 158.2 | -9.0% | 27.7% | 171.5 | 171.8 | 169.9 | 2.4% | 21.2% |
| Network operations | 401.1 | 450.1 | 457.5 | 576.6 | 12.9% | 72.3% | 626.3 | 646.1 | 650.1 | 4.1% | 78.8% |
| Total | 611.3 | 692.0 | 572.3 | 734.8 | 6.3% | 100.0% | 797.8 | 817.9 | 820.0 | 3.7% | 100.0% |

Statements of financial performance, cash flow and financial position

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

| Statement of financial performance | | | | | | | | | | | |
|--|-----------------|----------------|----------------|------------------|-------------------------|---------------------------------|----------------------------------|--------------|--------------|-------------------------|---------------------------------|
| R million | Audited outcome | | | Revised estimate | Average growth rate (%) | Average: Expenditure/ Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average: Expenditure/ Total (%) |
| | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2018/19 - 2021/22 | | 2022/23 | 2023/24 | 2024/25 | 2021/22 - 2024/25 | |
| Revenue | | | | | | | | | | | |
| Non-tax revenue | 513.9 | 581.0 | 466.0 | 641.7 | 7.7% | 89.1% | 759.3 | 835.8 | 929.1 | 13.1% | 92.5% |
| Sale of goods and services other than capital assets | 410.9 | 468.8 | 463.1 | 641.7 | 16.0% | 79.8% | 759.3 | 835.8 | 929.1 | 13.1% | 92.5% |
| Other non-tax revenue | 102.9 | 112.2 | 2.8 | - | -100.0% | 9.3% | - | - | - | - | - |
| Transfers received | 82.7 | - | - | 272.6 | 48.8% | 10.9% | - | - | - | -100.0% | 7.5% |
| Total revenue | 596.5 | 581.0 | 466.0 | 914.2 | 15.3% | 100.0% | 759.3 | 835.8 | 929.1 | 0.5% | 100.0% |
| Expenses | | | | | | | | | | | |
| Current expenses | 611.0 | 692.0 | 572.2 | 734.8 | 6.3% | 100.0% | 797.8 | 817.9 | 820.0 | 3.7% | 100.0% |
| Compensation of employees | 105.2 | 119.7 | 118.6 | 124.2 | 5.7% | 18.0% | 129.4 | 135.9 | 142.6 | 4.7% | 16.8% |
| Goods and services | 236.5 | 282.3 | 267.9 | 388.5 | 18.0% | 44.8% | 425.4 | 439.9 | 455.7 | 5.5% | 53.9% |
| Depreciation | 163.0 | 167.8 | 169.3 | 183.1 | 4.0% | 26.4% | 190.6 | 194.0 | 180.6 | -0.5% | 23.6% |
| Interest, dividends and rent on land | 106.3 | 122.3 | 16.4 | 39.0 | -28.4% | 10.8% | 52.5 | 48.2 | 41.0 | 1.6% | 5.7% |
| Transfers and subsidies | 0.3 | - | 0.1 | - | -100.0% | - | - | - | - | - | - |
| Total expenses | 611.3 | 692.0 | 572.3 | 734.8 | 6.3% | 100.0% | 797.8 | 817.9 | 820.0 | 3.7% | 100.0% |
| Surplus/(Deficit) | (14.7) | (111.0) | (106.3) | 179.4 | -330.2% | - | (38.5) | 18.0 | 109.1 | -15.3% | - |

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

| Statement of financial performance | | | | | | | | | | | |
|--|-----------------|-----------|-----------|------------------|-------------------------|---------------------------------|----------------------------------|-----------|-------------------|-------------------------|---------------------------------|
| R million | Audited outcome | | | Revised estimate | Average growth rate (%) | Average: Expenditure/ Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average: Expenditure/ Total (%) |
| | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2018/19 - 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2021/22 - 2024/25 | | |
| Cash flow statement | | | | | | | | | | | |
| Cash flow from operating activities | 143.1 | 117.1 | 44.9 | 226.1 | 16.5% | 100.0% | 338.1 | 200.6 | 340.8 | 14.6% | 100.0% |
| Receipts | | | | | | | | | | | |
| Non-tax receipts | 573.6 | 475.9 | 466.0 | 914.2 | 16.8% | 100.0% | 759.3 | 835.8 | 929.1 | 0.5% | 100.0% |
| Sales of goods and services other than capital assets | 569.2 | 468.8 | 463.1 | 914.2 | 17.1% | 99.3% | 759.3 | 835.8 | 929.1 | 0.5% | 100.0% |
| Other tax receipts | 4.4 | 7.1 | 2.8 | - | -100.0% | 0.7% | - | - | - | - | - |
| Total receipts | 573.6 | 475.9 | 466.0 | 914.2 | 16.8% | 100.0% | 759.3 | 835.8 | 929.1 | 0.5% | 100.0% |
| Payment | | | | | | | | | | | |
| Current payments | 430.4 | 358.8 | 421.1 | 688.1 | 16.9% | 100.0% | 421.3 | 635.2 | 588.4 | -5.1% | 100.0% |
| Compensation of employees | 105.2 | 119.7 | 118.6 | 121.3 | 4.9% | 25.9% | 126.3 | 132.7 | 139.3 | 4.7% | 23.0% |
| Goods and services | 316.6 | 233.7 | 294.7 | 527.8 | 18.6% | 71.3% | 242.4 | 454.4 | 408.1 | -8.2% | 68.8% |
| Interest and rent on land | 8.7 | 5.3 | 7.8 | 39.0 | 65.0% | 2.8% | 52.5 | 48.2 | 41.0 | 1.6% | 8.2% |
| Total payments | 430.4 | 358.8 | 421.1 | 688.1 | 16.9% | 100.0% | 421.3 | 635.2 | 588.4 | -5.1% | 100.0% |
| Net cash flow from investing activities | (67.7) | (65.7) | (14.4) | (747.0) | 122.6% | 100.0% | (218.9) | (82.9) | (324.1) | -24.3% | 100.0% |
| Acquisition of property, plant, equipment and intangible assets | (68.0) | (65.7) | (14.4) | (747.0) | 122.3% | 100.1% | (218.9) | (82.9) | (324.1) | -24.3% | 100.0% |
| Acquisition of software and other intangible assets | (0.0) | - | - | - | -100.0% | - | - | - | - | - | - |
| Proceeds from the sale of property, plant, equipment and intangible assets | 0.3 | 0.0 | - | - | -100.0% | -0.1% | - | - | - | - | - |
| Net cash flow from financing activities | 0.2 | (37.0) | (52.4) | 520.4 | 1 354.9% | 100.0% | (40.8) | (75.5) | 92.8 | -43.7% | 100.0% |
| Borrowing activities | 0.2 | (37.0) | (52.4) | 520.4 | 1 354.9% | 100.0% | (40.8) | (75.5) | 92.8 | -43.7% | 100.0% |
| Net increase/(decrease) in cash and cash equivalents | 75.6 | 14.5 | (22.0) | (0.5) | -118.4% | 2.6% | 78.4 | 42.2 | 109.4 | -714.3% | 7.1% |
| Statement of financial position | | | | | | | | | | | |
| Carrying value of assets | 1 144.8 | 1 121.1 | 969.7 | 1 588.0 | 11.5% | 86.9% | 1 616.3 | 1 505.2 | 1 648.7 | 1.3% | 87.8% |
| <i>of which:</i> | | | | | | | | | | | |
| Acquisition of assets | (68.0) | (65.7) | (14.4) | (747.0) | 122.3% | 100.0% | (218.9) | (82.9) | (324.1) | -24.3% | 100.0% |
| Investments | 10.4 | 10.1 | 7.8 | 9.6 | -2.4% | 0.7% | 8.5 | 7.4 | 6.2 | -13.6% | 0.4% |
| Receivables and prepayments | 96.9 | 48.4 | 83.4 | 139.6 | 12.9% | 6.6% | 88.5 | 91.4 | 101.6 | -10.0% | 5.8% |
| Cash and cash equivalents | 95.1 | 109.6 | 87.6 | 2.9 | -68.7% | 5.8% | 81.3 | 123.6 | 233.0 | 331.3% | 5.9% |
| Total assets | 1 347.2 | 1 289.2 | 1 148.5 | 1 740.1 | 8.9% | 100.0% | 1 794.6 | 1 727.6 | 1 989.6 | 4.6% | 100.0% |
| Accumulated surplus/(deficit) | (1 207.7) | (1 317.4) | (1 423.8) | (1 226.1) | 0.5% | -96.6% | (1 264.6) | (1 246.6) | (1 137.5) | -2.5% | -67.6% |
| Capital reserve fund | - | - | 1 829.5 | 1 935.5 | - | 67.6% | 1 935.5 | 1 935.5 | 1 935.5 | - | 107.1% |
| Borrowings | 356.8 | 246.4 | - | 478.8 | 10.3% | 18.3% | 429.1 | 283.8 | 320.2 | -12.5% | 21.0% |
| Finance lease | - | 56.6 | 30.3 | 56.6 | - | 2.6% | 56.6 | 56.6 | 56.6 | - | 3.1% |
| Deferred income | 559.2 | 515.0 | 463.9 | 218.3 | -26.9% | 33.6% | 261.5 | 305.8 | 354.7 | 17.6% | 15.7% |
| Trade and other payables | 155.5 | 184.3 | 237.8 | 266.2 | 19.6% | 15.5% | 346.9 | 332.7 | 424.3 | 16.8% | 18.8% |
| Taxation | - | 1.1 | 2.7 | 2.4 | - | 0.1% | 21.4 | 51.2 | 26.7 | 121.9% | 1.4% |
| Provisions | 10.7 | 20.2 | 7.9 | 8.3 | -8.2% | 0.9% | 8.3 | 8.6 | 9.0 | 3.1% | 0.5% |
| Derivatives financial instruments | 1 472.7 | 1 583.2 | - | - | -100.0% | 58.0% | - | - | - | - | - |
| Total equity and liabilities | 1 347.2 | 1 289.2 | 1 148.5 | 1 740.1 | 8.9% | 100.0% | 1 794.6 | 1 727.6 | 1 989.6 | 4.6% | 100.0% |

Personnel information

Table 30.21 Broadband Infraco personnel numbers and cost by salary level

| Number of posts estimated for 31 March 2022 | Number and cost ¹ of personnel posts filled/planned for on funded establishment | | | | | | | | | | | | | | Average growth rate of personnel posts (%) | Average: Salary level/ Total (%) | | | |
|---|--|---|---------|---------|-----------|------------------|---------|-----------|----------------------------------|---------|-----------|---------|-------------------|-----------|--|----------------------------------|-----|------|--------|
| | Number of funded posts | | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | | | | | | | |
| | Number of posts approved establishment | Number of posts on funded establishment | 2020/21 | 2021/22 | 2022/23 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2022/23 | 2023/24 | 2024/25 | 2021/22 - 2024/25 | | | | | | |
| Broadband Infraco | | | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | | | | | |
| Salary level | 155 | 155 | 153 | 118.6 | 0.8 | 155 | 124.2 | 0.8 | 155 | 129.4 | 0.8 | 155 | 135.9 | 0.9 | 155 | 142.6 | 0.9 | 4.7% | 100.0% |
| 7 – 10 | 59 | 59 | 47 | 17.0 | 0.4 | 59 | 18.7 | 0.3 | 59 | 19.3 | 0.3 | 59 | 20.6 | 0.3 | 59 | 21.6 | 0.4 | 5.0% | 15.1% |
| 11 – 12 | 72 | 72 | 81 | 63.3 | 0.8 | 72 | 66.1 | 0.9 | 72 | 68.7 | 1.0 | 72 | 72.8 | 1.0 | 72 | 76.5 | 1.1 | 5.0% | 53.4% |
| 13 – 16 | 19 | 19 | 20 | 25.1 | 1.3 | 19 | 26.7 | 1.4 | 19 | 28.0 | 1.5 | 19 | 28.4 | 1.5 | 19 | 29.8 | 1.6 | 3.7% | 21.2% |
| 17 – 22 | 5 | 5 | 5 | 13.1 | 2.6 | 5 | 12.7 | 2.5 | 5 | 13.4 | 2.7 | 5 | 14.0 | 2.8 | 5 | 14.8 | 3.0 | 5.0% | 10.3% |

1. Rand million.

Film and Publication Board

Selected performance indicators

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

| Indicator | Programme/Objective/Activity | MTSF priority | Audited performance | | | Estimated performance | MTEF targets | | |
|---|--------------------------------|----------------|---------------------|---------|---------|-----------------------|--------------|---------|---------|
| | | | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
| Number of convergence surveys conducted per year | Industry compliance | Entity mandate | 0 | 3 000 | 3 000 | 9 000 | 1 000 | 1 000 | 1 000 |
| Number of unregistered distributors identified per year | Industry compliance | | 2 447 | 2 000 | 2 000 | 2 000 | 2 500 | 2 500 | 3 000 |
| Number of raids conducted in provinces per year | Industry compliance | | 130 | 24 | 24 | 48 | 60 | 65 | 65 |
| Number of inspections conducted on existing distributors per year | Industry compliance | | 7 926 | 6 000 | 6 000 | 6 000 | 7 000 | 7 000 | 7 000 |
| Number of stakeholder relations strategies developed and implemented per year | Public awareness and education | | 3 | 4 | 4 | 4 | 4 | 4 | 4 |

Entity overview

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

Over the medium term, the board plans to improve its productivity by automating registration processes to allow distributors to register online; review its classification guidelines to align them with societal norms and standards; and deploy compliance monitors to conduct 21 000 inspections at all identified distributors of content to ensure their compliance with relevant legislation. To carry out these activities, expenditure is expected to increase at an average annual rate of 5.7 per cent, from R116.8 million in 2021/22 to R138 million in 2024/25. Compensation of employees is the board's main cost driver, accounting for an estimated 53.1 per cent (R207 million) of its expenditure over the MTEF period.

The board expects to derive 81.4 per cent (R315.3 million) of its revenue over the period ahead through transfers from the department and the remainder through fees for classification and registration. Revenue is expected to be in line with expenditure over the medium term.

