

**Estimates of
National Expenditure
2023**

**Vote 30: Communications
and Digital Technologies**

**National Treasury
Republic of South Africa**



Vote 30

Communications and Digital Technologies

Budget summary

R million	2023/24				2024/25	2025/26
	Current payments	Transfers and subsidies	Payments for capital assets	Total	Total	Total
MTEF allocation						
Administration	273.5	0.0	7.9	281.4	292.3	305.5
ICT International Relations and Affairs	31.5	40.2	0.6	72.2	75.7	79.4
ICT Policy Development and Research	43.6	–	0.2	43.7	45.7	47.2
ICT Enterprise and Public Entity Oversight	32.5	1 613.1	0.8	1 646.4	1 684.6	1 759.2
ICT Infrastructure Development and Support	1 381.3	–	0.6	1 381.9	2 199.1	313.2
ICT Information Society and Capacity Development	85.6	–	0.9	86.5	86.2	90.0
Total expenditure estimates	1 848.0	1 653.3	10.9	3 512.2	4 383.6	2 594.5

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 in an effort 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 Film and Publications Act (1996), as amended, which provides for the classification of certain films and publications, and establishes the Film and Publication Board and 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 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		
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Number of approved country position papers to support the digital economy per year	International Relations and Affairs	Departmental mandate	1	3	2	3	3	4	3
Number of quarterly state-owned entity performance reports analysed per year	ICT Enterprise Development and Public Entities Oversight		40	40	40	36	36	36	36
Number of identified government connected institutions maintained as part of the national broadband plan (phase 1) per year	ICT Infrastructure Development and Support	Priority 2: Economic transformation and job creation	570	970	970	970	970	970	970
Number of households connected as part of the national broadband plan (phase 2) per year	ICT Infrastructure Development and Support		-1	-1	-1	-1	1 943 403	3 886 305	0

1. No historical data available.

Expenditure overview

Over the medium term, the department will focus on coordinating the rollout of broadband into underserved areas through the South Africa Connect project, and enabling digital transformation and inclusion through legislative and regulatory interventions.

An estimated 52.7 per cent (R5.1 billion) of the department's budget of R10.5 billion over the MTEF period is allocated to transfers to entities for their operations, and for project-specific funding. Of this amount, R1.6 billion is allocated to the South African Post Office for its universal service obligations to provide postal services in underserved areas, and R720.8 million to the South African Broadcasting Corporation for various activities, including R35 million for the coverage of the national and provincial elections in 2023/24. Total expenditure is expected to decrease at an average annual rate of 3.9 per cent, from R2.9 billion in 2022/23 to R2.6 billion in 2025/26, as additional allocations to the Independent Communications Authority of South Africa for regulatory activities and the Universal Service and Access Fund for broadcasting digital migration come to an end.

Compensation of employees is the department's second-largest cost driver, accounting for 9.4 per cent of total spending and increasing at an average annual rate of 1.6 per cent, from R313.5 million in 2022/23 to R329.1 million in 2025/26.

Rolling out broadband in underserved areas

The department, supported by relevant state-owned entities such as Broadband Infraco, Sentech, and the State Information Technology Agency, will continue to provide broadband connectivity to 970 government facilities over the MTEF period through phase 1 of the South Africa Connect project. An additional R3 billion in 2023/24 and 2024/25 is allocated to the department to implement phase 2 of the project for capital equipment and new fibre infrastructure, or to lease existing fibre, to expand ICT networks into underserved areas. Phase 2 also involves the State Information Technology Agency upgrading and connecting government sites from existing budgets, and the Independent Communications Authority of South Africa imposing universal service obligations on mobile network operators to connect 18 036 schools, 3 873 health facilities and 8 241 tribal authority sites. Phases 1 and 2 are allocated R3.8 billion over the next 3 years in the *Broadband* subprogramme in the *ICT Infrastructure Development and Support* programme.

Enabling digital transformation and inclusion

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 Bill, introducing the South African Broadcasting Corporation Bill to Parliament, submitting the

digital economy framework and strategy for approval to Cabinet, finalising the national cloud computing policy and developing the Postal Services Amendment Bill. As a result, expenditure in the *ICT Policy Development and Research* programme is set to increase at an average annual rate of 1.4 per cent, from R45.3 million in 2022/23 to R47.2 million in 2025/26.

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	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)	
R million	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2022/23	2023/24	2024/25	2025/26	2022/23 - 2025/26	2025/26	
Programme 1	273.0	215.9	228.4	279.4	0.8%	6.5%	281.4	292.3	305.5	3.0%	8.6%	
Programme 2	53.1	61.5	54.6	64.0	6.4%	1.5%	72.2	75.7	79.4	7.5%	2.2%	
Programme 3	32.3	36.1	29.6	45.3	12.0%	0.9%	43.7	45.7	47.2	1.4%	1.4%	
Programme 4	4 663.4	1 784.0	1 678.9	1 904.5	-25.8%	65.5%	1 646.4	1 684.6	1 759.2	-2.6%	52.1%	
Programme 5	581.3	1 017.4	1 513.0	544.5	-2.2%	23.9%	1 381.9	2 199.1	313.2	-16.8%	33.1%	
Programme 6	60.6	49.8	65.1	90.1	14.1%	1.7%	86.5	86.2	90.0	0.0%	2.6%	
Total	5 663.8	3 164.6	3 569.5	2 927.8	-19.7%	100.0%	3 512.2	4 383.6	2 594.5	-3.9%	100.0%	
Change to 2022 Budget estimate				210.6			1 085.8	1 848.2	11.1			
Economic classification												
Current payments	646.8	575.8	582.3	953.9	13.8%	18.0%	1 848.0	2 685.7	820.7	-4.9%	47.0%	
Compensation of employees	266.9	270.6	271.5	313.5	5.5%	7.3%	302.0	315.3	329.1	1.6%	9.4%	
Goods and services ¹	380.0	305.1	310.8	640.3	19.0%	10.7%	1 546.0	2 370.5	491.6	-8.4%	37.6%	
<i>of which:</i>												
Computer services	6.3	207.2	179.5	419.9	306.5%	5.3%	1 334.8	2 148.7	259.1	-14.9%	31.0%	
Consultants: Business and advisory services	231.5	12.1	21.4	40.8	-43.9%	2.0%	38.1	39.3	41.2	0.3%	1.2%	
Operating leases	24.7	26.1	26.3	31.2	8.1%	0.7%	30.7	32.7	34.6	3.5%	1.0%	
Property payments	18.0	14.8	15.5	17.5	-0.9%	0.4%	17.7	17.9	18.6	2.0%	0.5%	
Travel and subsistence	50.0	10.3	17.3	48.3	-1.1%	0.8%	58.8	62.4	65.1	10.4%	1.7%	
Venues and facilities	6.0	0.9	1.0	9.5	16.5%	0.1%	7.6	8.8	9.0	-1.6%	0.3%	
Transfers and subsidies¹	1 804.5	2 574.0	2 978.4	1 960.4	2.8%	60.8%	1 653.3	1 690.9	1 766.6	-3.4%	52.7%	
Provinces and municipalities	0.0	0.0	0.0	0.0	20.1%	0.0%	0.0	0.0	0.0	2.5%	0.0%	
Departmental agencies and accounts	817.9	1 566.7	2 022.2	1 186.6	13.2%	36.5%	835.2	872.7	911.8	-8.4%	28.4%	
Foreign governments and international organisations	30.0	39.5	32.0	38.4	8.5%	0.9%	40.2	41.9	43.8	4.4%	1.2%	
Public corporations and private enterprises	924.6	962.5	922.1	735.4	-7.3%	23.1%	777.9	776.3	811.0	3.3%	23.1%	
Households	32.0	5.4	2.0	-	-100.0%	0.3%	-	-	-	0.0%	0.0%	
Payments for capital assets	12.4	14.7	8.7	13.5	2.9%	0.3%	10.9	7.0	7.2	-18.7%	0.3%	
Machinery and equipment	10.3	9.7	6.0	5.3	-19.9%	0.2%	6.2	6.1	6.4	6.9%	0.2%	
Software and other intangible assets	2.1	5.0	2.8	8.2	57.5%	0.1%	4.7	0.9	0.8	-53.8%	0.1%	
Payments for financial assets²	3 200.1	0.1	0.1	-	-100.0%	20.9%	-	-	-	0.0%	0.0%	
Total	5 663.8	3 164.6	3 569.5	2 927.8	-19.7%	100.0%	3 512.2	4 383.6	2 594.5	-3.9%	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.

2. Amounts for 2022/23 do not include an adjusted appropriation of R2.4 billion. The adjusted appropriation is reflected in table 2 of the introduction.