Programmes/Objectives/Activities

Table 30.23 Film and Publication Board expenditure trends and estimates by programme/objective/activity

| R million | Audited outcome | | | | Revised estimate | Average growth rate (%) | Average: Expenditure/Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average: Expenditure/Total (%) |
|--------------------------------------|-----------------|--------------|--------------|--------------|------------------|-------------------------|--------------------------------|----------------------------------|--------------|-------------|-------------------------|--------------------------------|
| | 2018/19 | 2019/20 | 2020/21 | 2021/22 | | | | 2022/23 | 2023/24 | 2024/25 | | |
| Administration | 72.6 | 71.4 | 71.9 | 98.6 | 10.8% | 75.1% | 104.1 | 108.0 | 112.9 | 4.6% | 82.7% | |
| Industry compliance | 7.0 | 12.3 | 9.6 | 11.4 | 17.3% | 9.6% | 12.4 | 14.7 | 14.9 | 9.5% | 10.4% | |
| Public awareness and education | 2.9 | 4.4 | 4.7 | 6.0 | 27.2% | 4.2% | 6.5 | 7.8 | 7.9 | 9.9% | 5.5% | |
| Online and mobile content regulation | 10.5 | 11.4 | 11.5 | 0.8 | -56.9% | 8.5% | - | - | - | -100.0% | 0.2% | |
| Partnerships and collaboration | 3.3 | 3.2 | 3.6 | - | -100.0% | 2.5% | - | - | - | - | - | |
| Research and Development | - | - | - | - | - | - | 2.1 | 2.3 | 2.2 | - | 1.2% | |
| Total | 96.2 | 102.6 | 101.2 | 116.8 | 6.7% | 100.0% | 125.1 | 132.8 | 138.0 | 5.7% | 100.0% | |

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

| Statement of financial performance | | | | | | | | | | Average: | Average: |
|--|-----------------|---------|---------|------------------|-------------------------|---------|----------------------------------|---------|-------------------|-------------------------|---------------------------------|
| R million | Audited outcome | | | Revised estimate | Average growth rate (%) | | Medium-term expenditure estimate | | | Average growth rate (%) | Average: Expenditure/ Total (%) |
| | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2018/19 - 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2021/22 - 2024/25 | 2021/22 - 2024/25 | |
| Revenue | | | | | | | | | | | |
| Non-tax revenue | 8.8 | 7.6 | 6.7 | 15.8 | 21.5% | 8.9% | 22.2 | 29.0 | 29.4 | 22.9% | 18.6% |
| Sale of goods and services other than capital assets | 7.9 | 6.4 | 5.6 | 14.5 | 22.3% | 7.8% | 20.7 | 26.9 | 26.8 | 22.8% | 17.2% |
| Other non-tax revenue | 0.9 | 1.2 | 1.1 | 1.4 | 13.9% | 1.1% | 1.5 | 2.0 | 2.6 | 24.3% | 1.5% |
| Transfers received | 94.6 | 99.4 | 100.6 | 100.9 | 2.2% | 91.1% | 102.9 | 103.9 | 108.5 | 2.4% | 81.4% |
| Total revenue | 103.4 | 107.0 | 107.3 | 116.8 | 4.1% | 100.0% | 125.1 | 132.8 | 138.0 | 5.7% | 100.0% |
| Expenses | | | | | | | | | | | |
| Current expenses | 96.2 | 102.6 | 101.2 | 116.8 | 6.7% | 100.0% | 125.1 | 132.8 | 138.0 | 5.7% | 100.0% |
| Compensation of employees | 57.9 | 58.2 | 60.7 | 64.9 | 3.8% | 58.1% | 66.5 | 68.7 | 71.8 | 3.4% | 53.1% |
| Goods and services | 35.8 | 44.5 | 40.5 | 51.9 | 13.1% | 41.3% | 58.6 | 64.1 | 66.2 | 8.5% | 46.9% |
| Depreciation | 2.4 | - | - | - | -100.0% | 0.6% | - | - | - | - | - |
| Interest, dividends and rent on land | 0.1 | - | - | - | -100.0% | - | - | - | - | - | - |
| Total expenses | 96.2 | 102.6 | 101.2 | 116.8 | 6.7% | 100.0% | 125.1 | 132.8 | 138.0 | 5.7% | 100.0% |
| Surplus/(Deficit) | 7.2 | 4.3 | 6.1 | - | -100.0% | - | - | - | - | - | - |

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

| Number of posts estimated for 31 March 2022 | | Number and cost ¹ of personnel posts filled/planned for on funded establishment | | | | | | | | | | | | | | | Average growth rate of personnel posts (%) | Average: Salary level/ Total (%) | |
|---|---|--|------|-----------|------------------|---------|-----------|----------------------------------|------|-----------|--------|------|-----------|-------------------|------|-----------|--|----------------------------------|--------|
| Number of funded posts | Number of posts on approved establishment | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | | | 2021/22 - 2024/25 | | | | | |
| | | 2020/21 | | 2021/22 | | 2022/23 | | 2023/24 | | 2024/25 | | | | | | | | | |
| Salary level | | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | | | |
| | 112 | 112 | 107 | 60.7 | 0.6 | 112 | 64.9 | 0.6 | 112 | 66.5 | 0.6 | 112 | 68.7 | 0.6 | 113 | 71.8 | 0.6 | 3.4% | 100.0% |
| 1 – 6 | 15 | 15 | 15 | 2.7 | 0.2 | 15 | 2.6 | 0.2 | 15 | 2.7 | 0.2 | 15 | 2.6 | 0.2 | 16 | 2.7 | 0.2 | 0.7% | 3.9% |
| 7 – 10 | 68 | 68 | 66 | 31.3 | 0.5 | 68 | 33.4 | 0.5 | 68 | 33.1 | 0.5 | 68 | 34.4 | 0.5 | 68 | 35.5 | 0.5 | 2.0% | 50.2% |
| 11 – 12 | 24 | 24 | 21 | 19.3 | 0.9 | 24 | 20.4 | 0.9 | 24 | 22.1 | 0.9 | 24 | 22.8 | 1.0 | 24 | 24.4 | 1.0 | 6.0% | 33.0% |
| 13 – 16 | 5 | 5 | 5 | 7.3 | 1.5 | 5 | 8.4 | 1.7 | 5 | 8.5 | 1.7 | 5 | 8.8 | 1.8 | 5 | 9.2 | 1.8 | 3.2% | 12.9% |

1. Rand million.

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

| Indicator | Programme/Objective/Activity | MTSF priority | Audited performance | | | Estimated performance | MTEF targets | | |
|--|---------------------------------|--|--------------------------|--------------------------|----------------------------|-----------------------|--------------|---------|---------|
| | | | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
| Access to high-demand spectrum from 566.695 megahertz (MHz) to 958 MHz per year | Licensing | Priority 2: Economic transformation and job creation | 958 MHz | 958 MHz | 958 MHz | 958 MHz | 958 MHz | 958 MHz | 958 MHz |
| Number of community television licences issued per year | Licensing | Entity mandate | -1 | -1 | 14 | 13 | 13 | 13 | 13 |
| Number of tariff analysis reports produced per year | Policy research and analysis | | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Number of broadcasting licensees monitored per year | Compliance and consumer affairs | | 60 | 65 | 70 | 75 | 85 | 85 | 85 |
| Percentage of consumer complaints resolved per year | Compliance and consumer affairs | | 94% (7 896/ 8 360) | 96% (7 420/ 7 754) | 95% (11 353/ 12 003) | 85% | 85% | 85% | 85% |
| Number of electronic communications network service licensees monitored per year | Compliance and consumer affairs | | 60 | 65 | 70 | 75 | 85 | 85 | 85 |

1. No historical data available.

Entity overview

The Independent Communications Authority of South Africa was established by the Independent Communications Authority of South Africa Act (2000) to regulate the South African communications, broadcasting and postal services sectors. The authority is listed as a schedule 1 public entity in terms of the Public Finance Management Act (1999) and is a chapter 9 institution in terms of the Constitution. It derives its mandate from the Electronic Communications Act (2005) to license and regulate electronic communications and broadcasting services, and the Postal Services Act (1998) to license and regulate the postal services sector. The authority is empowered to monitor licensee compliance with licence terms and conditions, develop regulations for the 3 sectors, plan and manage the radio frequency spectrum, and protect consumers in relation to these services.

The authority plans to issue 13 community television licences per year over the medium term and monitor 255 broadcasting licences. In its efforts to protect consumers against unfair practices by service providers over the period ahead, the authority plans to develop 6 tariff analysis reports and resolve an average of 85 per cent of consumer complaints. In addition, to increase competition in the telecommunications and broadcasting sectors, various projects are planned over the period, including finalising regulations on the subscription television broadcasting market and developing regulations on call termination. To increase access to quality broadband services, the authority plans to implement the radio frequency migration plan and develop a monitoring report on the impact of the deployment of 5G in the ICT sector. Additional funding of R300 million in 2022/23 is earmarked for strengthening regulatory capacity and licensing spectrum for international mobile telecommunications, specifically wireless broadband services.

Expenditure is expected to decrease at an average annual rate of 0.7 per cent, from R524.3 million in 2021/22 to R513.5 million in 2024/25, because of one-off funding of R48.2 million in 2021/22 for the licensing of spectrum. As the authority requires highly specialised personnel to conduct its work, spending on compensation of employees accounts for an estimated 67 per cent (R1.1 billion) of expenditure over the MTEF period. The moratorium on the filling of vacant posts is expected to be maintained over the period ahead to remain within the expenditure ceiling for compensation of employees.

The authority receives all (R1.7 billion) of its revenue over the medium term through transfers from the department. Revenue is expected to decrease in line with expenditure.

Programmes/Objectives/Activities

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

| R million | Audited outcome | | | Revised estimate | Average growth rate (%) | | Medium-term expenditure estimate | | | Average growth rate (%) | |
|---------------------------------|-----------------|--------------|--------------|------------------|-------------------------|-------------------|----------------------------------|--------------|--------------|-------------------------|-------------------|
| | 2018/19 | 2019/20 | 2020/21 | | 2021/22 | 2018/19 - 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2021/22 - 2024/25 | 2021/22 - 2024/25 |
| Administration | 278.8 | 255.7 | 236.1 | 266.5 | -1.5% | 54.1% | 306.5 | 241.2 | 251.9 | -1.9% | 47.2% |
| Licensing | 53.8 | 56.7 | 68.8 | 59.5 | 3.4% | 12.5% | 230.6 | 70.1 | 73.3 | 7.2% | 17.5% |
| Engineering and technology | 22.7 | 21.1 | 15.8 | 34.4 | 14.9% | 4.8% | 55.7 | 19.1 | 19.9 | -16.6% | 5.4% |
| Policy research and analysis | 29.5 | 23.6 | 25.2 | 28.0 | -1.8% | 5.5% | 31.3 | 24.5 | 25.7 | -2.8% | 4.9% |
| Compliance and consumer affairs | 27.7 | 34.2 | 23.4 | 36.8 | 9.9% | 6.3% | 40.4 | 37.0 | 38.6 | 1.6% | 6.8% |
| Regions | 75.1 | 73.8 | 71.4 | 99.1 | 9.7% | 16.6% | 104.9 | 99.6 | 104.1 | -1.7% | 18.3% |
| Total | 487.6 | 465.1 | 440.8 | 524.3 | 2.5% | 100.0% | 769.4 | 491.5 | 513.5 | -0.7% | 100.0% |

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

| Statement of financial performance | | | | | | | | | | | | |
|--------------------------------------|-----------------|--------------|--------------|--------------|------------------|-------------------------|--------------|----------------------------------|--------------|--------------|-------------------------|---------|
| R million | Audited outcome | | | | Revised estimate | Average growth rate (%) | | Medium-term expenditure estimate | | | Average growth rate (%) | |
| | 2018/19 | 2019/20 | 2020/21 | 2021/22 | | 2018/19 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2021/22 | 2024/25 |
| Revenue | | | | | | | | | | | | |
| Non-tax revenue | 14.9 | 12.1 | 10.3 | 16.1 | 2.6% | 2.8% | – | 17.5 | 18.3 | 4.4% | 2.5% | |
| Other non-tax revenue | 14.9 | 12.1 | 10.3 | 16.1 | 2.6% | 2.8% | – | 17.5 | 18.3 | 4.4% | 2.5% | |
| Transfers received | 444.8 | 456.5 | 469.2 | 508.2 | 4.5% | 97.2% | 769.4 | 473.9 | 495.2 | -0.9% | 97.5% | |
| Total revenue | 459.7 | 468.6 | 479.6 | 524.3 | 4.5% | 100.0% | 769.4 | 491.5 | 513.5 | -0.7% | 100.0% | |
| Expenses | | | | | | | | | | | | |
| Current expenses | 487.6 | 465.1 | 440.8 | 524.3 | 2.5% | 100.0% | 769.4 | 491.5 | 513.5 | -0.7% | 100.0% | |
| Compensation of employees | 306.4 | 296.3 | 309.8 | 354.0 | 4.9% | 66.1% | 369.0 | 375.0 | 390.8 | 3.4% | 67.0% | |
| Goods and services | 162.6 | 151.8 | 112.0 | 151.7 | -2.3% | 30.1% | 379.0 | 95.1 | 100.3 | -12.9% | 29.3% | |
| Depreciation | 18.5 | 17.0 | 18.7 | 18.5 | 0.1% | 3.8% | 21.4 | 21.4 | 22.4 | 6.5% | 3.8% | |
| Interest, dividends and rent on land | 0.0 | 0.0 | 0.2 | – | -100.0% | – | – | – | – | – | – | |
| Total expenses | 487.6 | 465.1 | 440.8 | 524.3 | 2.5% | 100.0% | 769.4 | 491.5 | 513.5 | -0.7% | 100.0% | |
| Surplus/(Deficit) | (27.9) | 3.5 | 38.8 | – | -100.0% | | – | – | – | – | | |

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

| Number of posts estimated for 31 March 2022 | | Number and cost ¹ of personnel posts filled/planned for on funded establishment | | | | | | | | | | | | | | | Average growth rate of personnel posts (%) | Average: Salary level/ Total (%) | |
|--|---|--|------|-----------|------------------|---------|-----------|----------------------------------|------|-----------|--------|------|-----------|-------------------|------|-----------|--|----------------------------------|--------|
| Number of funded posts | Number of posts on approved establishment | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | | | 2021/22 - 2024/25 | | | | | |
| | | 2020/21 | | 2021/22 | | 2022/23 | | 2023/24 | | 2024/25 | | | | | | | | | |
| 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 | 381 | 380 | 381 | 309.8 | 0.8 | 381 | 354.0 | 0.9 | 398 | 369.0 | 0.9 | 398 | 375.0 | 0.9 | 398 | 390.8 | 1.0 | 3.4% | 100.0% |
| 1 – 6 | 20 | 4 | 20 | 3.0 | 0.2 | 20 | 3.8 | 0.2 | 22 | 4.0 | 0.2 | 22 | 4.2 | 0.2 | 22 | 4.3 | 0.2 | 4.4% | 1.1% |
| 7 – 10 | 182 | 191 | 182 | 133.5 | 0.7 | 182 | 145.2 | 0.8 | 191 | 151.3 | 0.8 | 191 | 147.3 | 0.8 | 191 | 152.9 | 0.8 | 1.7% | 40.1% |
| 11 – 12 | 114 | 118 | 114 | 94.2 | 0.8 | 114 | 111.2 | 1.0 | 118 | 115.9 | 1.0 | 118 | 121.2 | 1.0 | 118 | 126.6 | 1.1 | 4.4% | 31.9% |
| 13 – 16 | 63 | 65 | 63 | 75.6 | 1.2 | 63 | 89.7 | 1.4 | 65 | 93.5 | 1.4 | 65 | 97.8 | 1.5 | 65 | 102.2 | 1.6 | 4.4% | 25.7% |
| 17 – 22 | 2 | 2 | 2 | 3.6 | 1.8 | 2 | 4.1 | 2.1 | 2 | 4.3 | 2.2 | 2 | 4.5 | 2.3 | 2 | 4.7 | 2.4 | 4.4% | 1.2% |

1. Rand million.

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

| Indicator | Programme/Objective/Activity | MTSF priority | Audited performance | | | Estimated performance | MTEF targets | | |
|--|------------------------------|----------------|---------------------|----------------|----------------|-----------------------|--------------|---------|---------|
| | | | 2018/19 | 2019/20 | 2020/21 | | 2021/22 | 2022/23 | 2023/24 |
| Number of citizens trained in digital literacy per year | e-Astuteness development | Entity mandate | 4 884 | 6 500 | 30 000 | 60 000 | 100 000 | 120 000 | 150 000 |
| Number of small, medium and micro enterprises trained in digital entrepreneurship per year | e-Astuteness development | | – ¹ | – ¹ | – ¹ | – ¹ | 15 000 | 20 000 | 25 000 |
| Number of learners trained in creative media, radio and TV short courses per year | e-Astuteness development | | 318 | 144 | 150 | 120 | 500 | 750 | 1 000 |
| Number of learners trained in creative media, radio and TV learnerships per year | e-Astuteness development | | – ¹ | – ¹ | – ¹ | – ¹ | 100 | 150 | 200 |
| Number of citizens trained in digital technologies per year | e-Astuteness development | | 337 | 375 | 1 000 | 2 750 | 3 000 | 3 100 | 3 300 |
| Number of citizens participating in ICT skills-based programmes per year | e-Astuteness development | | – ¹ | – ¹ | – ¹ | – ¹ | 100 | 150 | 200 |

1. No historical data available.

Entity overview

The National Electronic Media Institute of South Africa was established as a non-profit institution for education in terms of the Companies Act (1973) and is listed as a schedule 3A public entity in terms of the Public Finance Management Act (1999). Its programmes were initially structured to enhance the market readiness of students in broadcasting, but its mandate has been expanded to include the development of e-skills capacity in South Africa and the implementation of e-skills programmes in collaboration with its partners.