Transfers and subsidies expenditure trends and estimates

Table 30.3 Vote transfers and subsidies trends and estimates

	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)	
	2019/20	2020/21	2021/22	2022/23	2019/20	2022/23	2023/24	2024/25	2025/26	2022/23 - 2025/26	2025/26	
R thousand												
Households												
Social benefits												
Current	2 302	5 247	1 835	–	-100.0%	0.1%	–	–	–	–	–	–
Households	2 302	5 247	1 835	–	-100.0%	0.1%	–	–	–	–	–	–
Departmental agencies and accounts												
Departmental agencies (non-business entities)												
Current	817 936	1 566 655	2 022 181	1 186 638	13.2%	60.0%	835 190	872 698	911 794	-8.4%	53.8%	
Independent Communications Authority of South Africa	476 645	543 719	508 190	769 431	17.3%	24.7%	473 947	495 232	517 418	-12.4%	31.9%	
Film and Publication Board	99 373	100 596	100 937	102 870	1.2%	4.3%	103 860	108 524	113 386	3.3%	6.1%	
National Electronic Media Institute of South Africa	95 347	97 448	98 468	102 121	2.3%	4.2%	103 104	107 734	112 560	3.3%	6.0%	
Universal Service and Access Agency of South Africa	82 949	261 385	82 055	86 033	1.2%	5.5%	86 860	90 761	94 827	3.3%	5.1%	
Universal Service and Access Fund	37 017	63 086	64 165	66 777	21.7%	2.5%	67 419	70 447	73 603	3.3%	3.9%	
Universal Service and Access Agency of South Africa: Distribution costs to South African Post Office relating to the broadcasting digital migration project	–	–	95 000	–	–	1.0%	–	–	–	–	–	–
Universal Service and Access Fund: Broadcasting digital migration	26 605	500 421	1 073 366	59 406	30.7%	17.8%	–	–	–	-100.0%	0.8%	
Households												
Other transfers to households												
Current	29 663	174	202	–	-100.0%	0.3%	–	–	–	–	–	–
Claims against the state	29 643	–	–	–	-100.0%	0.3%	–	–	–	–	–	–
Households	20	174	202	–	-100.0%	–	–	–	–	–	–	–
Provinces and municipalities												
Municipal bank accounts												
Current	15	19	16	26	20.1%	–	26	27	28	2.5%	–	
Vehicle licences	15	19	16	26	20.1%	–	26	27	28	2.5%	–	
Foreign governments and international organisations												
Current	30 025	39 458	32 049	38 401	8.5%	1.5%	40 153	41 878	43 750	4.4%	2.3%	
Organisation for Economic Cooperation and Development	186	209	191	634	50.5%	–	642	671	701	3.4%	–	
Universal Postal Union	6 443	8 915	7 388	7 854	6.8%	0.3%	7 615	7 945	8 298	1.8%	0.4%	
International Telecommunication Union	18 829	24 651	20 176	24 267	8.8%	0.9%	25 805	27 948	29 200	6.4%	1.5%	
African Telecommunications Union	1 114	1 401	1 117	1 797	17.3%	0.1%	1 828	1 908	1 993	3.5%	0.1%	
Pan-African Postal Union	1 142	1 436	1 204	1 383	6.6%	0.1%	2 400	1 462	1 527	3.4%	0.1%	
Commonwealth Telecommunications Organisation	462	536	–	636	11.2%	–	–	–	–	-100.0%	–	
DONA Foundation	1 108	1 386	1 144	1 830	18.2%	0.1%	1 863	1 944	2 031	3.5%	0.1%	
Forum of Incident Response Security Teams	–	–	85	–	–	–	–	–	–	–	–	–
Smart Africa Alliance	741	924	744	–	-100.0%	–	–	–	–	–	–	–
Public corporations and private enterprises												
Other transfers to public corporations												
Current	673 643	697 848	752 370	735 355	3.0%	30.7%	777 906	776 269	811 046	3.3%	43.8%	
South African Broadcasting Corporation: Channel Africa	61 320	63 399	64 617	66 581	2.8%	2.7%	67 368	70 393	73 547	3.4%	3.9%	
South African Broadcasting Corporation: Public broadcaster	123 246	127 424	129 872	133 821	2.8%	5.5%	135 403	141 484	147 822	3.4%	7.9%	
South African Broadcasting Corporation: Programme productions	14 450	14 940	15 226	15 680	2.8%	0.6%	15 865	16 577	17 320	3.4%	0.9%	
South African Post Office	474 627	492 085	504 168	519 273	3.0%	21.4%	524 270	547 815	572 357	3.3%	30.6%	
South African Post Office: Operations	–	–	38 487	–	–	0.4%	–	–	–	–	–	–
South African Broadcasting Corporation: 2024 Elections coverage	–	–	–	–	–	–	35 000	–	–	–	–	0.5%
Capital	250 934	264 630	169 746	–	-100.0%	7.4%	–	–	–	–	–	–
Sentech: Migration of digital signals	58 440	60 586	69 746	–	-100.0%	2.0%	–	–	–	–	–	–
Sentech: Dual illumination costs relating to the digital migration project	192 494	204 044	100 000	–	-100.0%	5.3%	–	–	–	–	–	–
Total	1 804 518	2 574 031	2 978 399	1 960 420	2.8%	100.0%	1 653 275	1 690 872	1 766 618	-3.4%	100.0%	

Personnel information

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

Programmes		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					2022/23 - 2025/26							
		2021/22			2022/23			2023/24		2024/25		2025/26								
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost		Unit cost	Number	Cost	Unit cost			
Communications and Digital Technologies		316	25	331	271.5	0.8	317	271.4	0.9	320	302.0	0.9	312	315.3	1.0	321	329.1	1.0	0.4%	100.0%
1 – 6	31	5	39	10.8	0.3	39	12.4	0.3	36	11.2	0.3	31	10.5	0.3	31	10.7	0.3	-7.3%	10.8%	
7 – 10	112	7	113	60.4	0.5	131	76.0	0.6	99	59.1	0.6	98	62.0	0.6	103	66.7	0.6	-7.8%	33.9%	
11 – 12	71	1	73	66.2	0.9	33	29.1	0.9	36	31.8	0.9	35	32.7	0.9	36	34.3	1.0	2.3%	10.9%	
13 – 16	100	12	103	130.0	1.3	112	149.9	1.3	148	195.9	1.3	147	205.7	1.4	150	213.0	1.4	10.2%	43.7%	
Other	2	–	3	4.1	1.4	2	4.1	2.0	2	4.1	2.1	2	4.4	2.2	2	4.4	2.2	–	0.6%	
Programme	316	25	331	271.5	0.8	317	271.4	0.9	320	302.0	0.9	312	315.3	1.0	321	329.1	1.0	0.4%	100.0%	
Programme 1	165	13	176	123.9	0.7	174	122.4	0.7	177	143.7	0.8	170	148.1	0.9	173	154.3	0.9	-0.1%	54.7%	
Programme 2	17	–	19	19.5	1.0	19	20.8	1.1	19	20.9	1.1	19	22.1	1.2	20	23.4	1.2	0.9%	6.0%	
Programme 3	32	8	32	27.8	0.9	29	27.5	0.9	29	29.1	1.0	29	30.5	1.1	30	32.0	1.1	0.6%	9.2%	
Programme 4	20	–	19	23.2	1.2	19	23.6	1.2	20	25.1	1.3	20	26.6	1.4	20	27.0	1.4	0.6%	6.1%	
Programme 5	35	4	36	35.1	1.0	38	35.4	0.9	37	37.1	1.0	37	39.3	1.1	39	41.7	1.1	0.5%	11.8%	
Programme 6	47	–	48	41.9	0.9	37	41.9	1.1	39	46.2	1.2	38	48.7	1.3	40	50.7	1.3	2.4%	12.1%	