Over the medium term, the institute will continue to implement its operating model and digital skills agenda in collaboration with government, businesses, civil society and the education sector. Identified e-skills priority areas include government e-enablement, creative new media industries, e-inclusion and social innovation. Accordingly, over the medium term, the institute aims to provide specialist technology skills to 9 400 citizens and train 370 000 learners in e-literacy.

Expenditure is expected to increase at an average annual rate of 4.1 per cent, from R98.5 million in 2021/22 to R111.2 million in 2024/25. Goods and services, mainly rental costs for office space and in-house training, account for an estimated 38.4 per cent (R121.6 million) of expenditure over the medium term, while transfers and subsidies to higher education institutions to fund e-skills projects account for an estimated 27.3 per cent (R85.9 million). The institute derives all its revenue through transfers from the department. Revenue is expected to increase in line with expenditure over the period ahead.

Programmes/Objectives/Activities

Table 30.31 National Electronic Media Institute of South Africa expenditure trends and estimates by programme/objective/activity

| R million | Audited outcome | | | Revised estimate 2021/22 | Average growth rate (%) 2018/19 - 2021/22 | Average: Expenditure/ Total (%) 2018/19 - 2021/22 | Medium-term expenditure estimate | | | Average growth rate (%) 2021/22 - 2024/25 | Average: Expenditure/ Total (%) 2021/22 - 2024/25 |
|--------------------------------|-----------------|--------------|-------------|-----------------------------|--|--|----------------------------------|--------------|--------------|--|--|
| | 2018/19 | 2019/20 | 2020/21 | | | | 2022/23 | 2023/24 | 2024/25 | | |
| Administration | 53.3 | 59.5 | 50.0 | 57.2 | 2.4% | 59.5% | 52.6 | 52.6 | 54.6 | -1.6% | 51.8% |
| Multistakeholder collaboration | 1.2 | 1.5 | - | - | -100.0% | 0.6% | - | - | - | - | - |
| e-Astuteness development | 39.7 | 47.6 | 14.2 | 37.9 | -1.6% | 35.0% | 48.1 | 48.4 | 50.2 | 9.8% | 43.9% |
| Knowledge for innovation | 7.0 | 8.3 | 1.1 | 1.9 | -35.4% | 4.4% | 1.5 | 3.1 | 3.1 | 18.3% | 2.2% |
| Aggregation framework | 0.1 | 0.2 | - | 1.5 | 122.6% | 0.4% | 0.6 | 3.3 | 3.3 | 30.4% | 2.0% |
| Total | 101.4 | 117.1 | 65.2 | 98.5 | -1.0% | 100.0% | 102.7 | 107.4 | 111.2 | 4.1% | 100.0% |

Statements of financial performance, cash flow and financial position

Table 30.32 National Electronic Media Institute of South Africa statements of financial performance, cash flow and financial position

| Statement of financial performance | | | | | | | | | | | |
|--|-----------------|--------------|--------------|-----------------------------|--|--|----------------------------------|--------------|--------------|--|--|
| R million | Audited outcome | | | Revised estimate 2021/22 | Average growth rate (%) 2018/19 - 2021/22 | Average: Expenditure/ Total (%) 2018/19 - 2021/22 | Medium-term expenditure estimate | | | Average growth rate (%) 2021/22 - 2024/25 | Average: Expenditure/ Total (%) 2021/22 - 2024/25 |
| | 2018/19 | 2019/20 | 2020/21 | | | | 2022/23 | 2023/24 | 2024/25 | | |
| Revenue | | | | | | | | | | | |
| Non-tax revenue | 4.6 | 3.2 | 1.9 | - | -100.0% | 2.6% | 0.6 | 0.8 | 3.5 | - | 1.1% |
| Sale of goods and services other than capital assets | 0.0 | 0.3 | - | - | -100.0% | 0.1% | - | - | - | - | - |
| Other non-tax revenue | 4.5 | 3.0 | 1.9 | - | -100.0% | 2.5% | 0.6 | 0.8 | 3.5 | - | 1.1% |
| Transfers received | 94.8 | 112.3 | 63.0 | 98.5 | 1.3% | 97.4% | 102.1 | 106.2 | 107.7 | 3.0% | 98.9% |
| Total revenue | 99.4 | 115.5 | 64.9 | 98.5 | -0.3% | 100.0% | 102.7 | 107.0 | 111.2 | 4.1% | 100.0% |
| Expenses | | | | | | | | | | | |
| Current expenses | 53.9 | 65.2 | 54.5 | 70.1 | 9.1% | 65.9% | 73.3 | 79.4 | 82.7 | 5.7% | 72.7% |
| Compensation of employees | 25.2 | 27.2 | 24.4 | 30.7 | 6.8% | 29.2% | 32.6 | 39.6 | 41.1 | 10.2% | 34.2% |
| Goods and services | 27.5 | 36.1 | 27.7 | 39.2 | 12.5% | 35.1% | 40.6 | 39.6 | 41.4 | 1.8% | 38.4% |
| Depreciation | 1.1 | 1.9 | 2.4 | 0.1 | -50.5% | 1.7% | 0.1 | 0.2 | 0.2 | 5.5% | 0.1% |
| Transfers and subsidies | 47.5 | 51.9 | 10.7 | 28.4 | -15.8% | 34.1% | 29.4 | 28.0 | 28.5 | 0.1% | 27.3% |
| Total expenses | 101.4 | 117.1 | 65.2 | 98.5 | -1.0% | 100.0% | 102.7 | 107.4 | 111.2 | 4.1% | 100.0% |
| Surplus/(Deficit) | (2.0) | (1.6) | (0.3) | - | -100.0% | | - | (0.4) | - | - | |

Personnel information

Table 30.33 National Electronic Media Institute of South Africa personnel numbers and cost by salary level

| Number of posts estimated for 31 March 2022 | | Number and cost ¹ of personnel posts filled/planned for on funded establishment | | | | | | | | | | | | | | | Average growth rate of personnel posts (%) | Average: Salary level/ Total (%) | |
|---|---|--|------|-----------|------------------|------|-----------|----------------------------------|------|-----------|---------|------|-----------|---------|------|-----------|--|----------------------------------|--------|
| Number of funded posts | Number of posts on approved establishment | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | | | | | | | | |
| | | 2020/21 | | | 2021/22 | | | 2022/23 | | | 2023/24 | | | 2024/25 | | | 2021/22 - 2024/25 | | |
| National Electronic Media Institute of South Africa | | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | | | |
| Salary level | 48 | 48 | 37 | 24.4 | 0.7 | 48 | 30.7 | 0.6 | 48 | 32.6 | 0.7 | 48 | 39.6 | 0.8 | 48 | 41.1 | 0.9 | 10.2% | 100.0% |
| 7 – 10 | 36 | 36 | 26 | 9.7 | 0.4 | 33 | 14.6 | 0.4 | 36 | 15.7 | 0.4 | 36 | 18.9 | 0.5 | 36 | 19.5 | 0.5 | 10.1% | 47.7% |
| 11 – 12 | 7 | 7 | 7 | 9.3 | 1.3 | 10 | 9.5 | 0.9 | 7 | 9.9 | 1.4 | 7 | 12.1 | 1.7 | 7 | 12.6 | 1.8 | 9.9% | 30.6% |
| 13 – 16 | 5 | 5 | 4 | 5.4 | 1.4 | 5 | 6.6 | 1.3 | 5 | 7.0 | 1.4 | 5 | 8.6 | 1.7 | 5 | 9.0 | 1.8 | 10.8% | 21.7% |

1. Rand million.

Sentech

Selected performance indicators

Table 30.34 Sentech performance indicators by programme/objective/activity and related priority

| Indicator | Programme/Objective/Activity | MTSF priority | Audited performance | | | Estimated performance | MTEF targets | | | |
|---|---|----------------|--|--|--|--|--------------|---------|---------|-----|
| | | | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 | |
| Percentage household coverage of digital television infrastructure per year | Attain digital terrestrial television network | Entity mandate | 85% | 85% | 85% | 85% | 85% | 85% | 85% | 85% |
| Percentage availability of digital terrestrial television per year | Attain digital terrestrial television network | | 99.9% (1.01 million hours/ 1.02 million hours) | 99.9% (1.01 million hours/ 1.02 million hours) | 99.9% (1.01 million hours/ 1.02 million hours) | 99.9% (1.01 million hours/ 1.02 million hours) | 99% | 99% | 99% | |
| Number of digital products launched for customers per year | Attain digital terrestrial television network | | 1 | 2 | 2 | 2 | 2 | 2 | 2 | |

1. No historical data available.

Entity overview

Sentech was established in terms of the Sentech Act (1996) and is listed as a schedule 3B public entity in the Public Finance Management Act (1999). It is responsible for providing broadcasting signal distribution services to licensed television and radio broadcasters. In 2002, following the deregulation of the telecommunications sector, Sentech was granted 2 additional licences, allowing the entity to provide international voice-based telecommunications and multimedia services.

Over the MTEF period, the entity will continue to develop new and innovative digital solutions in response to shifts in consumer behaviour and preferences; expand its radio network; improve its existing infrastructure; and conclude the process of shutting down analogue transmitters in the migration to digital, which is expected to be completed by 31 March 2022. Accordingly, the entity will ensure that it provides digital television coverage to 85 per cent of households each year over the medium term, and that digital terrestrial television is available for 99 per cent of households.

Sentech plans to spend R1.1 billion on the acquisition of property, plant and equipment over the MTEF period. Goods and services account for an estimated 37.6 per cent (R1.5 billion) of expenditure over the period ahead, mostly for service expenses such as satellite costs. Compensation of employees accounts for an estimated 25.9 per cent (R1 billion) of the entity's budget, spending on which is expected to decrease at an average annual rate of 1.1 per cent, from R1.5 billion in 2021/22 to R1.4 billion in 2024/25. This is due to a moratorium on the filling of vacant posts arising from resignations.

The entity expects to derive 93.8 per cent (R4.1 billion) of its revenue over the MTEF period through television, radio and streaming services rendered to customers, and the remainder through other sources such as rental income. Revenue is expected to decrease at an average annual rate of 1.3 per cent, from R1.5 billion in 2021/22 to R1.4 billion in 2024/25, because of the analogue signal network being switched off, resulting in television revenue decreasing slightly before recovering again.

Programmes/Objectives/Activities

Table 30.35 Sentech expenditure trends and estimates by programme/objective/activity

| R million | Audited outcome | | | Revised estimate 2021/22 | Average growth rate (%) 2018/19 - 2021/22 | Average: Expenditure/Total (%) 2018/19 - 2021/22 | Medium-term expenditure estimate | | | Average growth rate (%) 2021/22 - 2024/25 | Average: Expenditure/Total (%) 2021/22 - 2024/25 |
|---|-----------------|----------------|----------------|-----------------------------|--|---|----------------------------------|----------------|----------------|--|---|
| | 2018/19 | 2019/20 | 2020/21 | | | | 2022/23 | 2023/24 | 2024/25 | | |
| Administration | 1 149.5 | 1 487.8 | 1 029.8 | 1 298.8 | 4.2% | 88.8% | 1 303.8 | 1 372.8 | 1 416.0 | 2.9% | 97.2% |
| Attain digital terrestrial television network | 130.6 | 149.1 | 167.1 | 166.4 | 8.4% | 11.2% | – | – | – | -100.0% | 2.8% |
| Total | 1 280.1 | 1 636.9 | 1 196.8 | 1 465.1 | 4.6% | 100.0% | 1 303.8 | 1 372.8 | 1 416.0 | -1.1% | 100.0% |

Statements of financial performance, cash flow and financial position

Table 30.36 Sentech statements of financial performance, cash flow and financial position

| Statement of financial performance | | | | | | | | | | | |
|---|-----------------|----------------|----------------|-----------------------------|--|---|----------------------------------|----------------|----------------|--|---|
| R million | Audited outcome | | | Revised estimate 2021/22 | Average growth rate (%) 2018/19 - 2021/22 | Average: Expenditure/Total (%) 2018/19 - 2021/22 | Medium-term expenditure estimate | | | Average growth rate (%) 2021/22 - 2024/25 | Average: Expenditure/Total (%) 2021/22 - 2024/25 |
| | 2018/19 | 2019/20 | 2020/21 | | | | 2022/23 | 2023/24 | 2024/25 | | |
| Revenue | | | | | | | | | | | |
| Non-tax revenue | 1 350.8 | 1 418.5 | 1 341.7 | 1 314.2 | -0.9% | 89.8% | 1 360.0 | 1 415.8 | 1 425.1 | 2.7% | 97.1% |
| Sale of goods and services other than capital assets | 1 268.6 | 1 334.9 | 1 275.2 | 1 257.3 | -0.3% | 85.1% | 1 314.6 | 1 368.5 | 1 387.1 | 3.3% | 93.8% |
| Other non-tax revenue | 82.3 | 83.6 | 66.5 | 56.8 | -11.6% | 4.8% | 45.5 | 47.3 | 38.0 | -12.6% | 3.3% |
| Transfers received | 130.6 | 146.0 | 167.1 | 169.7 | 9.1% | 10.2% | – | – | – | -100.0% | 2.9% |
| Total revenue | 1 481.4 | 1 564.5 | 1 508.8 | 1 483.9 | 0.1% | 100.0% | 1 360.0 | 1 415.8 | 1 425.1 | -1.3% | 100.0% |
| Expenses | | | | | | | | | | | |
| Current expenses | 1 218.2 | 1 636.9 | 1 098.6 | 1 457.8 | 6.2% | 96.6% | 1 294.5 | 1 369.2 | 1 412.2 | -1.1% | 99.6% |
| Compensation of employees | 453.1 | 463.8 | 427.7 | 416.1 | -2.8% | 32.0% | 353.7 | 353.7 | 318.3 | -8.5% | 25.9% |
| Goods and services | 675.5 | 778.2 | 240.8 | 582.3 | -4.8% | 40.0% | 488.7 | 484.3 | 538.8 | -2.6% | 37.6% |
| Depreciation | 85.6 | 233.5 | 262.8 | 274.6 | 47.5% | 15.4% | 263.6 | 338.9 | 354.1 | 8.8% | 22.2% |
| Interest, dividends and rent on land | 4.0 | 161.4 | 167.3 | 184.9 | 258.7% | 9.2% | 188.6 | 192.3 | 201.0 | 2.8% | 13.8% |
| Transfers and subsidies | 61.9 | – | 98.3 | 7.3 | -51.0% | 3.4% | 9.4 | 3.6 | 3.8 | -19.6% | 0.4% |
| Total expenses | 1 280.1 | 1 636.9 | 1 196.8 | 1 465.1 | 4.6% | 100.0% | 1 303.8 | 1 372.8 | 1 416.0 | -1.1% | 100.0% |
| Surplus/(Deficit) | 201.3 | (72.4) | 311.9 | 18.8 | -54.6% | | 56.2 | 42.9 | 9.1 | -21.5% | |
| Cash flow statement | | | | | | | | | | | |
| Cash flow from operating activities | 87.8 | 473.4 | 584.9 | 143.5 | 17.8% | 100.0% | 508.5 | 537.6 | 561.7 | 57.6% | 100.0% |
| Receipts | | | | | | | | | | | |
| Non-tax receipts | 1 329.1 | 1 502.1 | 1 341.7 | 1 301.8 | -0.7% | 89.9% | 1 508.6 | 1 576.5 | 1 647.3 | 8.2% | 97.1% |
| Sales of goods and services other than capital assets | 1 268.6 | 1 418.5 | 1 275.2 | 1 257.8 | -0.3% | 85.7% | 1 462.5 | 1 528.3 | 1 596.9 | 8.3% | 94.1% |
| Other tax receipts | 60.5 | 83.6 | 66.5 | 44.0 | -10.1% | 4.2% | 46.1 | 48.2 | 50.4 | 4.6% | 3.0% |
| Transfers received | 130.6 | 146.0 | 167.1 | 169.7 | 9.1% | 10.1% | – | – | – | -100.0% | 2.9% |
| Total receipts | 1 459.7 | 1 648.1 | 1 508.8 | 1 471.5 | 0.3% | 100.0% | 1 508.6 | 1 576.5 | 1 647.3 | 3.8% | 100.0% |
| Payment | | | | | | | | | | | |
| Current payments | 1 324.2 | 1 132.8 | 875.4 | 1 320.7 | -0.1% | 96.8% | 990.7 | 1 035.3 | 1 081.8 | -6.4% | 99.5% |
| Compensation of employees | 453.1 | 463.8 | 427.7 | 525.0 | 5.0% | 39.6% | 550.7 | 575.5 | 601.3 | 4.6% | 51.3% |
| Goods and services | 871.1 | 510.4 | 281.9 | 661.2 | -8.8% | 46.8% | 314.0 | 341.9 | 357.2 | -18.6% | 36.8% |
| Interest and rent on land | 0.0 | 158.6 | 165.8 | 134.5 | 1 757.2% | 10.4% | 126.0 | 118.0 | 123.2 | -2.9% | 11.4% |
| Transfers and subsidies | 47.7 | 41.9 | 48.5 | 7.3 | -46.5% | 3.2% | 9.4 | 3.6 | 3.8 | -19.6% | 0.5% |
| Total payments | 1 371.9 | 1 174.7 | 923.9 | 1 328.0 | -1.1% | 100.0% | 1 000.1 | 1 038.9 | 1 085.6 | -6.5% | 100.0% |
| Net cash flow from investing activities | (78.5) | (72.9) | (70.7) | (229.0) | 42.9% | 100.0% | (369.0) | (350.0) | (365.7) | 16.9% | 100.0% |
| Acquisition of property, plant, equipment and intangible assets | (78.5) | (72.9) | (70.7) | (229.0) | 42.9% | 100.0% | (369.0) | (350.0) | (365.7) | 16.9% | 100.0% |
| Net cash flow from financing activities | 187.0 | 3.5 | (30.8) | 19.5 | -52.9% | 100.0% | 21.5 | 22.4 | 23.4 | 6.3% | 100.0% |
| Deferred income | 177.3 | 72.2 | 63.0 | – | -100.0% | 494.3% | – | – | – | – | – |
| Repayment of finance leases | – | (84.9) | (106.9) | – | – | -526.6% | – | – | – | – | – |
| Other flows from financing activities | 9.7 | 16.1 | 13.1 | 19.5 | 26.2% | 132.3% | 21.5 | 22.4 | 23.4 | 6.3% | 100.0% |
| Net increase/(decrease) in cash and cash equivalents | 196.3 | 404.0 | 483.4 | (65.9) | -169.5% | 19.0% | 161.0 | 210.0 | 219.4 | -249.3% | 9.7% |

Table 30.36 Sentech statements of financial performance, cash flow and financial position

| Statement of financial position | | Audited outcome | | | Revised estimate | Average growth rate (%) | Average: Expenditure/ Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average: Expenditure/ Total (%) |
|-------------------------------------|--|-----------------|----------------|----------------|------------------|-------------------------|---------------------------------|----------------------------------|----------------|----------------|-------------------------|---------------------------------|
| | | 2018/19 | 2019/20 | 2020/21 | | | | 2021/22 | 2022/23 | 2023/24 | | |
| R million | | | | | | | | | | | | |
| Carrying value of assets | | 1 161.8 | 1 128.0 | 1 070.8 | 1 346.2 | 5.0% | 31.2% | 1 454.6 | 1 609.6 | 1 681.9 | 7.7% | 36.7% |
| of which: | | | | | | | | | | | | |
| Acquisition of assets | | (78.5) | (72.9) | (70.7) | (229.0) | 42.9% | 100.0% | (369.0) | (350.0) | (365.7) | 16.9% | 100.0% |
| Investments | | – | 1 206.1 | 1 063.4 | 935.0 | – | 18.7% | 799.7 | 691.5 | 722.5 | -8.2% | 18.9% |
| Inventory | | 66.4 | 54.7 | 58.5 | 55.8 | -5.7% | 1.6% | 56.4 | 56.9 | 59.5 | 2.2% | 1.4% |
| Receivables and prepayments | | 400.8 | 343.3 | 137.4 | 104.0 | -36.2% | 7.0% | 105.0 | 106.1 | 110.9 | 2.2% | 2.6% |
| Cash and cash equivalents | | 1 112.4 | 1 516.4 | 1 999.8 | 1 809.3 | 17.6% | 41.1% | 1 646.9 | 1 604.2 | 1 676.2 | -2.5% | 40.5% |
| Taxation | | 16.2 | 38.5 | 9.2 | – | -100.0% | 0.4% | – | – | – | – | – |
| Total assets | | 2 757.7 | 4 286.9 | 4 339.0 | 4 250.3 | 15.5% | 100.0% | 4 062.7 | 4 068.3 | 4 250.9 | – | 100.0% |
| Accumulated surplus/(deficit) | | 1 482.1 | 1 443.9 | 1 752.1 | 1 509.4 | 0.6% | 40.8% | 1 533.4 | 1 542.8 | 1 612.0 | 2.2% | 37.3% |
| Capital and reserves | | 851.9 | 851.9 | 851.9 | 1 181.7 | 11.5% | 24.6% | 1 147.9 | 1 122.2 | 1 172.6 | -0.3% | 27.8% |
| Finance lease | | – | 1 578.0 | 1 216.3 | 1 277.2 | – | 23.7% | 1 258.3 | 1 295.7 | 1 353.8 | 2.0% | 31.2% |
| Deferred income | | 130.4 | 214.2 | 286.3 | 143.4 | 3.2% | 4.9% | – | – | – | -100.0% | 0.8% |
| Trade and other payables | | 150.2 | 136.9 | 165.0 | 82.2 | -18.2% | 3.6% | 61.6 | 46.2 | 48.3 | -16.2% | 1.4% |
| Taxation | | 70.8 | 4.5 | 14.5 | – | -100.0% | 0.8% | – | – | – | – | – |
| Provisions | | 72.2 | 57.4 | 53.0 | 56.4 | -7.9% | 1.6% | 61.4 | 61.4 | 64.2 | 4.4% | 1.5% |
| Total equity and liabilities | | 2 757.7 | 4 286.9 | 4 339.0 | 4 250.3 | 15.5% | 100.0% | 4 062.7 | 4 068.3 | 4 250.9 | – | 100.0% |

Personnel information**Table 30.37 Sentech personnel numbers and cost by salary level**

| Number of posts estimated for 31 March 2022 | | | Number and cost ¹ of personnel posts filled/planned for on funded establishment | | | | | | | | | | Average growth rate of personnel posts (%) | Average: Salary level/ Total (%) | | | | | |
|---|---|---|--|-----------|---------|------------------|---------|-----------|----------------------------------|-----------|---------|-----------|--|----------------------------------|--------|-----------|-----|--------|--------|
| Number of funded posts | Number of posts on approved establishment | Number of posts on approved establishment | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | | | | | | | |
| | | | 2020/21 | | 2021/22 | | 2022/23 | | 2023/24 | | 2024/25 | | 2021/22 - 2024/25 | | | | | | |
| Salary level | Number | Unit cost | Number | Unit cost | Number | Unit cost | Number | Unit cost | Number | Unit cost | Number | Unit cost | Number | Unit cost | Number | Unit cost | | | |
| 484 | 489 | 489 | 493 | 427.7 | 0.9 | 484 | 416.1 | 0.9 | 484 | 353.7 | 0.7 | 396 | 353.7 | 0.9 | 379 | 318.3 | 0.8 | -8.5% | 100.0% |
| 1 – 6 | 40 | 44 | 44 | 18.7 | 0.4 | 40 | 17.4 | 0.4 | 40 | 15.4 | 0.4 | 30 | 15.4 | 0.5 | 30 | 12.4 | 0.4 | -10.7% | 4.2% |
| 7 – 10 | 46 | 46 | 50 | 28.1 | 0.6 | 46 | 23.4 | 0.5 | 46 | 20.1 | 0.4 | 38 | 20.1 | 0.5 | 38 | 17.1 | 0.5 | -10.0% | 5.6% |
| 11 – 12 | 1 | 1 | 1 | 1.0 | 1.0 | 1 | 1.0 | 1.0 | 1 | 1.0 | 1.0 | 1 | 1.0 | 1.0 | 1 | 1.0 | 1.0 | – | 0.3% |
| 13 – 16 | 390 | 391 | 391 | 358.3 | 0.9 | 390 | 353.3 | 0.9 | 390 | 296.3 | 0.8 | 320 | 296.3 | 0.9 | 303 | 266.9 | 0.9 | -8.9% | 84.1% |
| 17 – 22 | 7 | 7 | 7 | 21.6 | 3.1 | 7 | 21.0 | 3.0 | 7 | 21.0 | 3.0 | 7 | 21.0 | 3.0 | 7 | 21.0 | 3.0 | – | 5.9% |

1. Rand million.

South African Broadcasting Corporation**Selected performance indicators****Table 30.38 South African Broadcasting Corporation performance indicators by programme/objective/activity and related priority**

| Indicator | Programme/Objective/Activity | MTSF priority | Audited performance | | | Estimated performance | MTEF targets | | |
|---|---|----------------|---------------------|----------------|----------------|-----------------------|--------------|------------|------------|
| | | | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
| Percentage of local content broadcast on public broadcasting service television channels per year | Local content delivery: Video entertainment | Entity mandate | SABC1: 73% | SABC1: 78% | SABC1: 68% | SABC1: 65% | SABC1: 65% | SABC1: 65% | SABC1: 65% |
| | | | SABC2: 71% | SABC2: 88% | SABC2: 76% | SABC2: 65% | SABC2: 65% | SABC2: 65% | SABC2: 65% |
| Broadcast of content in languages other than English on public broadcasting service channels per year | Local content delivery: Video entertainment | | – ¹ | – ¹ | – ¹ | SABC1: 75% | SABC1: 75% | SABC1: 75% | SABC1: 75% |
| Percentage of local music broadcast on public broadcasting service radio stations per year | Local content delivery: Radio | | 75% | 73% | 70% | 70% | 70% | 70% | 70% |

Table 30.38 South African Broadcasting Corporation performance indicators by programme/objective/activity and related priority

| Indicator | Programme/Objective/Activity | MTSF priority | Audited performance | | | Estimated performance | MTEF targets | | |
|---|-------------------------------|----------------|---------------------|-----------|-----------|-----------------------|--------------|---------|---------|
| | | | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
| Percentage of local music broadcast on public commercial radio stations and Lotus FM per year | Local content delivery: Radio | | 39% | 39% | 38% | 35% | 35% | 35% | 35% |
| Percentage of public broadcasting service radio stations (excluding Radio 2000) that achieved full compliance with the Independent Communications Authority of South Africa's specified genre quotas per year | Local content delivery: Radio | Entity mandate | 100% (14) | 100% (14) | 100% (14) | 100% | 100% | 100% | 100% |

1. No historical data available.

Entity overview

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

Over the MTEF period, the corporation will continue to transform its programming, operations and management. It will also explore other revenue opportunities through the introduction of its own streaming and satellite services and seek to increase revenue generated from advertising. The corporation will work with the department on legislative and regulatory interventions to assist with its long-term sustainability and will continue to focus on implementing its turnaround plan to ensure financial sustainability.

Expenditure is expected to increase at an average annual rate of 6.4 per cent, from R7 billion in 2021/22 to R8.5 billion in 2024/25, driven by increased investment in content, audience research and broadcasting costs. Compensation of the corporation's estimated 2 699 employees accounts for 33 per cent (R7.7 billion) of its projected spending over the medium term. As the corporation is mostly self-funding, transfers from the department account for an estimated 2.9 per cent (R663.2 million) of revenue over the medium term, while proceeds from television licence fees account for an estimated 15.9 per cent (R3.8 billion). The remaining 81.2 per cent (R20.2 billion) is expected to be generated by advertising and other commercial activities. Total revenue is expected to increase at an average annual rate of 10.9 per cent, from R6.4 billion in 2021/22 to R8.8 billion in 2024/25.