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 (%)
	2019/20	2020/21	2021/22					2022/23	2019/20 - 2022/23	2023/24		
Departmental receipts	665 564	105 728	1 499	5 744	5 544	-79.7%	100.0%	2 358	2 358	2 358	-24.8%	100.0%
Sales of goods and services produced by department	108	92	71	62	62	-16.9%	–	65	65	65	1.6%	2.0%
Sales by market establishments	41	–	–	–	–	-100.0%	–	–	–	–	–	–
of which:												
Market Establishment: Rental parking (covered and open)	41	–	–	–	–	-100.0%	–	–	–	–	–	–
Administrative fees	–	24	4	6	6	–	–	5	5	5	-5.9%	0.2%
of which:												
Cryptography fees	–	4	4	6	6	–	–	4	4	4	-12.6%	0.1%
Accreditation electric signature fee	–	20	–	–	–	–	–	–	–	–	–	–
Cryptography registration fee	–	–	–	–	–	–	–	1	1	1	–	–
Other sales	67	68	67	56	56	-5.8%	–	60	60	60	2.3%	1.9%
of which:												
Commission on insurance	67	68	67	56	56	-5.8%	–	60	60	60	2.3%	1.9%
Sales of scrap, waste, arms and other used current goods	1	2	–	–	–	-100.0%	–	–	–	–	–	–
of which:												
Sales of tender documents	1	2	–	–	–	-100.0%	–	–	–	–	–	–
Transfers received	360	–	–	–	–	-100.0%	–	–	–	–	–	–
Interest, dividends and rent on land	665 866	104 821	1 008	5 482	5 482	-79.8%	99.9%	1 993	1 993	1 993	-28.6%	90.8%
Interest	1 574	1 062	945	5 419	5 419	51.0%	1.2%	1 930	1 930	1 930	-29.1%	88.8%
Dividends	664 292	103 759	63	63	63	-95.4%	98.7%	63	63	63	–	2.0%
of which:												
Vodacom shares	–	–	63	63	63	–	–	63	63	63	–	2.0%
Telkom shares	664 292	103 759	–	–	–	-100.0%	98.7%	–	–	–	–	–
Sales of capital assets	484	639	175	–	–	-100.0%	0.2%	–	–	–	–	–
Transactions in financial assets and liabilities	(1 255)	174	245	200	–	-100.0%	-0.1%	300	300	300	–	7.1%
Total	665 564	105 728	1 499	5 744	5 544	-79.7%	100.0%	2 358	2 358	2 358	-24.8%	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 (%)
	2019/20	2020/21	2021/22				2022/23	2023/24	2024/25		
R million											
Ministry	5.9	4.2	4.4	4.7	-7.3%	1.9%	5.6	5.9	6.1	9.4%	1.9%
Departmental Management	63.1	39.3	42.2	67.4	2.2%	21.3%	70.7	72.4	75.9	4.1%	24.7%
Internal Audit	6.3	6.6	6.4	8.7	10.9%	2.8%	8.3	8.9	9.3	2.3%	3.0%
Corporate Services	112.8	78.9	95.7	100.8	-3.7%	39.0%	102.5	106.6	110.8	3.2%	36.3%
Financial Management	56.4	58.2	48.6	64.5	4.6%	22.8%	60.6	63.3	66.4	1.0%	22.0%
Office Accommodation	28.5	28.7	31.1	33.4	5.4%	12.2%	33.7	35.3	37.0	3.5%	12.0%
Total	273.0	215.9	228.4	279.4	0.8%	100.0%	281.4	292.3	305.5	3.0%	100.0%
Change to 2022				8.3			(15.7)	(10.4)	5.3		
Budget estimate											
Economic classification											
Current payments	231.5	196.7	218.0	268.3	5.0%	91.8%	273.5	288.0	301.0	3.9%	97.6%
Compensation of employees	138.9	124.6	123.9	146.5	1.8%	53.6%	143.7	148.1	154.3	1.7%	51.2%
Goods and services	92.6	72.0	94.1	121.8	9.6%	38.2%	129.9	139.9	146.7	6.4%	46.5%
<i>of which:</i>											
<i>Audit costs: External</i>	6.5	6.0	6.3	6.8	1.5%	2.6%	6.7	7.1	7.8	4.6%	2.4%
<i>Computer services</i>	5.8	6.0	18.9	12.6	29.2%	4.3%	20.7	24.9	25.3	26.3%	7.2%
<i>Legal services</i>	3.3	1.7	6.9	5.9	22.3%	1.8%	6.5	6.8	7.2	6.7%	2.3%
<i>Operating leases</i>	24.0	25.6	26.0	30.1	7.8%	10.6%	29.8	31.5	33.3	3.4%	10.8%
<i>Property payments</i>	18.0	14.8	15.5	17.5	-0.8%	6.6%	17.2	17.9	18.6	2.0%	6.2%
<i>Travel and subsistence</i>	17.3	5.1	7.6	18.7	2.7%	4.9%	20.2	21.3	22.5	6.4%	7.1%
Transfers and subsidies	31.5	4.6	1.7	0.0	-90.6%	3.8%	0.0	0.0	0.0	2.5%	-
Provinces and municipalities	0.0	0.0	0.0	0.0	20.1%	-	0.0	0.0	0.0	2.5%	-
Households	31.4	4.6	1.7	-	-100.0%	3.8%	-	-	-	-	-
Payments for capital assets	10.1	14.5	8.6	11.0	3.1%	4.4%	7.9	4.3	4.4	-26.4%	2.4%
Machinery and equipment	8.0	9.5	5.8	2.8	-29.3%	2.6%	3.2	3.5	3.7	9.6%	1.1%
Software and other intangible assets	2.1	5.0	2.8	8.2	57.5%	1.8%	4.7	0.8	0.7	-56.0%	1.2%
Payments for financial assets	0.1	0.1	0.1	-	-100.0%	-	-	-	-	-	-
Total	273.0	215.9	228.4	279.4	0.8%	100.0%	281.4	292.3	305.5	3.0%	100.0%
Proportion of total programme expenditure to vote expenditure	4.8%	6.8%	6.4%	9.5%	-	-	8.0%	6.7%	11.8%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	1.8	4.4	1.6	-	-100.0%	0.8%	-	-	-	-	-
Households	1.8	4.4	1.6	-	-100.0%	0.8%	-	-	-	-	-
Provinces and municipalities											
Municipalities											
Municipal bank accounts											
Current	0.0	0.0	0.0	0.0	20.1%	-	0.0	0.0	0.0	2.5%	-
Vehicle licences	0.0	0.0	0.0	0.0	20.1%	-	0.0	0.0	0.0	2.5%	-
Households											
Other transfers to households											
Current	29.6	0.2	0.2	-	-100.0%	3.0%	-	-	-	-	-
Claims against the state	29.6	-	-	-	-100.0%	3.0%	-	-	-	-	-
Households	-	0.2	0.2	-	-	-	-	-	-	-	-

Personnel information

Table 30.7 Administration personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2023			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			2022/23			2023/24		2024/25		2025/26		2022/23 - 2025/26				
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		Number	Cost	Unit cost	
Administration			165	123.9	0.7	174	122.4	0.7	177	143.7	0.8	170	148.1	0.9	173	154.3	0.9	-0.1%	100.0%
Salary level																			
1 – 6	22	5	30	7.5	0.3	30	8.7	0.3	29	8.2	0.3	25	7.7	0.3	25	7.8	0.3	-5.9%	15.7%
7 – 10	71	4	68	36.6	0.5	90	51.4	0.6	68	39.5	0.6	67	41.3	0.6	68	43.1	0.6	-8.9%	42.2%
11 – 12	38	1	40	34.1	0.9	20	18.0	0.9	18	16.4	0.9	18	17.4	1.0	18	17.6	1.0	-3.5%	10.6%
13 – 16	32	3	35	41.7	1.2	32	40.2	1.3	60	75.4	1.3	58	77.3	1.3	60	81.3	1.3	23.5%	30.3%
Other	2	–	3	4.1	1.4	2	4.1	2.0	2	4.1	2.1	2	4.4	2.2	2	4.4	2.2	–	1.2%

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 March 2024 by:
 - developing 3 position papers to support national ICT priorities. These papers will focus on the Brazil-Russia-India-China-South Africa (BRICS) group of countries agenda, and representation in the Universal Postal Union and the 2023 World Radiocommunication Conference
 - coordinating the implementation of identified international programmes to support digital economy initiatives
 - developing the outcomes report for South Africa for the 2023 World Radiocommunication Conference.

Subprogrammes

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

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 (%)
	2019/20	2020/21	2021/22				2022/23	2023/24	2024/25		
R million											
Programme Management for International Relations and Affairs	–	2.3	2.7	3.0	–	3.4%	5.6	6.1	6.7	30.1%	7.3%
International Affairs	12.9	8.2	9.7	13.2	0.7%	18.9%	13.2	13.8	14.5	3.2%	18.8%
ICT Trade/Partnership	40.3	51.0	42.1	47.8	5.9%	77.7%	53.4	55.8	58.3	6.8%	73.9%
Total	53.1	61.5	54.6	64.0	6.4%	100.0%	72.2	75.7	79.4	7.5%	100.0%
Change to 2022 Budget estimate				0.6			15.2	3.7	0.7		

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

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2019/20	2020/21	2021/22				2022/23	2023/24	2024/25		
R million	2019/20	2020/21	2021/22	2022/23	2019/20	2022/23	2023/24	2024/25	2025/26	2022/23	2025/26
Current payments	23.1	22.0	22.5	25.2	2.9%	39.8%	31.5	33.3	35.0	11.6%	42.9%
Compensation of employees	17.8	20.1	19.5	18.0	0.3%	32.3%	20.9	22.1	23.4	9.1%	28.9%
Goods and services	5.3	1.9	3.0	7.2	10.9%	7.5%	10.6	11.1	11.7	17.3%	13.9%
<i>of which:</i>											
Administrative fees	0.1	0.0	0.0	0.1	12.2%	0.1%	0.5	0.5	0.5	72.4%	0.5%
Communication	0.3	0.3	0.3	0.3	-3.0%	0.5%	0.3	0.3	0.3	5.8%	0.4%
Contractors	0.0	0.1	0.0	-	-100.0%	-	1.2	1.3	1.3	-	1.3%
Travel and subsistence	4.0	0.8	0.8	2.5	-15.3%	3.5%	5.0	5.3	5.6	31.3%	6.3%
Operating payments	0.0	-	0.2	-	-100.0%	0.1%	0.4	0.4	0.4	-	0.4%
Venues and facilities	0.1	0.2	-	3.1	178.8%	1.5%	2.2	2.3	2.5	-7.4%	3.5%
Transfers and subsidies	30.0	39.5	32.1	38.4	8.5%	60.0%	40.2	41.9	43.8	4.4%	56.3%
Foreign governments and international organisations	30.0	39.5	32.0	38.4	8.5%	60.0%	40.2	41.9	43.8	4.4%	56.3%
Households	0.0	0.0	0.0	-	-100.0%	-	-	-	-	-	-
Payments for capital assets	-	-	-	0.4	-	0.2%	0.6	0.6	0.6	17.4%	0.8%
Machinery and equipment	-	-	-	0.4	-	0.2%	0.6	0.6	0.6	17.4%	0.8%
Total	53.1	61.5	54.6	64.0	6.4%	100.0%	72.2	75.7	79.4	7.5%	100.0%
Proportion of total programme expenditure to vote expenditure	0.9%	1.9%	1.5%	2.2%	-	-	2.1%	1.7%	3.1%	-	-
Details of transfers and subsidies											
Households											
Other transfers to households											
Current	0.0	0.0	0.0	-	-100.0%	-	-	-	-	-	-
Households	0.0	0.0	0.0	-	-100.0%	-	-	-	-	-	-
Foreign governments and international organisations											
Current	30.0	39.5	32.0	38.4	8.5%	60.0%	40.2	41.9	43.8	4.4%	56.3%
Universal Postal Union	6.4	8.9	7.4	7.9	6.8%	13.1%	7.6	7.9	8.3	1.8%	10.9%
International Telecommunication Union	18.8	24.7	20.2	24.3	8.8%	37.7%	25.8	27.9	29.2	6.4%	36.8%
African Telecommunications Union	1.1	1.4	1.1	1.8	17.3%	2.3%	1.8	1.9	2.0	3.5%	2.6%
Pan-African Postal Union	1.1	1.4	1.2	1.4	6.6%	2.2%	2.4	1.5	1.5	3.4%	2.3%
Organisation for Economic Cooperation and Development	0.2	0.2	0.2	0.6	50.5%	0.5%	0.6	0.7	0.7	3.4%	0.9%
Commonwealth Telecommunications Organisation	0.5	0.5	-	0.6	11.2%	0.7%	-	-	-	-100.0%	0.2%
DONA Foundation	1.1	1.4	1.1	1.8	18.2%	2.3%	1.9	1.9	2.0	3.5%	2.6%
Smart Africa Alliance	0.7	0.9	0.7	-	-100.0%	1.0%	-	-	-	-	-

Personnel information

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

ICT International Relations and Affairs	Number of posts estimated for 31 March 2023	Number of posts additional to the funded posts	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										
			2021/22	2022/23	2023/24	2024/25	2025/26	2022/23 - 2025/26											
Salary level	17	-	19	19.5	1.0	19	20.8	1.1	19	20.9	1.1	19	22.1	1.2	20	23.4	1.2	0.9%	100.0%
7 - 10	7	-	10	6.8	0.7	9	6.5	0.7	9	6.4	0.7	9	6.8	0.8	10	7.7	0.8	1.9%	46.6%
13 - 16	10	-	9	12.7	1.3	10	14.3	1.4	10	14.5	1.4	10	15.4	1.5	10	15.6	1.5	-	53.4%

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 and inclusion by:
 - developing the Audio-Visual Bill by March 2025
 - developing the Online Safety and Media Regulation Bill by March 2024
 - introducing the South African Broadcasting Corporation Bill to Parliament by March 2024
 - developing the business case on the household levy for public broadcasting by March 2024
 - submitting the Electronic Communications Bill regarding the Universal Service and Access Fund for Cabinet approval by March 2024
 - submitting the Electronic Communications Bill regarding competition matters for Cabinet approval by March 2024
 - submitting the digital economy framework and strategy for Cabinet approval by March 2024
 - monitoring the implementation of the South African Post Office Act (2011) on an ongoing basis
 - finalising the national cloud computing policy by March 2024
 - finalising the draft national data and cloud policy by March 2024
 - developing the Postal Services Amendment Bill by March 2024
 - developing the e-commerce strategy for the digital environment by March 2024
 - coordinating the implementation plan for the Presidential Commission on the Fourth Industrial Revolution over the medium term.

Subprogrammes

- *Programme Management for ICT Policy Development and Research* provides for the overall management of the programme.
- *ICT Policy Development* drafts legislation, regulations, policy and guidelines that govern the telecommunications, postal and IT sectors to ensure broad-based economic development.
- *Economic and Market Analysis* conducts economic analyses of the telecommunications, postal and IT sectors to determine trends and make projections. This subprogramme also conducts market research to explore areas that require policy intervention, and is responsible for reducing the cost of communication.
- *Research* is responsible for understanding the ICT landscape and delivering a national ICT strategy.
- *Small, Medium and Micro Enterprise* facilitates the growth and development of small, medium and micro enterprises in the ICT sector.
- *Broadcasting Policy* drafts legislation, regulations, policy, 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 (%)
	2019/20	2020/21	2021/22				2022/23	2023/24	2024/25		
R million											
Programme Management for ICT Policy Development and Research	–	0.6	0.7	2.6	–	2.7%	2.8	2.9	3.0	5.8%	6.2%
ICT Policy Development	16.9	8.8	8.1	11.2	-12.9%	31.5%	9.8	13.5	14.1	8.1%	26.7%
Economic and Market Analysis	3.1	3.2	2.2	6.1	24.9%	10.2%	6.0	6.3	6.6	2.5%	13.7%
Research	5.0	4.7	4.7	7.2	13.4%	15.1%	8.8	9.4	10.0	11.6%	19.5%
Small, Medium and Micro Enterprise	1.7	4.3	–	1.3	-9.6%	5.1%	1.7	1.8	1.9	14.0%	3.6%
Broadcasting Policy	5.5	5.5	12.7	8.6	15.9%	22.5%	7.7	8.0	7.5	-4.4%	17.5%
Presidential Commission on 4IR	–	9.0	1.2	8.3	–	12.9%	7.0	3.8	4.0	-21.4%	12.7%
Total	32.3	36.1	29.6	45.3	12.0%	100.0%	43.7	45.7	47.2	1.4%	100.0%
Change to 2022 Budget estimate				(8.4)			(4.1)	(2.6)	1.0		

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

Economic classification	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2019/20	2020/21	2021/22				2022/23	2023/24	2024/25		
R million											
Current payments	32.2	35.5	29.5	45.0	11.7%	99.3%	43.6	45.5	47.1	1.5%	99.5%
Compensation of employees	20.1	33.1	27.8	31.5	16.1%	78.5%	29.1	30.5	32.0	0.6%	67.7%
Goods and services	12.1	2.4	1.7	13.5	3.6%	20.8%	14.5	15.0	15.0	3.6%	31.9%
<i>of which:</i>											
Advertising	0.2	0.5	0.2	1.5	102.5%	1.7%	0.6	0.6	0.7	-23.2%	1.9%
Bursaries: Employees	0.0	0.1	0.0	0.2	91.4%	0.3%	0.6	0.7	0.7	44.0%	1.2%
Communication	0.5	0.6	0.5	0.5	0.9%	1.4%	0.5	0.5	0.6	5.0%	1.2%
Consultants: Business and advisory services	1.3	0.2	-	2.4	22.1%	2.8%	3.7	3.9	4.2	19.6%	7.8%
Travel and subsistence	8.2	0.3	0.6	4.9	-15.7%	9.8%	6.2	5.6	5.6	4.6%	12.3%
Venues and facilities	0.3	0.0	-	0.3	2.8%	0.4%	0.8	0.9	0.8	37.9%	1.5%
Transfers and subsidies	0.0	0.6	0.1	-	-100.0%	0.5%	-	-	-	-	-
Households	0.0	0.6	0.1	-	-100.0%	0.5%	-	-	-	-	-
Payments for capital assets	0.0	0.0	-	0.4	144.3%	0.3%	0.2	0.2	0.2	-20.9%	0.5%
Machinery and equipment	0.0	0.0	-	0.4	144.3%	0.3%	0.2	0.2	0.2	-20.9%	0.5%
Total	32.3	36.1	29.6	45.3	12.0%	100.0%	43.7	45.7	47.2	1.4%	100.0%
Proportion of total programme expenditure to vote expenditure	0.6%	1.1%	0.8%	1.5%	-	-	1.2%	1.0%	1.8%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	0.0	0.6	0.1	-	-100.0%	0.5%	-	-	-	-	-
Households	0.0	0.6	0.1	-	-100.0%	0.5%	-	-	-	-	-
Other transfers to households											
Current	-	0.0	-	-	-	-	-	-	-	-	-
Households	-	0.0	-	-	-	-	-	-	-	-	-

Personnel information

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

Number of posts estimated for 31 March 2023	Number and cost ² of personnel posts filled/planned for on funded establishment															Average growth rate (%)	Average: Salary level/Total (%)		
	Number of posts additional to the establishment	Actual			Revised estimate			Medium-term expenditure estimate						2022/23 - 2025/26					
		2021/22	2022/23	2023/24	2024/25	2025/26	2022/23 - 2025/26												
ICT Policy Development and Research																			
Salary level	32	8	32	27.8	0.9	29	27.5	0.9	29	29.1	1.0	29	30.5	1.1	30	32.0	1.1	0.6%	100.0%
7 – 10	7	1	8	3.4	0.4	7	3.7	0.5	5	2.8	0.6	5	2.9	0.6	5	3.0	0.6	-10.6%	18.8%
11 – 12	8	-	8	5.9	0.8	7	6.1	0.9	6	5.4	0.9	5	4.7	0.9	6	5.8	1.0	-5.0%	20.5%
13 – 16	17	7	17	18.5	1.1	15	17.7	1.2	18	21.0	1.2	19	22.9	1.2	19	23.2	1.2	7.1%	60.7%

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 the department's state-owned entities through proactive oversight by monitoring and evaluating their service delivery performance and compliance against strategic plans and relevant prescriptions on an ongoing basis.
- Improve the impact of service delivery by public entities and their market responsiveness by:
 - facilitating the implementation of the performance management system for councillors from the Independent Communications Authority of South Africa on an ongoing basis
 - monitoring the post-acquisition integration of Broadband Infracore into Sentech by March 2024
 - monitoring the implementation of the South African Post Office repositioning strategy on an ongoing basis

- monitoring the implementation of the Postbank strategy towards the formation of a state bank by March 2025
- monitoring the implementation of the South African Broadcasting Corporation turnaround plan by March 2025
- monitoring the repurposing of the State Information Technology Agency by March 2026
- monitoring the implementation of the Universal Service and Access Agency of South Africa disestablishment plan by March 2025.