Programmes/Objectives/Activities

Table 30.39 South African Broadcasting Corporation expenditure trends and estimates by programme/objective/activity

| R million | Audited outcome | | | | Revised estimate | Average growth rate (%) | Average: Expenditure/ Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average: Expenditure/ Total (%) |
|--|-----------------|----------------|----------------|----------------|------------------|-------------------------|---------------------------------|----------------------------------|----------------|-------------|-------------------------|---------------------------------|
| | 2018/19 | 2019/20 | 2020/21 | 2021/22 | | | | 2022/23 | 2023/24 | 2024/25 | | |
| Administration | 1 571.6 | 1 530.2 | 1 274.5 | 1 779.6 | 4.2% | 23.8% | 1 811.4 | 1 952.5 | 2 040.2 | 4.7% | 24.5% | |
| Local content delivery: Video entertainment | 2 129.9 | 1 862.5 | 1 719.8 | 2 409.7 | 4.2% | 31.4% | 2 514.1 | 2 991.8 | 3 126.1 | 9.1% | 35.6% | |
| Local content delivery: Radio | 867.0 | 821.0 | 817.3 | 828.8 | -1.5% | 13.0% | 802.6 | 802.7 | 842.0 | 0.5% | 10.6% | |
| Universal access transmitter rollout news | 818.0 | 810.1 | 792.2 | 709.5 | -4.6% | 12.2% | 695.8 | 708.4 | 740.3 | 1.4% | 9.3% | |
| Sports of national interest and mandate | 725.0 | 454.3 | 233.8 | 384.9 | -19.0% | 6.8% | 583.1 | 580.1 | 606.1 | 16.3% | 6.9% | |
| Digital terrestrial migration and technology | 847.9 | 771.4 | 759.0 | 915.4 | 2.6% | 12.8% | 937.2 | 1 063.1 | 1 110.8 | 6.7% | 13.0% | |
| Total | 6 959.4 | 6 249.6 | 5 596.6 | 7 028.0 | 0.3% | 100.0% | 7 344.1 | 8 098.6 | 8 465.5 | 6.4% | 100.0% | |

Statements of financial performance, cash flow and financial position**Table 30.40 South African Broadcasting Corporation statements of financial performance, cash flow and financial position**

| Statement of financial performance | | | | | | | | | | | |
|--|-----------------|------------------|----------------|------------------|-------------------------|-------------------|----------------------------------|----------------|----------------|--------------------------------|-------------------|
| R million | Audited outcome | | | Revised estimate | Average growth rate (%) | | Medium-term expenditure estimate | | | Average Expenditure/ Total (%) | |
| | 2018/19 | 2019/20 | 2020/21 | | 2021/22 | 2018/19 - 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2021/22 - 2024/25 | 2021/22 - 2024/25 |
| Revenue | | | | | | | | | | | |
| Non-tax revenue | 6 289.6 | 5 539.3 | 4 844.6 | 6 214.9 | -0.4% | 96.6% | 7 278.3 | 8 227.8 | 8 539.7 | 11.2% | 97.2% |
| Sale of goods and services other than capital assets | 5 821.8 | 5 130.8 | 4 393.0 | 5 726.8 | -0.5% | 88.9% | 6 792.9 | 7 715.5 | 8 004.5 | 11.8% | 90.6% |
| Other non-tax revenue | 467.8 | 408.5 | 451.6 | 488.1 | 1.4% | 7.7% | 485.4 | 512.3 | 535.3 | 3.1% | 6.6% |
| Transfers received | 187.4 | 199.0 | 205.8 | 209.7 | 3.8% | 3.4% | 216.1 | 218.6 | 228.5 | 2.9% | 2.8% |
| Total revenue | 6 477.0 | 5 738.3 | 5 050.4 | 6 424.7 | -0.3% | 100.0% | 7 494.4 | 8 446.5 | 8 768.2 | 10.9% | 100.0% |
| Expenses | | | | | | | | | | | |
| Current expenses | 6 959.4 | 6 249.1 | 5 596.6 | 7 028.0 | 0.3% | 100.0% | 7 344.1 | 8 098.6 | 8 465.5 | 6.4% | 100.0% |
| Compensation of employees | 2 858.5 | 2 829.7 | 2 749.7 | 2 512.1 | -4.2% | 42.8% | 2 500.8 | 2 525.0 | 2 639.7 | 1.7% | 33.0% |
| Goods and services | 2 175.8 | 1 924.1 | 1 639.9 | 2 625.7 | 6.5% | 32.2% | 2 645.6 | 3 173.6 | 3 318.0 | 8.1% | 37.9% |
| Depreciation | 1 875.2 | 1 453.5 | 1 198.6 | 1 888.8 | 0.2% | 24.6% | 2 196.3 | 2 398.6 | 2 506.3 | 9.9% | 29.0% |
| Interest, dividends and rent on land | 49.8 | 41.9 | 8.3 | 1.3 | -70.2% | 0.4% | 1.4 | 1.4 | 1.5 | 4.5% | - |
| Transfers and subsidies | (0.0) | 0.5 | - | - | -100.0% | - | - | - | - | - | - |
| Total expenses | 6 959.4 | 6 249.6 | 5 596.6 | 7 028.0 | 0.3% | 100.0% | 7 344.1 | 8 098.6 | 8 465.5 | 6.4% | 100.0% |
| Surplus/(Deficit) | (482.4) | (511.4) | (546.1) | (603.3) | 7.7% | | 150.3 | 347.9 | 302.7 | -179.5% | |
| Cash flow statement | | | | | | | | | | | |
| Cash flow from operating activities | (74.2) | (1 209.9) | (690.1) | 131.8 | -221.1% | 100.0% | (249.5) | (12.8) | 1 013.6 | 97.4% | 100.0% |
| Receipts | | | | | | | | | | | |
| Non-tax receipts | 5 836.8 | 5 196.2 | 4 475.2 | 5 790.9 | -0.3% | 90.0% | 6 312.9 | 6 649.8 | 8 013.9 | 11.4% | 84.7% |
| Sales of goods and services other than capital assets | 5 821.8 | 5 131.3 | 4 393.0 | 5 773.6 | -0.3% | 89.1% | 6 312.4 | 6 649.3 | 8 004.5 | 11.5% | 84.6% |
| Other tax receipts | 14.9 | 64.9 | 82.1 | 17.3 | 5.1% | 0.8% | 0.5 | 0.5 | 9.4 | -18.4% | 0.1% |
| Transfers received | 187.4 | 198.5 | 205.8 | 209.7 | 3.8% | 3.4% | 216.1 | 218.6 | 228.5 | 2.9% | 2.8% |
| Financial transactions in assets and liabilities | 385.3 | 278.9 | 472.6 | 410.6 | 2.1% | 6.6% | 766.3 | 1 450.8 | 1 516.0 | 54.6% | 12.5% |
| Total receipts | 6 409.5 | 5 673.6 | 5 153.5 | 6 411.2 | - | 100.0% | 7 295.3 | 8 319.2 | 9 758.3 | 15.0% | 100.0% |
| Payment | | | | | | | | | | | |
| Current payments | 6 483.7 | 6 884.0 | 5 774.1 | 6 279.5 | -1.1% | 99.7% | 7 544.8 | 8 332.0 | 8 744.7 | 11.7% | 100.0% |
| Compensation of employees | 2 858.5 | 2 824.8 | 2 749.7 | 2 512.1 | -4.2% | 43.0% | 2 553.6 | 2 525.0 | 2 686.4 | 2.3% | 33.7% |
| Goods and services | 3 597.0 | 4 017.3 | 3 022.1 | 3 764.9 | 1.5% | 56.4% | 4 988.6 | 5 804.4 | 6 056.8 | 17.2% | 66.3% |
| Interest and rent on land | 28.1 | 41.9 | 2.3 | 2.5 | -55.5% | 0.3% | 2.5 | 2.6 | 1.5 | -15.4% | - |
| Transfers and subsidies | - | (0.5) | 69.5 | - | - | 0.3% | - | - | - | - | - |
| Total payments | 6 483.7 | 6 883.5 | 5 843.6 | 6 279.5 | -1.1% | 100.0% | 7 544.8 | 8 332.0 | 8 744.7 | 11.7% | 100.0% |
| Net cash flow from investing activities | (145.2) | (85.8) | (114.7) | (84.0) | -16.7% | 100.0% | (265.0) | (150.0) | (775.2) | 109.8% | 100.0% |
| Acquisition of property, plant, equipment and intangible assets | (138.7) | (102.2) | (116.4) | (157.0) | 4.2% | 125.7% | (250.0) | (125.0) | (543.7) | 51.3% | 108.7% |
| Acquisition of software and other intangible assets | (11.9) | (0.0) | (0.7) | (10.0) | -5.6% | 5.2% | (15.0) | (25.0) | (231.4) | 185.0% | 16.0% |
| Proceeds from the sale of property, plant, equipment and intangible assets | 5.3 | 16.4 | 2.4 | 83.0 | 149.7% | -30.9% | - | - | - | -100.0% | -24.7% |
| Net cash flow from financing activities | 161.5 | 3 356.0 | 154.7 | 205.2 | 8.3% | 100.0% | 246.6 | 211.6 | 211.6 | 1.0% | 100.0% |
| Deferred income | 180.1 | 183.5 | 183.5 | 209.7 | 5.2% | 84.5% | 216.1 | 218.6 | 218.6 | 1.4% | 99.1% |
| Borrowing activities | (3.4) | (2.5) | (14.0) | - | -100.0% | -2.8% | - | - | - | - | - |
| Repayment of finance leases | (15.2) | (25.1) | (14.9) | (4.5) | -33.4% | -5.5% | 30.5 | (7.0) | (7.0) | 15.9% | 0.9% |
| Other flows from financing activities | - | 3 200.0 | - | - | - | 23.8% | - | - | - | - | - |
| Net increase/(decrease) in cash and cash equivalents | (57.9) | 2 060.3 | (650.1) | 253.0 | -263.5% | 6.0% | (267.9) | 48.8 | 450.1 | 21.2% | 1.5% |

Table 30.40 South African Broadcasting Corporation statements of financial performance, cash flow and financial position

| Statement of financial position | | | | | | | | | | | | |
|-------------------------------------|-----------------|----------------|----------------|----------------|-----------------------------|--|---|----------------------------------|----------------|----------|--|---|
| R million | Audited outcome | | | | Revised estimate 2021/22 | Average growth rate (%) 2018/19 - 2021/22 | Average Expenditure/ Total (%) 2018/19 - 2021/22 | Medium-term expenditure estimate | | | Average growth rate (%) 2021/22 - 2024/25 | Average Expenditure/ Total (%) 2021/22 - 2024/25 |
| | 2018/19 | 2019/20 | 2020/21 | 2021/22 | | | | 2022/23 | 2023/24 | 2024/25 | | |
| Carrying value of assets | 1 637.3 | 1 588.1 | 1 542.7 | 1 623.2 | -0.3% | 28.2% | 1 741.8 | 1 669.2 | 1 743.9 | 2.4% | 32.9% | |
| <i>of which:</i> | | | | | | | | | | | | |
| Acquisition of assets | (138.7) | (102.2) | (116.4) | (157.0) | 4.2% | 100.0% | (250.0) | (125.0) | (543.7) | 51.3% | 100.0% | |
| Investments | – | 262.4 | 19.4 | – | – | 1.1% | – | – | – | – | – | |
| Inventory | 523.8 | 498.1 | 473.6 | 759.7 | 13.2% | 10.0% | 888.3 | 959.3 | 1 002.3 | 9.7% | 17.5% | |
| Receivables and prepayments | 998.6 | 919.1 | 752.5 | 886.7 | -3.9% | 15.7% | 1 137.6 | 1 360.8 | 1 421.9 | 17.1% | 23.4% | |
| Cash and cash equivalents | 72.6 | 2 132.9 | 1 482.8 | 1 231.6 | 156.9% | 20.9% | 481.6 | 280.0 | 292.6 | -38.1% | 11.0% | |
| Non-current assets held for sale | – | – | 1.5 | – | – | – | – | – | – | – | – | |
| Defined benefit plan assets | 2 049.9 | 775.1 | 1 796.5 | 775.1 | -27.7% | 23.9% | 775.1 | 775.1 | 809.9 | 1.5% | 15.2% | |
| Derivatives financial instruments | 10.6 | 7.3 | 8.5 | – | -100.0% | 0.1% | – | – | – | – | – | |
| Total assets | 5 292.8 | 6 183.1 | 6 077.6 | 5 276.3 | -0.1% | 100.0% | 5 024.5 | 5 044.4 | 5 270.7 | – | 100.0% | |
| Accumulated surplus/(deficit) | 1 446.6 | (212.2) | (219.1) | (1 660.3) | -204.7% | -2.8% | (1 510.0) | (1 306.2) | (1 350.6) | -6.7% | -28.3% | |
| Capital and reserves | 8.9 | 6.4 | – | – | -100.0% | 0.1% | – | – | – | – | – | |
| Capital reserve fund | 318.4 | 3 503.4 | 3 491.3 | 3 469.3 | 121.7% | 46.5% | 3 436.6 | 3 559.7 | 3 715.4 | 2.3% | 68.8% | |
| Borrowings | – | 19.4 | 14.9 | 19.4 | – | 0.2% | 49.9 | 356.4 | 356.4 | 163.8% | 3.8% | |
| Finance lease | 29.4 | 30.6 | 19.0 | – | -100.0% | 0.3% | – | – | – | – | – | |
| Deferred income | 82.8 | 363.3 | 196.0 | – | -100.0% | 2.7% | – | – | – | – | – | |
| Trade and other payables | 1 635.2 | 818.7 | 729.6 | 1 894.4 | 5.0% | 23.0% | 1 498.8 | 879.9 | 919.4 | -21.4% | 25.2% | |
| Taxation | 96.9 | 69.5 | 68.8 | (59.5) | -185.0% | 0.7% | (59.7) | (59.7) | (56.6) | -1.6% | -1.1% | |
| Provisions | 1 388.4 | 1 341.1 | 1 585.7 | 1 525.7 | 3.2% | 25.7% | 1 534.8 | 1 539.6 | 1 608.7 | 1.8% | 30.1% | |
| Derivatives financial instruments | 285.9 | 242.9 | 191.2 | 87.2 | -32.7% | 3.5% | 74.2 | 74.8 | 78.1 | -3.6% | 1.5% | |
| Total equity and liabilities | 5 292.8 | 6 183.1 | 6 077.6 | 5 276.3 | -0.1% | 100.0% | 5 024.5 | 5 044.4 | 5 270.7 | – | 100.0% | |

Personnel information

Table 30.41 South African Broadcasting Corporation personnel numbers and cost by salary level

| Number of posts estimated for 31 March 2022 | Number and cost ¹ of personnel posts filled/planned for on funded establishment | | | | | | | | | | | | | | Average growth rate of personnel posts (%) | Average Salary level/ Total (%) | | | |
|---|--|---|---------|---------|------------------|--------|----------------------------------|-----------|---------|---------|-----------|--------|---------|-----------|--|---------------------------------|-----|------|--------|
| | Number of funded posts | Number of posts on approved establishment | Actual | | Revised estimate | | Medium-term expenditure estimate | | | | | | | | | | | | |
| | | | 2020/21 | | 2021/22 | | 2022/23 | | 2023/24 | | 2024/25 | | | | | | | | |
| | | | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | | | | | |
| South African Broadcasting Corporation | | | | | | | | | | | | | | | | | | | |
| Salary level | 2 606 | 2 863 | 2 139 | 2 749.7 | 1.3 | 2 606 | 2 512.1 | 1.0 | 2 699 | 2 500.8 | 0.9 | 2 699 | 2 525.0 | 0.9 | 2 699 | 2 639.7 | 1.0 | 1.7% | 100.0% |
| 1 – 6 | 16 | 17 | 12 | 2.6 | 0.2 | 16 | 2.4 | 0.2 | 16 | 2.5 | 0.2 | 16 | 2.6 | 0.2 | 16 | 2.7 | 0.2 | 3.7% | 0.1% |
| 7 – 10 | 1 837 | 2 026 | 1 517 | 1 780.6 | 1.2 | 1 837 | 1 612.0 | 0.9 | 1 903 | 1 573.7 | 0.8 | 1 903 | 1 560.8 | 0.8 | 1 903 | 1 636.9 | 0.9 | 0.5% | 62.7% |
| 11 – 12 | 569 | 623 | 466 | 647.7 | 1.4 | 569 | 601.6 | 1.1 | 588 | 619.7 | 1.1 | 588 | 644.5 | 1.1 | 588 | 670.2 | 1.1 | 3.7% | 24.9% |
| 13 – 16 | 172 | 184 | 133 | 274.9 | 2.1 | 172 | 255.3 | 1.5 | 179 | 263.0 | 1.5 | 179 | 273.5 | 1.5 | 179 | 284.4 | 1.6 | 3.7% | 10.6% |
| 17 – 22 | 12 | 13 | 11 | 43.9 | 4.0 | 12 | 40.8 | 3.4 | 13 | 42.0 | 3.2 | 13 | 43.7 | 3.4 | 13 | 45.4 | 3.5 | 3.7% | 1.7% |

1. Rand million.

South African Post Office

Selected performance indicators

Table 30.42 South African Post Office performance indicators by programme/objective/activity and related priority

| Indicator | Programme/Objective/Activity | MTSF priority | Audited performance | | | Estimated performance | MTEF targets | | |
|---|------------------------------|----------------|---------------------|---------|---------|-----------------------|--------------|---------|---------|
| | | | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
| Total number of points of presence | Post office operations | Entity mandate | 2 180 | 2 120 | 2 098 | 1 979 | 1 979 | 1 979 | 1 979 |
| Percentage of regulated mail delivery standards achieved per year | Post office operations | Entity mandate | 71% | 89% | 53% | 92% | 92% | 92% | 92% |

Entity overview

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

of the post office, including universal service obligations, and grants it an exclusive mandate to conduct postal services in the reserved sector for items such as letters, postcards and parcels less than 1 kilogram.