Subprogrammes

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

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 2022/23	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2022/23 - 2025/26	Average Expenditure/ Total (%) 2022/23 - 2025/26
	2019/20	2020/21	2021/22		2019/20	2022/23	2023/24	2024/25	2025/26		
R million											
Programme Management for ICT Enterprise and Public Entity Oversight	2.0	3.1	3.2	4.4	29.6%	0.1%	4.1	4.2	4.4	–	0.2%
Regulatory Institutions	552.0	645.8	562.2	880.9	16.9%	26.3%	580.5	606.6	636.0	-10.3%	38.7%
Universal Service and Access	4 008.6	1 037.7	1 009.2	909.7	-39.0%	69.4%	953.5	960.5	1 000.5	3.2%	54.7%
ICT Skills Development	95.3	97.4	98.5	102.1	2.3%	3.9%	103.1	107.7	112.6	3.3%	6.1%
State-owned Enterprise Governance and Support	5.4	–	5.8	7.4	10.8%	0.2%	5.2	5.5	5.8	-7.9%	0.3%
Total	4 663.4	1 784.0	1 678.9	1 904.5	-25.8%	100.0%	1 646.4	1 684.6	1 759.2	-2.6%	100.0%
Change to 2022 Budget estimate				1.0			20.4	(6.6)	1.0		
Economic classification											
Current payments	22.2	19.9	25.9	41.6	23.3%	1.1%	32.5	34.8	35.6	-5.1%	2.1%
Compensation of employees	18.7	18.3	23.2	29.3	16.1%	0.9%	25.1	26.6	27.0	-2.7%	1.5%
Goods and services	3.5	1.6	2.7	12.3	52.5%	0.2%	7.4	8.3	8.6	-11.4%	0.5%
of which:											
<i>Bursaries: Employees</i>	0.1	0.0	0.5	0.9	139.7%	–	0.4	0.4	0.4	-21.3%	–
<i>Communication</i>	0.5	0.4	0.7	1.3	36.4%	–	1.3	1.2	1.3	-0.2%	0.1%
<i>Consultants: Business and advisory services</i>	0.0	1.0	–	1.1	299.7%	–	0.7	0.7	0.8	-12.5%	–
<i>Consumables: Stationery, printing and office supplies</i>	0.1	–	0.0	0.6	77.4%	–	0.5	1.0	1.0	22.0%	–
<i>Travel and subsistence</i>	1.8	0.1	0.1	4.6	37.2%	0.1%	2.7	3.1	3.0	-12.6%	0.2%
<i>Training and development</i>	0.2	0.0	0.1	0.6	54.7%	–	0.4	0.6	0.6	2.0%	–
Transfers and subsidies	1 441.0	1 764.1	1 653.0	1 862.6	8.9%	67.0%	1 613.1	1 649.0	1 722.8	-2.6%	97.9%
Departmental agencies and accounts	767.3	1 066.2	900.6	1 127.2	13.7%	38.5%	835.2	872.7	911.8	-6.8%	53.6%
Public corporations and private enterprises	673.6	697.8	752.4	735.4	3.0%	28.5%	777.9	776.3	811.0	3.3%	44.3%
Households	0.0	0.0	0.0	–	-100.0%	–	–	–	–	–	–
Payments for capital assets	0.2	–	–	0.3	16.7%	–	0.8	0.8	0.8	38.1%	–
Machinery and equipment	0.2	–	–	0.3	16.7%	–	0.8	0.8	0.8	38.1%	–
Payments for financial assets¹	3 200.0	–	–	–	-100.0%	31.9%	–	–	–	–	–
Total	4 663.4	1 784.0	1 678.9	1 904.5	-25.8%	100.0%	1 646.4	1 684.6	1 759.2	-2.6%	100.0%
Proportion of total programme expenditure to vote expenditure	82.3%	56.4%	47.0%	65.0%	–	–	46.9%	38.4%	67.8%	–	–

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

Details of transfers and subsidies			Audited outcome			Adjusted appropriation	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)		Average Expenditure/ Total (%)	
							2019/20	2022/23	2019/20	2022/23	2023/24	2024/25	2025/26	2022/23	2025/26
R million	2019/20	2020/21	2021/22	2022/23	2019/20	2022/23	2023/24	2024/25	2025/26	2022/23	2025/26	2022/23	2025/26		
Households															
Social benefits															
Current	0.0	-	-	-	-100.0%	-	-	-	-	-	-	-	-		
Households	0.0	-	-	-	-100.0%	-	-	-	-	-	-	-	-		
Households															
Other transfers to households															
Current	0.0	0.0	0.0	-	-100.0%	-	-	-	-	-	-	-	-		
Households	0.0	0.0	0.0	-	-100.0%	-	-	-	-	-	-	-	-		
Departmental agencies and accounts															
Departmental agencies (non-business entities)															
Current	767.3	1 066.2	900.6	1 127.2	13.7%	38.5%	835.2	872.7	911.8	-6.8%	53.6%				
Independent Communications Authority of South Africa	452.6	543.7	460.0	769.4	19.3%	22.2%	473.9	495.2	517.4	-12.4%	32.3%				
Film and Publication Board	99.4	100.6	100.9	102.9	1.2%	4.0%	103.9	108.5	113.4	3.3%	6.1%				
National Electronic Media Institute of South Africa	95.3	97.4	98.5	102.1	2.3%	3.9%	103.1	107.7	112.6	3.3%	6.1%				
Universal Service and Access Agency of South Africa	82.9	261.4	82.1	86.0	1.2%	5.1%	86.9	90.8	94.8	3.3%	5.1%				
Universal Service and Access Fund	37.0	63.1	64.2	66.8	21.7%	2.3%	67.4	70.4	73.6	3.3%	4.0%				
Universal Service and Access Agency of South Africa: Distribution costs to South African Post Office relating to the broadcasting digital migration project	-	-	95.0	-	-	0.9%	-	-	-	-	-	-	-		
Public corporations and private enterprises															
Public corporations															
Other transfers to public corporations															
Current	673.6	697.8	752.4	735.4	3.0%	28.5%	777.9	776.3	811.0	3.3%	44.3%				
South African Broadcasting Corporation: Channel Africa	61.3	63.4	64.6	66.6	2.8%	2.6%	67.4	70.4	73.5	3.4%	4.0%				
South African Broadcasting Corporation: Public broadcaster	123.2	127.4	129.9	133.8	2.8%	5.1%	135.4	141.5	147.8	3.4%	8.0%				
South African Broadcasting Corporation: Programme productions	14.5	14.9	15.2	15.7	2.8%	0.6%	15.9	16.6	17.3	3.4%	0.9%				
South African Post Office	474.6	492.1	504.2	519.3	3.0%	19.8%	524.3	547.8	572.4	3.3%	30.9%				
South African Post Office: Operations	-	-	38.5	-	-	0.4%	-	-	-	-	-	-	-		
South African Broadcasting Corporation: 2024 Elections coverage	-	-	-	-	-	-	35.0	-	-	-	-	-	0.5%		

1. Amounts for 2022/23 do not include an adjusted appropriation of R2.4 billion. The adjusted appropriation is reflected in table 2 of the introduction.

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 2023		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	2021/22			2022/23			2023/24			2024/25			2025/26			2022/23 - 2025/26		
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
ICT Enterprise and Public Entity Oversight																			
Salary level	20	-	19	23.2	1.2	19	23.6	1.2	20	25.1	1.3	20	26.6	1.4	20	27.0	1.4	0.6%	100.0%
1-6	-	-	-	-	-	-	-	-	-	-	-	-	-	-	0	0.0	0.1	-	0.0%
7-10	6	-	5	2.4	0.5	8	3.7	0.5	4	1.7	0.4	4	1.8	0.5	4	1.8	0.5	-20.6%	25.7%
11-12	5	-	5	5.8	1.2	2)	(2.7)	1.5	4	2.2	0.6	4	2.3	0.7	4	2.4	0.7	-224.6%	11.2%
13-16	9	-	9	15.0	1.7	13	22.6	1.7	12	21.2	1.8	12	22.4	1.9	12	22.8	1.9	-2.6%	63.0%

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 phase 2 of the South Africa Connect project towards the provision of internet access on an ongoing basis
 - monitoring the implementation of relevant interventions within the national cybersecurity strategy on an ongoing basis
 - 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, and ensures that the programme achieves its broadband goals.
- *ICT Support* is responsible for projects related to authentication, digital object architecture and internet governance.
- *Broadcasting Digital Migration* manages broadcasting digital migration with the aim of migrating from analogue to digital broadcasting. This subprogramme 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	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2019/20	2020/21	2021/22				2022/23	2023/24	2024/25		
R million											
Programme Management for ICT Infrastructure Development and Support	–	2.2	2.3	3.0	–	0.2%	3.2	3.3	3.4	4.5%	0.3%
Broadband	274.8	226.9	228.0	440.4	17.0%	32.0%	1 345.9	2 160.4	272.7	-14.8%	95.1%
ICT Support	6.1	5.7	7.6	11.8	24.7%	0.9%	10.5	10.9	11.4	-1.1%	1.0%
Broadcasting Digital Migration	300.4	782.6	1 275.1	89.3	-33.3%	66.9%	22.3	24.6	25.7	-34.0%	3.6%
Total	581.3	1 017.4	1 513.0	544.5	-2.2%	100.0%	1 381.9	2 199.1	313.2	-16.8%	100.0%
Change to 2022 Budget estimate				201.4			1 045.7	1 846.6	1.3		
Economic classification											
Current payments	277.9	252.1	221.5	484.1	20.3%	33.8%	1 381.3	2 198.7	312.7	-13.6%	98.6%
Compensation of employees	29.9	34.9	35.1	40.5	10.7%	3.8%	37.1	39.3	41.7	1.0%	3.6%
Goods and services	248.0	217.2	186.3	443.6	21.4%	30.0%	1 344.2	2 159.4	271.0	-15.1%	95.0%
of which:											
Advertising	4.2	1.1	15.6	7.3	20.3%	0.8%	1.2	1.3	1.4	-42.1%	0.3%
Communication	0.7	0.8	0.8	1.2	19.5%	0.1%	1.3	1.1	1.1	-0.8%	0.1%
Computer services	0.3	201.1	160.4	407.2	1056.8%	21.0%	1 311.2	2 123.6	233.6	-16.9%	91.8%
Consultants: Business and advisory services	227.4	8.0	1.9	8.6	-66.4%	6.7%	8.7	8.4	8.7	0.1%	0.8%
Travel and subsistence	9.1	3.0	5.6	10.3	4.3%	0.8%	16.4	17.5	18.2	20.7%	1.4%
Venues and facilities	1.4	0.1	0.2	1.7	6.9%	0.1%	0.9	1.4	1.5	-3.6%	0.1%
Transfers and subsidies	301.9	765.3	1 291.5	59.4	-41.8%	66.1%	–	–	–	-100.0%	1.3%
Provinces and municipalities	–	–	0.0	–	–	–	–	–	–	–	–
Departmental agencies and accounts	50.6	500.4	1 121.6	59.4	5.5%	47.4%	–	–	–	-100.0%	1.3%
Public corporations and private enterprises	250.9	264.6	169.7	–	-100.0%	18.7%	–	–	–	–	–
Households	0.4	0.2	0.2	–	-100.0%	–	–	–	–	–	–
Payments for capital assets	1.5	0.1	0.0	1.0	-12.3%	0.1%	0.6	0.5	0.5	-22.0%	0.1%
Machinery and equipment	1.5	0.1	0.0	1.0	-12.3%	0.1%	0.6	0.4	0.4	-28.5%	0.1%
Software and other intangible assets	–	–	–	–	–	–	–	0.1	0.1	–	–
Payments for financial assets	0.0	–	–	–	-100.0%	–	–	–	–	–	–
Total	581.3	1 017.4	1 513.0	544.5	-2.2%	100.0%	1 381.9	2 199.1	313.2	-16.8%	100.0%
Proportion of total programme expenditure to vote expenditure	10.3%	32.1%	42.4%	18.6%	–	–	39.3%	50.2%	12.1%	–	–

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

Details of transfers and subsidies		Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
		2019/20	2020/21	2021/22				2022/23	2019/20	2022/23		
R million												
Households												
Social benefits												
Current												
		0.4	0.2	0.2	–	-100.0%	–	–	–	–	–	–
Households		0.4	0.2	0.2	–	-100.0%	–	–	–	–	–	–
Provinces and municipalities												
Municipalities												
Municipal bank accounts												
Current												
		–	–	0.0	–	–	–	–	–	–	–	–
Vehicle licences		–	–	0.0	–	–	–	–	–	–	–	–
Households												
Other transfers to households												
Current												
		–	–	0.0	–	–	–	–	–	–	–	–
Households		–	–	0.0	–	–	–	–	–	–	–	–
Departmental agencies and accounts												
Departmental agencies (non-business entities)												
Current												
		50.6	500.4	1 121.6	59.4	5.5%	47.4%	–	–	–	-100.0%	1.3%
Independent Communications Authority of South Africa		24.0	–	48.2	–	-100.0%	2.0%	–	–	–	–	–
Universal Service and Access Fund: Broadcasting digital migration		26.6	500.4	1 073.4	59.4	30.7%	45.4%	–	–	–	-100.0%	1.3%
Public corporations and private enterprises												
Public corporations												
Other transfers to public corporations												
Capital												
		250.9	264.6	169.7	–	-100.0%	18.7%	–	–	–	–	–
Sentech: Migration of digital signals		58.4	60.6	69.7	–	-100.0%	5.2%	–	–	–	–	–
Sentech: Dual illumination costs relating to the digital migration project		192.5	204.0	100.0	–	-100.0%	13.6%	–	–	–	–	–

Personnel information

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

Number of posts estimated for 31 March 2023		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		2022/23			2023/24		2024/25		2025/26		2022/23 - 2025/26				
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	
ICT Infrastructure Development and Support																	
Salary level	35	4	36	35.1	1.0	38	35.4	0.9	37	37.1	1.0	37	39.3	1.1	39	41.7	1.1
1 – 6	1	–	1	0.4	0.4	2	0.8	0.4	–	–	–	–	–	–	–	–	–
7 – 10	10	2	10	5.5	0.5	20	11.3	0.6	18	10.3	0.6	18	10.9	0.6	19	11.6	0.6
11 – 12	9	–	10	9.9	1.0	6)	(6.2)	1.0	6)	(6.3)	1.1	6)	(6.6)	1.1	6)	(6.7)	1.1
13 – 16	15	2	15	19.4	1.3	22	29.5	1.3	25	33.0	1.3	25	35.0	1.4	26	36.9	1.4

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:
 - implementing the recommendations from the study on the cost to communicate to reduce the cost of data over the medium term
 - monitoring the automation of e-government services on the government e-portal on an ongoing basis
 - developing the white paper on digital government by March 2024
 - coordinating digital and future skills training programmes through local and international public and private partnerships on an ongoing basis

- supporting the South African Reserve Bank’s financial technology programme and fintech regulatory sandbox to enable digital transformation by March 2024
- facilitating government’s adoption of digital technology products and services on an ongoing basis.

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 to develop digital and future skills towards the creation of a digital society.

Expenditure trends and estimates

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

Subprogramme	Audited outcome			Adjusted appropriation	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2019/20	2020/21	2021/22				2022/23	2023/24	2024/25		
R million											
Programme Management for ICT Information Society and Capacity Development	–	1.5	2.6	2.9	–	2.6%	2.9	3.0	3.1	2.2%	3.4%
Information Society Development	57.2	39.0	59.1	77.1	10.5%	87.5%	73.9	72.7	75.9	-0.5%	84.9%
Capacity Development	3.4	9.4	3.4	10.1	43.3%	9.9%	9.8	10.5	11.0	2.7%	11.7%
Total	60.6	49.8	65.1	90.1	14.1%	100.0%	86.5	86.2	90.0	–	100.0%
Change to 2022 Budget estimate				7.6			24.4	17.6	1.8		
Economic classification											
Current payments	59.9	49.6	65.0	89.7	14.4%	99.5%	85.6	85.5	89.3	-0.2%	99.2%
Compensation of employees	41.4	39.7	41.9	47.8	4.9%	64.3%	46.2	48.7	50.7	2.0%	54.8%
Goods and services	18.5	10.0	23.1	41.9	31.4%	35.2%	39.4	36.8	38.6	-2.7%	44.4%
<i>of which:</i>											
Advertising	0.3	0.1	1.2	0.6	27.4%	0.8%	1.2	0.4	0.5	-6.9%	0.8%
Bursaries: Employees	0.0	0.1	0.1	0.6	170.4%	0.3%	0.9	0.7	0.7	4.8%	0.8%
Computer services	0.0	0.0	–	0.1	26.8%	–	2.8	0.0	0.0	-8.2%	0.8%
Consultants: Business and advisory services	1.8	0.9	16.6	22.3	133.1%	15.7%	19.5	20.5	21.4	-1.4%	23.8%
Travel and subsistence	9.6	1.0	2.7	7.4	-8.4%	7.8%	8.3	9.7	10.2	11.3%	10.1%
Venues and facilities	3.7	0.5	0.7	1.9	-19.6%	2.5%	1.4	1.9	1.9	0.7%	2.0%
Transfers and subsidies	0.1	0.1	0.0	–	-100.0%	0.1%	–	–	–	–	–
Households	0.1	0.1	0.0	–	-100.0%	0.1%	–	–	–	–	–
Payments for capital assets	0.6	0.1	0.1	0.4	-13.4%	0.5%	0.9	0.7	0.7	24.3%	0.8%
Machinery and equipment	0.6	0.1	0.1	0.4	-13.4%	0.5%	0.9	0.7	0.7	24.3%	0.8%
Total	60.6	49.8	65.1	90.1	14.1%	100.0%	86.5	86.2	90.0	–	100.0%
Proportion of total programme expenditure to vote expenditure	1.1%	1.6%	1.8%	3.1%	–	–	2.5%	2.0%	3.5%	–	–
Details of transfers and subsidies											
Households											
Social benefits											
Current	0.1	0.1	–	–	-100.0%	0.1%	–	–	–	–	–
Households	0.1	0.1	–	–	-100.0%	0.1%	–	–	–	–	–
Households											
Other transfers to households											
Current	0.0	0.0	0.0	–	-100.0%	–	–	–	–	–	–
Households	0.0	0.0	0.0	–	-100.0%	–	–	–	–	–	–