Over the medium term, the post office will continue to provide universal access to postal and related services, focusing on courier services, postal services, financial services and e-commerce. The COVID-19 pandemic and subsequent lockdown restrictions resulted in a slowing down of the post office's business activities, which negatively affected revenue in 2020/21 and 2021/22. Accordingly, over the period ahead, the post office plans to focus on the implementation of its revised turnaround strategy to improve its financial position.

R1.6 billion over the MTEF period is allocated to fund the post office's public service mandate. This will enable it to maintain 1 979 points of presence, including post offices and retail postal agencies, and provide postal services in areas that have been historically neglected. Total expenditure is expected to decrease at an average annual rate of 4.8 per cent, from R7 billion in 2020/21 to R6 billion in 2024/25. This is mainly due to a decrease in spending on compensation of employees, from R4 billion in 2021/22 to R2.7 billion in 2024/25, due to the staff optimisation project, which will see the number of employees decrease from 16 275 in 2021/22 to a projected 10 254 in 2024/25.

The post office derives its revenue from providing postal and courier services, and from fees for financial transactions. Revenue is expected to increase at an average annual rate of 4.7 per cent, from R5.5 billion in 2021/22 to R6.3 billion in 2024/25, due to expected opportunities in the government sector and the unreserved market in which the post office competes with the private sector.

Programmes/Objectives/Activities

Table 30.43 South African Post Office expenditure trends and estimates by programme/objective/activity

| | Audited outcome | | | Revised estimate 2021/22 | Average growth rate (%) | | Medium-term expenditure estimate | | | Average growth rate (%) | |
|------------------------|-----------------|----------------|----------------|-----------------------------|-------------------------|---------------------------------|----------------------------------|----------------|----------------|-------------------------|---------------------------------|
| | 2018/19 | 2019/20 | 2020/21 | | 2018/19 - 2021/22 | Average: Expenditure/ Total (%) | 2022/23 | 2023/24 | 2024/25 | 2021/22 - 2024/25 | Average: Expenditure/ Total (%) |
| R million | | | | | | | | | | | |
| Administration | 1 209.7 | 2 383.5 | 2 227.1 | 2 546.9 | 28.2% | 31.0% | 2 615.8 | 2 494.8 | 2 741.3 | 2.5% | 41.9% |
| Logistics | 35.6 | 37.0 | 32.3 | 34.8 | -0.8% | 0.5% | 39.8 | 41.8 | 43.9 | 8.0% | 0.6% |
| Postbank | 548.5 | - | - | - | -100.0% | 2.1% | - | - | - | - | - |
| Post office operations | 4 801.1 | 4 437.9 | 4 185.7 | 4 436.5 | -2.6% | 66.4% | 3 421.7 | 3 260.8 | 3 260.8 | -9.8% | 57.4% |
| Total | 6 594.9 | 6 858.4 | 6 445.2 | 7 018.2 | 2.1% | 100.0% | 6 077.3 | 5 797.5 | 6 046.0 | -4.8% | 100.0% |

Statements of financial performance, cash flow and financial position

Table 30.44 South African Post Office statements of financial performance, cash flow and financial position

| Statement of financial performance | Audited outcome | | | Revised estimate 2021/22 | Average growth rate (%) | | Medium-term expenditure estimate | | | Average growth rate (%) | |
|--|------------------|------------------|------------------|-----------------------------|-------------------------|---------------------------------|----------------------------------|----------------|----------------|-------------------------|---------------------------------|
| | 2018/19 | 2019/20 | 2020/21 | | 2018/19 - 2021/22 | Average: Expenditure/ Total (%) | 2022/23 | 2023/24 | 2024/25 | 2021/22 - 2024/25 | Average: Expenditure/ Total (%) |
| R million | | | | | | | | | | | |
| Revenue | | | | | | | | | | | |
| Non-tax revenue | 5 495.2 | 4 518.0 | 3 619.9 | 4 988.9 | -3.2% | 92.3% | 4 935.0 | 5 476.0 | 5 763.5 | 4.9% | 91.0% |
| Sale of goods and services other than capital assets | 4 987.1 | 4 009.8 | 2 992.1 | 4 578.7 | -2.8% | 81.8% | 4 530.9 | 5 053.0 | 5 309.8 | 5.1% | 83.7% |
| Other non-tax revenue | 508.2 | 508.2 | 627.8 | 410.2 | -6.9% | 10.5% | 404.1 | 422.9 | 453.8 | 3.4% | 7.3% |
| Transfers received | - | 475.9 | 492.1 | 504.2 | - | 7.7% | 519.3 | 524.3 | 547.8 | 2.8% | 9.0% |
| Total revenue | 5 495.2 | 4 993.9 | 4 112.0 | 5 493.1 | - | 100.0% | 5 454.3 | 6 000.3 | 6 311.3 | 4.7% | 100.0% |
| Expenses | | | | | | | | | | | |
| Current expenses | 6 594.5 | 6 858.2 | 6 444.3 | 7 018.2 | 2.1% | 100.0% | 6 075.6 | 5 796.7 | 6 045.1 | -4.9% | 100.0% |
| Compensation of employees | 3 740.3 | 3 758.8 | 3 700.7 | 3 981.4 | 2.1% | 56.4% | 2 801.3 | 2 524.7 | 2 680.2 | -12.4% | 47.7% |
| Goods and services | 2 420.7 | 2 841.5 | 2 241.3 | 2 919.5 | 6.4% | 38.6% | 3 090.3 | 3 078.8 | 3 162.0 | 2.7% | 49.5% |
| Depreciation | 244.3 | 238.0 | 412.6 | 111.9 | -22.9% | 3.8% | 119.3 | 125.3 | 131.6 | 5.6% | 2.0% |
| Interest, dividends and rent on land | 189.2 | 20.0 | 89.6 | 5.4 | -69.4% | 1.2% | 64.7 | 67.9 | 71.3 | 135.7% | 0.9% |
| Transfers and subsidies | 0.4 | 0.2 | 0.9 | - | -100.0% | - | 1.7 | 0.8 | 0.9 | - | - |
| Total expenses | 6 594.9 | 6 858.4 | 6 445.2 | 7 018.2 | 2.1% | 100.0% | 6 077.3 | 5 797.5 | 6 046.0 | -4.8% | 100.0% |
| Surplus/(Deficit) | (1 099.7) | (1 864.6) | (2 333.2) | (1 525.1) | 11.5% | - | (623.0) | 202.8 | 265.3 | -155.8% | - |

Table 30.44 South African Post Office statements of financial performance, cash flow and financial position

| Statement of financial performance | | | | | | | | | | | |
|---|-----------------|------------------|------------------|------------------|-------------------------|---------------------------------|----------------------------------|----------------|----------------|-------------------------|---------------------------------|
| R million | Audited outcome | | | Revised estimate | Average growth rate (%) | Average: Expenditure/ Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average: Expenditure/ Total (%) |
| | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2018/19 - 2021/22 | | 2022/23 | 2023/24 | 2024/25 | 2021/22 - 2024/25 | |
| Cash flow statement | | | | | | | | | | | |
| Cash flow from operating activities | (855.4) | (1 626.7) | (1 920.6) | (1 407.7) | 18.1% | 100.0% | (437.2) | 396.7 | 469.1 | -169.3% | 100.0% |
| Receipts | | | | | | | | | | | |
| Non-tax receipts | 5 082.0 | 4 112.0 | 3 000.0 | 4 594.3 | -3.3% | 82.9% | 4 535.4 | 5 056.9 | 5 313.7 | 5.0% | 83.8% |
| Sales of goods and services other than capital assets | 4 987.1 | 4 009.8 | 2 992.1 | 4 578.7 | -2.8% | 81.8% | 4 530.9 | 5 053.0 | 5 309.8 | 5.1% | 83.7% |
| Other tax receipts | 94.9 | 102.2 | 7.9 | 15.6 | -45.2% | 1.1% | 4.5 | 3.8 | 3.9 | -37.0% | 0.1% |
| Transfers received | – | 475.9 | 492.1 | 504.2 | – | 7.7% | 519.3 | 524.3 | 547.8 | 2.8% | 9.0% |
| Financial transactions in assets and liabilities | 413.2 | 406.0 | 619.9 | 394.6 | -1.5% | 9.5% | 399.6 | 419.1 | 449.9 | 4.5% | 7.2% |
| Total receipts | 5 495.2 | 4 993.9 | 4 112.0 | 5 493.1 | – | 100.0% | 5 454.3 | 6 000.3 | 6 311.3 | 4.7% | 100.0% |
| Payment | | | | | | | | | | | |
| Current payments | 6 350.2 | 6 620.3 | 6 031.6 | 6 900.8 | 2.8% | 100.0% | 5 891.5 | 5 603.6 | 5 842.2 | -5.4% | 100.0% |
| Compensation of employees | 3 740.3 | 3 758.8 | 3 700.7 | 3 981.4 | 2.1% | 58.7% | 2 801.3 | 2 524.8 | 2 680.2 | -12.4% | 49.0% |
| Goods and services | 2 420.7 | 2 841.6 | 2 241.3 | 2 919.5 | 6.4% | 40.1% | 3 090.3 | 3 078.8 | 3 162.0 | 2.7% | 51.0% |
| Interest and rent on land | 189.2 | 20.0 | 89.6 | – | -100.0% | 1.2% | – | – | – | – | – |
| Transfers and subsidies | 0.4 | 0.2 | 0.9 | – | -100.0% | – | – | – | – | – | – |
| Total payments | 6 350.7 | 6 620.5 | 6 032.6 | 6 900.8 | 2.8% | 100.0% | 5 891.5 | 5 603.6 | 5 842.2 | -5.4% | 100.0% |
| Net cash flow from investing activities | 1 035.6 | (1 893.4) | 749.3 | (148.1) | -152.3% | 100.0% | (646.5) | (601.1) | (482.8) | 48.3% | 100.0% |
| Acquisition of property, plant, equipment and intangible assets | (119.0) | (67.8) | (42.2) | (113.8) | -1.5% | 15.8% | (378.0) | (485.0) | (386.0) | 50.2% | 74.0% |
| Acquisition of software and other intangible assets | (66.9) | – | – | (16.2) | -37.7% | 1.1% | (196.0) | (40.0) | (15.0) | -2.5% | 12.8% |
| Other flows from investing activities | 1 221.5 | (1 825.7) | 791.6 | (18.1) | -124.6% | 83.1% | (72.5) | (76.1) | (81.8) | 65.3% | 13.3% |
| Net cash flow from financing activities | 2 765.5 | (955.6) | 1 201.2 | (70.9) | -129.5% | 100.0% | 1 171.7 | 113.7 | 74.2 | -201.5% | 100.0% |
| Borrowing activities | (400.3) | – | – | – | -100.0% | -3.6% | – | – | – | – | – |
| Other flows from financing activities | 3 165.8 | (955.6) | 1 201.2 | (70.9) | -128.2% | 103.6% | 1 171.7 | 113.7 | 74.2 | -201.5% | 100.0% |
| Net increase/(decrease) in cash and cash equivalents | 2 945.6 | (4 475.8) | 29.9 | (1 626.8) | -182.0% | -10.8% | 88.0 | (90.7) | 60.6 | -133.4% | -5.6% |
| Statement of financial position | | | | | | | | | | | |
| Carrying value of assets | 2 737.2 | 2 427.5 | 2 438.8 | 2 351.4 | -4.9% | 29.6% | 2 309.0 | 2 781.0 | 3 168.7 | 10.5% | 42.5% |
| <i>of which:</i> | | | | | | | | | | | |
| Acquisition of assets | (119.0) | (67.8) | (42.2) | (113.8) | -1.5% | 100.0% | (378.0) | (485.0) | (386.0) | 50.2% | 100.0% |
| Investments | 5 368.4 | 2 143.4 | 2 063.9 | 1 926.1 | -28.9% | 29.8% | 1 860.8 | 1 845.3 | 1 864.7 | -1.1% | 30.2% |
| Inventory | 63.3 | 79.2 | 56.8 | 54.0 | -5.2% | 0.8% | 51.3 | 48.7 | 46.3 | -5.0% | 0.8% |
| Receivables and prepayments | 1 601.8 | 1 245.9 | 1 702.0 | 1 614.7 | 0.3% | 18.6% | 1 534.0 | 1 457.3 | 1 384.4 | -5.0% | 24.1% |
| Cash and cash equivalents | 6 186.9 | 1 711.1 | 1 741.0 | 114.3 | -73.6% | 21.2% | 202.2 | 111.5 | 172.1 | 14.6% | 2.4% |
| Total assets | 15 957.5 | 7 607.1 | 8 002.5 | 6 060.4 | -27.6% | 100.0% | 5 957.2 | 6 243.8 | 6 636.3 | 3.1% | 100.0% |
| Accumulated surplus/(deficit) | (4 618.8) | (9 708.4) | (12 198.9) | (13 723.9) | 43.8% | -133.9% | (14 346.9) | (14 144.5) | (13 879.5) | 0.4% | -225.7% |
| Capital and reserves | 9 805.2 | 9 668.5 | 9 668.0 | 9 668.0 | -0.5% | 117.2% | 9 668.0 | 9 668.0 | 9 668.0 | – | 155.6% |
| Finance lease | 2.9 | – | – | – | -100.0% | – | – | – | – | – | – |
| Deferred income | 178.9 | 169.5 | 119.1 | 125.1 | -11.3% | 1.7% | 131.3 | 137.9 | 144.8 | 5.0% | 2.2% |
| Trade and other payables | 8 502.6 | 5 011.9 | 8 245.3 | 7 871.0 | -2.5% | 88.0% | 8 390.7 | 8 444.2 | 8 519.0 | 2.7% | 133.6% |
| Taxation | 18.8 | 18.6 | 17.3 | 16.1 | -5.1% | 0.2% | 15.0 | 13.9 | 12.9 | -7.0% | 0.2% |
| Provisions | 1 792.9 | 1 500.0 | 1 593.2 | 1 652.9 | -2.7% | 19.5% | 1 715.9 | 1 782.5 | 1 852.8 | 3.9% | 28.1% |
| Derivatives financial instruments | 275.0 | 946.9 | 558.5 | 451.3 | 17.9% | 7.1% | 383.2 | 341.7 | 318.1 | -11.0% | 6.0% |
| Total equity and liabilities | 15 957.5 | 7 607.1 | 8 002.5 | 6 060.4 | -27.6% | 100.0% | 5 957.2 | 6 243.8 | 6 636.3 | 3.1% | 100.0% |

Personnel information**Table 30.45 South African Post Office personnel numbers and cost by salary level**

| Number of posts estimated for 31 March 2022 | | Number and cost ¹ of personnel posts filled/planned for on funded establishment | | | | | | | | | | | | | | | Average growth rate of personnel posts (%) | Average: Salary level/Total (%) | |
|---|---|--|--------|-----------|------------------|---------|-----------|----------------------------------|---------|-----------|--------|---------|-----------|--------|--------|-----------|--|---------------------------------|--------|
| Number of funded posts | Number of posts on approved establishment | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | | | | | | 2021/22 - 2024/25 | | |
| | | 2020/21 | | 2021/22 | | 2022/23 | | | 2023/24 | | | 2024/25 | | | | | | | |
| South African Post Office | | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | | | |
| Salary level | 16 275 | 16 275 | 16 317 | 3 700.7 | 0.2 | 16 275 | 3 981.4 | 0.2 | 11 406 | 2 801.3 | 0.2 | 10 254 | 2 524.7 | 0.2 | 10 254 | 2 680.2 | 0.3 | -12.4% | 100.0% |
| 1 – 6 | 13 017 | 13 017 | 13 745 | 2 622.1 | 0.2 | 13 017 | 2 616.1 | 0.2 | 9 115 | 1 832.3 | 0.2 | 8 183 | 1 642.8 | 0.2 | 8 183 | 1 744.0 | 0.2 | -12.6% | 65.3% |
| 7 – 10 | 3 108 | 3 108 | 2 451 | 949.9 | 0.4 | 3 108 | 1 191.1 | 0.4 | 2 174 | 830.4 | 0.4 | 1 959 | 748.6 | 0.4 | 1 959 | 794.6 | 0.4 | -12.6% | 29.7% |
| 11 – 12 | 107 | 107 | 86 | 77.9 | 0.9 | 107 | 100.6 | 0.9 | 80 | 74.6 | 0.9 | 76 | 70.7 | 0.9 | 76 | 75.1 | 1.0 | -9.3% | 2.7% |
| 13 – 16 | 36 | 36 | 30 | 40.0 | 1.3 | 36 | 53.3 | 1.5 | 30 | 44.1 | 1.5 | 29 | 42.7 | 1.5 | 29 | 45.3 | 1.6 | -5.3% | 1.6% |
| 17 – 22 | 7 | 7 | 5 | 10.8 | 2.2 | 7 | 20.2 | 2.9 | 7 | 19.9 | 2.8 | 7 | 19.9 | 2.8 | 7 | 21.1 | 3.0 | 1.6% | 0.7% |

1. Rand million.

State Information Technology Agency**Selected performance indicators****Table 30.46 State Information Technology Agency performance indicators by programme/objective/activity and related priority**

| Indicator | Programme/Objective/Activity | MTSF priority | Audited performance | | | Estimated performance | MTEF targets | | |
|--|------------------------------|----------------|---------------------|---------------|------------|-----------------------|--------------|---------|---------|
| | | | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
| Number of e-government services implemented per year | Revenue generation stream | Entity mandate | 50 | 80 | 100 | 100 | 100 | 100 | 100 |
| Percentage of projects timeously, successfully and satisfactorily delivered within budget per year | Revenue generation stream | | 85% (799/935) | 95% (892/930) | 100% (910) | 100% (910) | 100% | 100% | 100% |

Entity overview

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

Over the period ahead, the agency will focus on its financial sustainability, and has reconfigured its strategic programmes to complement the objectives of the national economic reconstruction and recovery plan. In line with this focus, it will continue to seek collaborations with the industry and learning institutions to create relevant and useful content and seek to build innovation capital by encouraging initiatives such as hackathons among the public. The agency will also partner with local research institutions to develop innovative digital solutions for government and focus on information and cybersecurity to ensure that the state and its citizens are able to transact, communicate and interface within a secure and safe environment.

Expenditure is expected to increase at an average annual rate of 3.8 per cent, from R6.2 billion in 2021/22 to R7 billion in 2024/25. Goods and services accounts for an estimated 61.2 per cent (R12.2 billion) of expenditure over the medium term, mostly for the provision of IT services, whereas compensation of employees accounts for an estimated 33.5 per cent (R6.7 billion). As the implementation of strategic projects – such as South Africa Connect, cloud infrastructure and the Gauteng broadband network – require substantial capital investment, R1.5 billion is allocated for the acquisition of assets over the MTEF period.

The agency generates revenue by providing ICT infrastructure and services to government departments and organs of state. Revenue is expected to increase at an average annual rate of 4.3 per cent, from R6.2 billion in 2021/22 to R7.1 billion in 2024/25.

Programmes/Objectives/Activities**Table 30.47 State Information Technology Agency expenditure trends and estimates by programme/objective/activity**

| R million | Audited outcome | | | Revised estimate 2021/22 | Average growth rate (%) 2018/19 - 2021/22 | Average: Expenditure/ Total (%) 2018/19 - 2021/22 | Medium-term expenditure estimate | | | Average growth rate (%) 2021/22 - 2024/25 | Average: Expenditure/ Total (%) 2021/22 - 2024/25 |
|---------------------------|-----------------|----------------|----------------|-----------------------------|--|--|----------------------------------|----------------|----------------|--|--|
| | 2018/19 | 2019/20 | 2020/21 | | | | 2022/23 | 2023/24 | 2024/25 | | |
| Administration | 1 039.9 | 1 456.1 | 1 809.0 | 1 330.2 | 8.6% | 25.2% | 2 166.1 | 1 447.1 | 1 910.5 | 12.8% | 26.2% |
| Revenue generation stream | 4 300.2 | 3 658.1 | 3 925.0 | 4 886.5 | 4.4% | 74.8% | 4 173.5 | 5 209.0 | 5 043.8 | 1.1% | 73.8% |
| Total | 5 340.0 | 5 114.2 | 5 734.0 | 6 216.7 | 5.2% | 100.0% | 6 339.6 | 6 656.1 | 6 954.3 | 3.8% | 100.0% |

Statements of financial performance, cash flow and financial position**Table 30.48 State Information Technology Agency statements of financial performance, cash flow and financial position**

| Statement of financial performance | | | | | | | | | | | |
|---|-----------------|----------------|----------------|-----------------------------|--|--|----------------------------------|----------------|----------------|--|--|
| R million | Audited outcome | | | Revised estimate 2021/22 | Average growth rate (%) 2018/19 - 2021/22 | Average: Expenditure/ Total (%) 2018/19 - 2021/22 | Medium-term expenditure estimate | | | Average growth rate (%) 2021/22 - 2024/25 | Average: Expenditure/ Total (%) 2021/22 - 2024/25 |
| | 2018/19 | 2019/20 | 2020/21 | | | | 2022/23 | 2023/24 | 2024/25 | | |
| Revenue | | | | | | | | | | | |
| Non-tax revenue | 5 203.0 | 5 237.8 | 5 828.9 | 6 226.1 | 6.2% | 99.8% | 6 493.8 | 6 773.1 | 7 071.1 | 4.3% | 100.0% |
| Sale of goods and services other than capital assets | 5 027.3 | 5 121.9 | 5 767.8 | 6 202.4 | 7.3% | 98.1% | 6 482.0 | 6 747.3 | 7 044.2 | 4.3% | 99.7% |
| Other non-tax revenue | 175.7 | 115.8 | 61.1 | 23.7 | -48.7% | 1.7% | 11.8 | 25.8 | 26.9 | 4.3% | 0.3% |
| Transfers received | 35.5 | - | - | - | -100.0% | 0.2% | - | - | - | - | - |
| Total revenue | 5 238.5 | 5 237.8 | 5 828.9 | 6 226.1 | 5.9% | 100.0% | 6 493.8 | 6 773.1 | 7 071.1 | 4.3% | 100.0% |
| Expenses | | | | | | | | | | | |
| Current expenses | 5 268.2 | 4 996.6 | 5 430.8 | 6 213.0 | 5.7% | 97.8% | 6 332.1 | 6 652.1 | 6 950.2 | 3.8% | 99.9% |
| Compensation of employees | 1 839.3 | 1 822.7 | 1 902.3 | 2 092.1 | 4.4% | 34.2% | 2 023.8 | 2 275.9 | 2 376.0 | 4.3% | 33.5% |
| Goods and services | 3 236.2 | 3 011.0 | 3 340.8 | 3 833.5 | 5.8% | 59.9% | 3 864.2 | 4 063.5 | 4 247.7 | 3.5% | 61.2% |
| Depreciation | 192.7 | 160.6 | 181.8 | 287.4 | 14.3% | 3.6% | 444.1 | 312.7 | 326.5 | 4.3% | 5.3% |
| Interest, dividends and rent on land | - | 2.2 | 5.9 | - | - | - | - | - | - | - | - |
| Transfers and subsidies | 71.8 | 117.6 | 303.1 | 3.7 | -62.9% | 2.2% | 7.5 | 4.0 | 4.2 | 4.3% | 0.1% |
| Total expenses | 5 340.0 | 5 114.2 | 5 734.0 | 6 216.7 | 5.2% | 100.0% | 6 339.6 | 6 656.1 | 6 954.3 | 3.8% | 100.0% |
| Surplus/(Deficit) | (101.5) | 123.6 | 94.9 | 9.4 | -145.2% | | 154.2 | 117.0 | 116.7 | 131.6% | |
| Cash flow statement | | | | | | | | | | | |
| Cash flow from operating activities | (160.4) | 443.9 | 656.2 | 405.8 | -236.2% | 100.0% | 327.1 | 450.2 | 480.5 | 5.8% | 100.0% |
| Receipts | | | | | | | | | | | |
| Non-tax receipts | 5 369.3 | 6 764.9 | 6 488.3 | 5 848.2 | 2.9% | 100.0% | 8 287.9 | 8 558.6 | 8 558.7 | 13.5% | 100.0% |
| Sales of goods and services other than capital assets | 5 295.6 | 6 710.9 | 6 444.4 | 5 803.5 | 3.1% | 99.1% | 8 243.2 | 8 513.9 | 8 514.0 | 13.6% | 99.4% |
| Other tax receipts | 73.7 | 54.0 | 43.9 | 44.7 | -15.4% | 0.9% | 44.7 | 44.7 | 44.7 | - | 0.6% |
| Total receipts | 5 369.3 | 6 764.9 | 6 488.3 | 5 848.2 | 2.9% | 100.0% | 8 287.9 | 8 558.6 | 8 558.7 | 13.5% | 100.0% |
| Payment | | | | | | | | | | | |
| Current payments | 5 474.6 | 6 257.0 | 5 740.5 | 5 438.8 | -0.2% | 99.1% | 7 957.0 | 8 104.5 | 8 074.1 | 14.1% | 99.9% |
| Compensation of employees | 1 855.1 | 1 806.3 | 1 929.5 | 1 812.5 | -0.8% | 32.1% | 2 462.8 | 2 453.4 | 2 423.1 | 10.2% | 31.1% |
| Goods and services | 3 619.5 | 4 450.7 | 3 811.0 | 3 626.3 | 0.1% | 67.0% | 5 494.1 | 5 651.0 | 5 651.0 | 15.9% | 68.8% |
| Transfers and subsidies | 55.2 | 64.1 | 91.7 | 3.7 | -59.5% | 0.9% | 3.8 | 4.0 | 4.2 | 4.3% | 0.1% |
| Total payments | 5 529.8 | 6 321.1 | 5 832.1 | 5 442.4 | -0.5% | 100.0% | 7 960.8 | 8 108.4 | 8 078.3 | 14.1% | 100.0% |
| Net cash flow from investing activities | (271.5) | (265.9) | (151.8) | (689.0) | 36.4% | 100.0% | (500.0) | (500.0) | (500.0) | -10.1% | 100.0% |
| Acquisition of property, plant, equipment and intangible assets | (120.6) | (180.1) | (42.3) | (689.0) | 78.8% | 60.0% | (500.0) | (500.0) | (500.0) | -10.1% | 100.0% |
| Acquisition of software and other intangible assets | (151.0) | (85.7) | (109.5) | - | -100.0% | 40.0% | - | - | - | - | - |
| Net cash flow from financing activities | - | (0.2) | (1.3) | - | - | - | - | - | - | - | - |
| Repayment of finance leases | - | (0.2) | (1.3) | - | - | - | - | - | - | - | - |
| Net increase/(decrease) in cash and cash equivalents | (432.0) | 177.8 | 503.0 | (283.2) | -13.1% | -0.1% | (172.9) | (49.8) | (19.5) | -59.0% | -2.1% |

Table 30.48 State Information Technology Agency statements of financial performance, cash flow and financial position

| Statement of financial position | | | | Revised estimate | Average growth rate (%) | Average: Expenditure/ Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average: Expenditure/ Total (%) |
|-------------------------------------|----------------|----------------|----------------|------------------|-------------------------|---------------------------------|----------------------------------|----------------|-------------------|-------------------------|---------------------------------|
| Audited outcome | | | 2021/22 | | | | 2018/19 - 2021/22 | 2022/23 | 2023/24 | | |
| R million | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2018/19 - 2021/22 | 2022/23 | 2023/24 | 2024/25 | 2021/22 - 2024/25 | 2021/22 - 2024/25 | |
| Carrying value of assets | 1 094.4 | 1 675.8 | 1 634.0 | 1 721.6 | 16.3% | 32.1% | 1 958.1 | 1 720.0 | 1 944.5 | 4.1% | 41.0% |
| <i>of which:</i> | | | | | | | | | | | |
| Acquisition of assets | (120.6) | (180.1) | (42.3) | (689.0) | 78.8% | 100.0% | (500.0) | (500.0) | (500.0) | -10.1% | 100.0% |
| Investments | 195.9 | – | – | – | -100.0% | 1.1% | – | – | – | – | – |
| Inventory | – | 293.7 | 150.5 | – | – | 2.3% | – | – | – | – | – |
| Receivables and prepayments | 1 759.7 | 1 202.5 | 1 431.4 | 1 325.7 | -9.0% | 30.2% | 1 313.7 | 1 083.2 | 1 142.4 | -4.8% | 27.0% |
| Cash and cash equivalents | 1 173.2 | 1 351.0 | 1 854.0 | 1 570.7 | 10.2% | 31.0% | 1 397.9 | 1 284.1 | 1 075.5 | -11.9% | 29.6% |
| Taxation | 206.6 | 166.2 | 127.6 | 119.3 | -16.7% | 3.3% | 109.4 | 111.0 | 100.1 | -5.7% | 2.5% |
| Total assets | 4 429.7 | 4 689.1 | 5 197.4 | 4 737.4 | 2.3% | 100.0% | 4 779.1 | 4 198.3 | 4 262.6 | -3.5% | 100.0% |
| Accumulated surplus/(deficit) | 2 208.8 | 2 768.3 | 2 863.2 | 2 853.7 | 8.9% | 56.1% | 2 964.7 | 2 366.7 | 2 377.4 | -5.9% | 58.6% |
| Capital and reserves | 627.3 | 627.3 | 627.3 | 627.3 | – | 13.2% | 627.3 | 627.3 | 627.3 | – | 14.0% |
| Finance lease | – | 90.7 | 67.3 | – | – | 0.8% | – | 16.1 | 11.3 | – | 0.2% |
| Trade and other payables | 1 524.5 | 905.5 | 1 329.7 | 985.2 | -13.5% | 25.0% | 921.8 | 1 075.1 | 1 122.4 | 4.4% | 23.0% |
| Taxation | – | 64.8 | 183.5 | 164.4 | – | 2.1% | 148.0 | – | – | -100.0% | 1.6% |
| Provisions | 69.2 | 93.5 | 10.4 | 103.5 | 14.4% | 1.5% | 113.9 | 111.4 | 122.6 | 5.8% | 2.5% |
| Derivatives financial instruments | – | 139.1 | 116.0 | 3.1 | – | 1.3% | 3.3 | 1.6 | 1.7 | -18.7% | 0.1% |
| Total equity and liabilities | 4 429.7 | 4 689.1 | 5 197.4 | 4 737.4 | 2.3% | 100.0% | 4 779.1 | 4 198.3 | 4 262.6 | -3.5% | 100.0% |