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 2023		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									2022/23 - 2025/26		
		2021/22		2022/23		2023/24			2024/25			2025/26							
ICT Information Society and Capacity Development		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	47	–	48	41.9	0.9	37	41.9	1.1	39	46.2	1.2	38	48.7	1.3	40	50.7	1.3	2.4%	100.0%
1 – 6	8	–	8	2.9	0.4	7	2.9	0.4	7	2.9	0.4	6	2.8	0.5	6	2.9	0.5	-4.8%	16.9%
7 – 10	11	–	11	5.7	0.5	3)	(0.6)	0.2	5)	(1.7)	0.3	5)	(1.8)	0.4	3)	(0.5)	0.2	-0.5%	-9.7%
11 – 12	11	–	11	10.6	1.0	14	13.9	1.0	14	14.1	1.0	14	15.0	1.1	14	15.2	1.1	–	36.3%
13 – 16	17	–	18	22.8	1.3	19	25.7	1.4	23	30.8	1.4	23	32.7	1.4	23	33.1	1.5	6.0%	56.4%

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

Entities

Broadband Infraco

Selected performance indicators

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

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Network performance rebates paid as a percentage of gross revenue per year	Network operations		0.15%	≤0.3%	≤0.3%	≤0.3%	≤0.3%	≤0.2%	≤0.2%
Actual time taken to restore core network faults per year in hours	Network operations		5.7	7.5	7.5	7.5	7.25	7	7
Number of government sites connected to Broadband Infraco network and maintained for phase 1 of the South Africa Connect broadband policy per year	Network operations	Entity mandate	400	713	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 bandwidth requirements for specific projects of national interests are met; and enable the state to provide affordable access to electronic communications networks and services.

Over the medium term, the entity will focus on implementing phase 2 of the South Africa Connect project, and maintaining broadband connectivity to 713 government sites and the time taken to restore faults on the core network at 7 hours.

Expenditure is expected to increase at an average annual rate of 9.4 per cent, from R770.2 million in 2022/23 to R1 billion in 2025/26. This is mainly due to an increase in spending on goods and services, which accounts for an estimated 60.3 per cent (R1.7 billion) of the company’s total expenditure over the MTEF period; and depreciation, which accounts for an estimated 19.2 per cent (R564.2 million), mostly as a result of an increase in expenditure on capital investments for phase 2 of the South Africa Connect project and other investments in infrastructure.

The entity is set to derive R3 billion of its revenue over the MTEF period through rendering connectivity services. Revenue is expected to increase at an average annual rate of 24.8 per cent, from R579 million in 2022/23 to R1.1 billion in 2025/26, mostly as a result of an increase in sales due to higher demand for connectivity services.

Programmes/Objectives/Activities

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

R million	Audited outcome			Revised estimate 2022/23	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2022/23 - 2025/26	Average: Expenditure/ Total (%)
	2019/20	2020/21	2021/22		2019/20 - 2022/23	2022/23	2023/24	2024/25	2025/26		
Administration	241.9	115.5	157.4	184.7	-8.6%	26.8%	171.8	169.9	178.4	-1.2%	20.1%
Network operations	450.1	457.5	400.8	585.5	9.2%	73.2%	648.8	789.0	831.4	12.4%	79.9%
Total	692.0	573.0	558.2	770.2	3.6%	100.0%	820.6	958.9	1 009.8	9.4%	100.0%

Statements of financial performance, cash flow and financial position

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

Statement of financial performance											
R million	Audited outcome			Revised estimate 2022/23	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%) 2022/23 - 2025/26	Average: Expenditure/ Total (%)
	2019/20	2020/21	2021/22		2019/20 - 2022/23	2022/23	2023/24	2024/25	2025/26		
Revenue											
Non-tax revenue	581.0	465.9	439.7	579.0	-0.1%	100.0%	870.6	998.6	1 126.3	24.8%	100.0%
Sale of goods and services other than capital assets	468.8	463.0	437.8	579.0	7.3%	94.9%	870.6	998.6	1 126.3	24.8%	100.0%
Other non-tax revenue	112.2	2.8	1.8	—	-100.0%	5.1%	—	—	—	—	—
Total revenue	581.0	465.9	439.7	579.0	-0.1%	100.0%	870.6	998.6	1 126.3	24.8%	100.0%
Expenses											
Current expenses	692.0	573.0	558.2	770.2	3.6%	100.0%	820.6	958.9	1 009.8	9.4%	100.0%
Compensation of employees	119.7	118.6	99.1	136.0	4.3%	18.4%	135.9	142.6	149.8	3.3%	16.0%
Goods and services	282.3	268.7	332.5	486.1	19.9%	52.6%	442.6	594.7	627.3	8.9%	60.3%
Depreciation	167.8	169.3	105.5	119.4	-10.7%	22.0%	194.0	180.6	189.7	16.7%	19.2%
Interest, dividends and rent on land	122.3	16.4	21.1	28.7	-38.3%	7.0%	48.2	41.0	43.0	14.4%	4.5%
Total expenses	692.0	573.0	558.2	770.2	3.6%	100.0%	820.6	958.9	1 009.8	9.4%	100.0%
Surplus/(Deficit)	(111.0)	(107.1)	(118.6)	(191.1)	19.9%		50.0	39.8	116.5	-184.8%	
Cash flow statement											
Cash flow from operating activities	117.1	44.9	7.0	207.8	21.1%	100.0%	200.6	340.8	475.6	31.8%	100.0%
Receipts											
Non-tax receipts	475.9	466.0	916.1	579.0	6.8%	100.0%	835.8	929.1	1 022.0	20.9%	100.0%
Sales of goods and services other than capital assets	468.8	463.1	914.2	579.0	7.3%	99.4%	835.8	929.1	1 022.0	20.9%	100.0%
Other tax receipts	7.1	2.8	1.8	—	-100.0%	0.6%	—	—	—	—	—
Total receipts	475.9	466.0	916.1	579.0	6.8%	100.0%	835.8	929.1	1 022.0	20.9%	100.0%
Payment											
Current payments	358.8	421.1	909.1	371.2	1.1%	100.0%	635.2	588.4	546.4	13.7%	100.0%
Compensation of employees	119.7	118.6	121.3	136.0	4.3%	27.9%	132.7	139.3	146.2	2.5%	27.0%
Goods and services	233.7	294.7	772.6	206.5	-4.0%	68.9%	454.4	408.1	362.9	20.7%	65.7%
Interest and rent on land	5.3	7.8	15.2	28.7	75.2%	3.2%	48.2	41.0	37.2	9.1%	7.3%
Total payments	358.8	421.1	909.1	371.2	1.1%	100.0%	635.2	588.4	546.4	13.7%	100.0%
Net cash flow from investing activities	(65.7)	(14.4)	(47.6)	(175.6)	38.8%	100.0%	(82.9)	(324.1)	(294.7)	18.8%	100.0%
Acquisition of property, plant, equipment and intangible assets	(65.7)	(14.4)	(45.0)	(175.6)	38.8%	98.6%	(82.9)	(324.1)	(294.7)	18.8%	100.0%
Acquisition of software and other intangible assets	—	—	(3.0)	—	—	1.6%	—	—	—	—	—
Proceeds from the sale of property, plant, equipment and intangible assets	0.0	—	0.4	—	-100.0%	-0.2%	—	—	—	—	—
Net cash flow from financing activities	(37.0)	(52.4)	(20.1)	(30.8)	-6.0%	100.0%	(75.5)	92.8	(79.2)	37.1%	100.0%
Borrowing activities	(37.0)	(52.4)	(20.1)	(30.8)	-6.0%	100.0%	(75.5)	92.8	(79.2)	37.1%	100.0%
Net increase/(decrease) in cash and cash equivalents	14.5	(22.0)	(60.8)	1.5	-53.5%	-3.1%	42.2	109.4	101.7	311.9%	6.7%