Personnel information

Table 30.49 State Information Technology Agency personnel numbers and cost by salary level

| Number of posts estimated for 31 March 2022 | | Number and cost ¹ of personnel posts filled/planned for on funded establishment | | | | | | | | | | | | Average growth rate of personnel posts (%) | Average: Salary level/ Total (%) | | | | |
|---|---|--|---------|-----------|------------------|---------|-----------|----------------------------------|---------|-----------|--------|-------------------|-----------|--|----------------------------------|-----------|------|--------|-------|
| Number of funded posts | Number of posts on approved establishment | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | | | | | | | | |
| | | 2020/21 | | 2021/22 | | 2022/23 | | 2023/24 | | 2024/25 | | 2021/22 - 2024/25 | | | | | | | |
| State Information Technology Agency | | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | | | |
| Salary level | 3 262 | 3 186 | 1 902.3 | 0.6 | 3 262 | 2 092.1 | 0.6 | 3 262 | 2 023.8 | 0.6 | 3 262 | 2 275.9 | 0.7 | 3 262 | 2 376.0 | 0.7 | 4.3% | 100.0% | |
| 1 – 6 | 9 | 9 | 13 | 2.9 | 0.2 | 9 | 3.0 | 0.3 | 9 | 2.1 | 0.2 | 9 | 2.2 | 0.2 | 9 | 2.3 | 0.3 | -8.8% | 0.1% |
| 7 – 10 | 49 | 49 | 49 | 4.3 | 0.1 | 49 | 4.5 | 0.1 | 49 | 5.0 | 0.1 | 49 | 5.2 | 0.1 | 49 | 5.5 | 0.1 | 6.5% | 0.2% |
| 11 – 12 | 2 410 | 2 410 | 2 338 | 1 027.7 | 0.4 | 2 410 | 1 152.5 | 0.5 | 2 410 | 1 107.4 | 0.5 | 2 410 | 1 331.6 | 0.6 | 2 410 | 1 399.7 | 0.6 | 6.7% | 56.8% |
| 13 – 16 | 783 | 783 | 775 | 838.0 | 1.1 | 783 | 898.7 | 1.1 | 783 | 874.1 | 1.1 | 783 | 901.7 | 1.2 | 783 | 933.4 | 1.2 | 1.3% | 41.3% |
| 17 – 22 | 11 | 11 | 11 | 29.4 | 2.7 | 11 | 33.3 | 3.0 | 11 | 35.1 | 3.2 | 11 | 35.1 | 3.2 | 11 | 35.2 | 3.2 | 1.8% | 1.6% |

1. Rand million.

Universal Service and Access Agency of South Africa

Entity overview

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

The agency is allocated a total budget of R263.7 million over the MTEF period, which is derived through transfers from the department. These funds will mostly be used to manage the implementation of the broadcasting digital migration project. Total expenditure is expected to decrease at an average annual rate of 20 per cent, from R177.1 million in 2021/22 to R90.8 million in 2024/25, because of additional funding for the broadcasting digital migration project, which was earmarked for the South African Post Office to cover distribution costs, coming to an end in 2021/22.

Programmes/Objectives/Activities

Table 30.50 Universal Service and Access Agency of South Africa expenditure trends and estimates by programme/objective/activity

| R million | Audited outcome | | | Revised estimate | Average growth rate (%) | Average: Expenditure/Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average: Expenditure/Total (%) |
|----------------|-----------------|-------------|-------------|------------------|-------------------------|--------------------------------|----------------------------------|-------------|-------------|-------------------------|--------------------------------|
| | 2018/19 | 2019/20 | 2020/21 | | | | 2021/22 | 2022/23 | 2023/24 | | |
| Administration | 107.5 | 91.6 | 65.9 | 177.1 | 18.1% | 100.0% | 86.0 | 86.9 | 90.8 | -20.0% | 100.0% |
| Total | 107.5 | 91.6 | 65.9 | 177.1 | 18.1% | 100.0% | 86.0 | 86.9 | 90.8 | -20.0% | 100.0% |

Statements of financial performance, cash flow and financial position

Table 30.51 Universal Service and Access Agency of South Africa statements of financial performance, cash flow and financial position

| Statement of financial performance | | | | | | | | | | | |
|--------------------------------------|-----------------|--------------|--------------|------------------|-------------------------|--------------------------------|----------------------------------|-------------|-------------|-------------------------|--------------------------------|
| R million | Audited outcome | | | Revised estimate | Average growth rate (%) | Average: Expenditure/Total (%) | Medium-term expenditure estimate | | | Average growth rate (%) | Average: Expenditure/Total (%) |
| | 2018/19 | 2019/20 | 2020/21 | | | | 2021/22 | 2022/23 | 2023/24 | | |
| Revenue | | | | | | | | | | | |
| Non-tax revenue | 1.8 | 2.4 | 4.0 | - | -100.0% | 1.7% | - | - | - | - | - |
| Other non-tax revenue | 1.8 | 2.4 | 4.0 | - | -100.0% | 1.7% | - | - | - | - | - |
| Transfers received | 80.1 | 82.9 | 261.4 | 177.1 | 30.3% | 98.3% | 86.0 | 86.9 | 90.8 | -20.0% | 100.0% |
| Total revenue | 81.9 | 85.4 | 265.4 | 177.1 | 29.3% | 100.0% | 86.0 | 86.9 | 90.8 | -20.0% | 100.0% |
| Expenses | | | | | | | | | | | |
| Current expenses | 107.5 | 91.6 | 65.9 | 177.1 | 18.1% | 100.0% | 86.0 | 86.9 | 90.8 | -20.0% | 100.0% |
| Compensation of employees | 47.8 | 48.8 | 50.5 | 62.3 | 9.2% | 52.4% | 62.7 | 65.5 | 68.4 | 3.2% | 64.7% |
| Goods and services | 43.2 | 26.2 | 14.3 | 114.8 | 38.5% | 38.9% | 23.3 | 21.3 | 22.3 | -42.1% | 35.3% |
| Depreciation | 16.5 | 16.3 | 0.3 | - | -100.0% | 8.4% | - | - | - | - | - |
| Interest, dividends and rent on land | 0.0 | 0.3 | 0.7 | - | -100.0% | 0.4% | - | - | - | - | - |
| Total expenses | 107.5 | 91.6 | 65.9 | 177.1 | 18.1% | 100.0% | 86.0 | 86.9 | 90.8 | -20.0% | 100.0% |
| Surplus/(Deficit) | (25.6) | (6.2) | 199.5 | - | -100.0% | - | - | - | - | - | - |

Personnel information

Table 30.52 Universal Service and Access Agency of South Africa personnel numbers and cost by salary level

| Number of posts estimated for 31 March 2022 | | Number and cost ¹ of personnel posts filled/planned for on funded establishment | | | | | | | | | | | | | | | Average growth rate of personnel posts (%) | Average: Salary level/Total (%) | |
|---|---|--|------|-----------|------------------|---------|-----------|----------------------------------|------|-----------|--------|-------------------|-----------|--------|------|-----------|--|---------------------------------|--------|
| Number of funded posts | Number of posts approved on establishment | Actual | | | Revised estimate | | | Medium-term expenditure estimate | | | | | | | | | | | |
| | | 2020/21 | | 2021/22 | | 2022/23 | | 2023/24 | | 2024/25 | | 2021/22 - 2024/25 | | | | | | | |
| Universal Service and Access Agency of South Africa | | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | Number | Cost | Unit cost | | | |
| Salary level | 63 | 63 | 64 | 50.5 | 0.8 | 63 | 62.3 | 1.0 | 63 | 62.7 | 1.0 | 63 | 65.5 | 1.0 | 63 | 68.4 | 1.1 | 3.2% | 100.0% |
| 1 – 6 | 4 | 4 | 4 | 0.6 | 0.2 | 4 | 0.7 | 0.2 | 4 | 0.7 | 0.2 | 4 | 0.7 | 0.2 | 4 | 0.7 | 0.2 | 1.1% | 1.0% |
| 7 – 10 | 31 | 31 | 32 | 15.6 | 0.5 | 31 | 25.2 | 0.8 | 31 | 25.4 | 0.8 | 31 | 26.5 | 0.9 | 31 | 27.7 | 0.9 | 3.2% | 40.5% |
| 11 – 12 | 14 | 14 | 14 | 12.5 | 0.9 | 14 | 13.6 | 1.0 | 14 | 13.7 | 1.0 | 14 | 14.3 | 1.0 | 14 | 15.0 | 1.1 | 3.2% | 21.9% |
| 13 – 16 | 14 | 14 | 14 | 21.8 | 1.6 | 14 | 22.8 | 1.6 | 14 | 22.9 | 1.6 | 14 | 24.0 | 1.7 | 14 | 25.0 | 1.8 | 3.2% | 36.6% |

1. Rand million.

Universal Service and Access Fund

Selected performance indicators

Table 30.53 Universal Service and Access Fund performance indicators by programme/objective/activity and related priority

| Indicator | Programme/Objective/Activity | MTSF priority | Audited performance | | | Estimated performance | MTEF targets | | |
|--|---|----------------|---------------------|----------------|----------------|-----------------------|----------------|----------------|----------------|
| | | | 2018/19 | 2019/20 | 2020/21 | 2021/22 | 2022/23 | 2023/24 | 2024/25 |
| Number of subsidised set-top box kits installed at qualifying households per year | Broadcasting digital migration programme | Entity mandate | 209 689 | 2 295 | 860 000 | 360 000 | - ¹ | - ¹ | - ¹ |
| Number of new sites with broadband internet connectivity in identified local municipal areas per year | Broadband infrastructure and connectivity to underserved and unserved areas | | 200 | 0 | 300 | 350 | 400 | 450 | - ² |
| Number of integrated digital televisions distributed to qualifying indigent matriculants to access digital broadcast remote learning facilities per year | Broadcasting digital migration programme | | - ³ | - ³ | - ³ | 100 000 | - ¹ | - ¹ | - ¹ |

1. Project concluded.

2. No projection available.

3. No historical data available.

Entity overview

The Universal Service and Access Fund was established in terms of section 89(1) of the Electronic Communications Act (2005) and is listed as a schedule 3A public entity in the Public Finance Management Act (1999). The fund's sole mandate is to subsidise ICT equipment and services, and electronic communications and broadcasting networks for needy people in underserved areas. The fund is managed by the Universal Service and Access Agency of South Africa.

Over the medium term, the fund will focus on concluding the broadcasting digital migration project, which will ensure the release of much-needed spectrum. In line with the president's 2021 State of the Nation Address, analogue transmission is set to be shut down and switched to digital on 31 March 2022. As such, the fund will focus on providing aftermarket support for the installation of set-top boxes, supporting the objectives of the revised analogue switch-off plan adopted by Cabinet in September 2021, and funding the operational costs and the maintenance of the national call centre established to support broadcasting digital migration. The fund will also provide 850 sites in underserved areas with internet connectivity and maintain these connections over the period ahead.

The fund is allocated R386.7 million over the medium term, mostly for implementing activities related to broadcasting digital migration. These funds will be supplemented with transfers that have been made to the fund in previous financial years and retained with the approval of National Treasury in terms of section 53(3) of the Public Finance Management Act (1999). Total expenditure is expected to decrease at an average annual rate of 10.2 per cent, from R183.5 million in 2021/22 to R133.1 million in 2024/25, as the one-off allocations for broadcasting digital migration conclude in 2021/22. The fund derives all its revenue through transfers from the department and has no personnel.

Programmes/Objectives/Activities

Table 30.54 Universal Service and Access Fund expenditure trends and estimates by programme/objective/activity

| R million | Audited outcome | | | Revised estimate 2021/22 | Average growth rate (%) 2018/19 - 2021/22 | Average: Expenditure/ Total (%) 2018/19 - 2021/22 | Medium-term expenditure estimate | | | Average growth rate (%) 2021/22 - 2024/25 | Average: Expenditure/ Total (%) 2021/22 - 2024/25 |
|--|-----------------|-------------|-------------|-----------------------------|--|--|----------------------------------|--------------|--------------|--|--|
| | 2018/19 | 2019/20 | 2020/21 | | | | 2022/23 | 2023/24 | 2024/25 | | |
| Administration | 0.9 | 1.1 | 1.2 | 3.0 | 48.7% | 2.0% | 3.0 | 3.0 | 3.0 | - | 2.2% |
| Broadband infrastructure and connectivity to underserved areas | 33.6 | 14.8 | 0.1 | 61.2 | 22.1% | 17.6% | 63.8 | 64.4 | 67.4 | 3.3% | 46.3% |
| Broadcasting digital migration programme | 308.0 | 38.5 | 29.5 | 119.4 | -27.1% | 80.4% | 59.4 | 60.0 | 62.7 | -19.3% | 51.6% |
| Total | 342.5 | 54.4 | 30.8 | 183.5 | -18.8% | 100.0% | 126.2 | 127.4 | 133.1 | -10.2% | 100.0% |

Statements of financial performance, cash flow and financial position

Table 30.55 Universal Service and Access Fund statements of financial performance, cash flow and financial position

| Statement of financial performance | | | | | | | | | | | |
|------------------------------------|-----------------|--------------|--------------|-----------------------------|--|--|----------------------------------|--------------|--------------|--|--|
| R million | Audited outcome | | | Revised estimate 2021/22 | Average growth rate (%) 2018/19 - 2021/22 | Average: Expenditure/ Total (%) 2018/19 - 2021/22 | Medium-term expenditure estimate | | | Average growth rate (%) 2021/22 - 2024/25 | Average: Expenditure/ Total (%) 2021/22 - 2024/25 |
| | 2018/19 | 2019/20 | 2020/21 | | | | 2022/23 | 2023/24 | 2024/25 | | |
| Revenue | | | | | | | | | | | |
| Non-tax revenue | 82.4 | 75.5 | 39.2 | - | -100.0% | 28.1% | - | - | - | - | - |
| Other non-tax revenue | 82.4 | 75.5 | 39.2 | - | -100.0% | 28.1% | - | - | - | - | - |
| Transfers received | 76.7 | 63.6 | 563.5 | 1 137.5 | 145.7% | 71.9% | 126.2 | 127.4 | 133.1 | -51.1% | 100.0% |
| Total revenue | 159.1 | 139.1 | 602.7 | 1 137.5 | 92.6% | 100.0% | 126.2 | 127.4 | 133.1 | -51.1% | 100.0% |
| Expenses | | | | | | | | | | | |
| Current expenses | 0.9 | 1.1 | 1.2 | 3.0 | 48.7% | 2.0% | 3.0 | 3.0 | 3.0 | - | 2.2% |
| Goods and services | 0.9 | 1.1 | 1.2 | 3.0 | 48.7% | 2.0% | 3.0 | 3.0 | 3.0 | - | 2.2% |
| Transfers and subsidies | 341.6 | 53.3 | 29.5 | 180.5 | -19.1% | 98.0% | 123.2 | 124.4 | 130.1 | -10.3% | 97.8% |
| Total expenses | 342.5 | 54.4 | 30.8 | 183.5 | -18.8% | 100.0% | 126.2 | 127.4 | 133.1 | -10.2% | 100.0% |
| Surplus/(Deficit) | (183.4) | 84.7 | 571.9 | 954.0 | -273.3% | | - | - | - | -100.0% | |