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

Statement of financial position												
R million	Audited outcome				Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2019/20	2020/21	2021/22	2022/23				2019/20 - 2022/23	2023/24	2024/25		
Carrying value of assets	1 107.5	955.3	912.8	1 616.3	13.4%	87.4%	1 505.2	1 648.7	1 809.8	3.8%	87.3%	
<i>of which:</i>												
Acquisition of assets	(65.7)	(14.4)	(45.0)	(175.6)	38.8%	100.0%	(82.9)	(324.1)	(294.7)	18.8%	100.0%	
Investments	10.1	7.8	7.8	8.5	-5.5%	0.7%	7.4	6.2	6.5	-8.4%	0.4%	
Receivables and prepayments	48.4	83.4	86.1	88.5	22.3%	6.1%	91.4	101.6	112.7	8.4%	5.2%	
Cash and cash equivalents	109.6	87.6	26.9	81.3	-9.5%	5.9%	123.6	233.0	101.7	7.7%	7.1%	
Total assets	1 275.6	1 134.1	1 033.6	1 794.6	12.1%	100.0%	1 727.6	1 989.6	2 030.8	4.2%	100.0%	
Accumulated surplus/(deficit)	(1 331.0)	(1 423.8)	(1 226.1)	(1 264.6)	-1.7%	-104.7%	(1 246.6)	(1 137.5)	(1 126.5)	-3.8%	-63.8%	
Capital reserve fund	-	1 815.2	1 498.9	1 935.5	-	103.2%	1 935.5	1 935.5	1 935.5	-	103.1%	
Borrowings	246.4	-	-	429.1	20.3%	10.8%	283.8	320.2	336.2	-7.8%	18.2%	
Finance lease	56.6	30.3	43.9	56.6	-	3.6%	56.6	56.6	56.6	-	3.0%	
Deferred income	497.5	463.9	338.1	261.5	-19.3%	31.8%	305.8	354.7	404.7	15.7%	17.5%	
Trade and other payables	190.2	237.8	373.1	346.9	22.2%	22.8%	332.7	424.3	386.3	3.7%	19.7%	
Taxation	-	2.7	-	21.4	-	0.4%	51.2	26.7	28.1	9.4%	1.7%	
Provisions	1.8	7.9	5.7	8.3	66.6%	0.5%	8.6	9.0	9.9	6.2%	0.5%	
Derivatives financial instruments	1 614.2	-	-	-	-100.0%	31.6%	-	-	-	-	-	
Total equity and liabilities	1 275.6	1 134.1	1 033.6	1 794.6	12.1%	100.0%	1 727.6	1 989.6	2 030.8	4.2%	100.0%	

Personnel information

Table 30.21 Broadband Infraco personnel numbers and cost¹ by salary level

Number of posts estimated for 31 March 2023		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 approved funded posts	Number of posts on establishment	Actual		Revised estimate			Medium-term expenditure estimate												
		2021/22		2022/23			2023/24		2024/25		2025/26	2022/23 - 2025/26							
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost						
Broadband Infraco																			
Salary level	155	155	114	99.1	0.9	155	136.0	0.9	155	135.9	0.9	155	142.6	0.9	155	149.8	1.0	-	100.0%
7 – 10	59	59	42	15.0	0.4	59	20.3	0.3	59	20.6	0.3	59	21.6	0.4	59	22.7	0.4	-	38.1%
11 – 12	72	72	53	49.7	0.9	72	71.9	1.0	72	72.8	1.0	72	76.5	1.1	72	80.3	1.1	-	46.5%
13 – 16	19	19	15	22.7	1.5	19	29.2	1.5	19	28.4	1.5	19	29.8	1.6	19	31.3	1.6	-	12.3%
17 – 22	5	5	4	11.6	2.9	5	14.6	2.9	5	14.0	2.8	5	14.8	3.0	5	15.5	3.1	-	3.2%

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		
			2019/20	2020/21	2021/22		2022/23	2023/24	2024/25
Number of convergence surveys conducted per year	Industry compliance	Entity mandate	3 000	3 000	9 000	1 000	- ¹	- ¹	- ¹
Number of unregistered distributors identified per year	Industry compliance		2 000	2 000	2 000	2 500	- ¹	- ¹	- ¹
Number of raids conducted in provinces per year	Industry compliance		24	24	48	60	- ¹	- ¹	- ¹
Number of inspections conducted on existing distributors per year	Industry compliance		6 000	6 000	6 000	7 000	- ¹	- ¹	- ¹
Number of stakeholder relations strategies developed and implemented per year	Public awareness and education		4	4	4	4	- ¹	- ¹	- ¹

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

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Percentage of licensing and content classification decisions issued within 7 working days per year	Technology support and platform monitoring	Entity mandate	- ²	- ²	- ²	- ²	90%	90%	90%
Percentage of applications for licences processed within 5 working days per year	Technology support and platform monitoring		- ²	- ²	- ²	- ²	95%	95%	95%
Months taken to conclude online distributor applications through self-classification per year	Technology support and platform monitoring		- ²	- ²	- ²	- ²	6 months	6 months	6 months
Percentage of matters finalised before the enforcement committee within 12 months per year	Regulatory development and enforcement		- ²	- ²	- ²	- ²	90%	90%	90%

1. Indicator discontinued.

2. No historical data available.

Entity overview

The Film and Publication Board was established in terms of the Films and Publications Act (1996), as amended. 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. The board is also mandated to issue, renew and revoke licences; impose fines and make recommendations for criminal prosecution to the National Director of Public Prosecutions; search and inspect premises; and take down illegal online activities.

Expenditure is expected to increase at an average annual rate of 5.3 per cent, from R125.1 million in 2022/23 to R146.1 million in 2025/26. The board plans to update its regulatory frameworks and procedures to ensure the efficient management of its regulatory environment, and provide training opportunities to its personnel to ensure they are adequately skilled. Due to the labour-intensive nature of the board's work, compensation of employees is its main cost driver, accounting for an estimated 55.5 per cent (R234.7 million) of expenditure over the MTEF period. Expenditure on compensation of employees is set to increase at an average annual rate of 7.8 per cent in line with the expected increase in the number of personnel from 115 in 2022/23 to 129 in 2025/26 as the board implements its revised mandate.

The board expects to derive 79.2 per cent (R325.8 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 increase in line with expenditure.

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 (%)
	2019/20	2020/21	2021/22				2022/23	2023/24	2024/25		
Administration	71.4	71.9	88.5	104.1	13.4%	76.7%	63.1	66.1	70.7	-12.1%	56.7%
Technology support and platform monitoring	18.9	19.7	6.8	8.5	-23.3%	12.8%	55.8	58.5	60.9	92.5%	33.2%
Regulatory development and enforcement	12.3	9.6	11.4	12.4	0.5%	10.5%	13.8	13.6	14.5	5.2%	10.0%
Total	102.6	101.2	106.7	125.1	6.8%	100.0%	132.7	138.2	146.1	5.3%	100.0%

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

Statement of financial performance												
R million	Audited outcome				Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2019/20	2020/21	2021/22	2022/23				2019/20 - 2022/23	2023/24	2024/25		
Revenue												
Non-tax revenue	7.6	8.2	9.9	22.2	43.1%	10.3%	28.9	29.7	32.7	13.7%	20.8%	
Sale of goods and services other than capital assets	6.4	7.1	8.9	20.7	47.9%	9.2%	26.3	27.7	30.6	14.0%	19.3%	
Other non-tax revenue	1.2	1.1	1.1	1.5	8.8%	1.1%	2.6	2.0	2.0	10.0%	1.5%	
Transfers received	99.4	100.6	100.9	102.9	1.2%	89.7%	103.9	108.5	113.4	3.3%	79.2%	
Total revenue	107.0	108.8	110.9	125.1	5.4%	100.0%	132.7	138.2	146.1	5.3%	100.0%	
Expenses												
Current expenses	102.6	101.2	106.7	125.1	6.8%	100.0%	132.7	138.2	146.1	5.3%	100.0%	
Compensation of employees	58.2	60.7	64.9	66.5	4.6%	57.6%	73.2	78.2	83.3	7.8%	55.5%	
Goods and services	44.5	40.5	41.8	58.6	9.6%	42.4%	59.5	60.1	62.8	2.3%	44.5%	
Total expenses	102.6	101.2	106.7	125.1	6.8%	100.0%	132.7	138.2	146.1	5.3%	100.0%	
Surplus/(Deficit)	4.3	7.6	4.1	-	-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 2023		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		2022/23			2023/24		2024/25		2025/26		2022/23 - 2025/26						
Film and Publication Board		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Average growth rate of personnel posts (%)	Average: Salary level/ Total (%)	
Salary level	115	115	116	64.9	0.6	115	66.5	0.6	116	73.2	0.6	125	78.2	0.6	129	83.3			0.6
1 – 6	14	14	15	2.0	0.1	14	2.1	0.2	4	1.4	0.4	4	1.6	0.4	4	1.7	0.4	-34.1%	5.5%
7 – 10	67	67	67	31.7	0.5	67	31.9	0.5	83	44.2	0.5	92	47.2	0.5	93	49.9	0.5	11.5%	68.9%
11 – 12	12	12	12	8.4	0.7	12	8.6	0.7	7	5.7	0.8	7	6.1	0.9	7	6.6	0.9	-16.4%	6.9%
13 – 16	22	22	22	22.8	1.0	22	23.9	1.1	22	21.8	1.0	22	23.4	1.1	25	25.1	1.0	4.4%	18.8%

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		
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Access to high-demand spectrum from 700 MHz, 800 MHz, 2.6 GHz and 3.5 GHz bands per year	Licensing		958 MHz	958 MHz	700 MHz-3.5 GHz	700 MHz-3.5 GHz	700 MHz-3.5 GHz	700 MHz-3.5 GHz	700 MHz-3.5 GHz
Number of community television licences issued per year	Licensing		- ¹	14	14	14	14	14	14
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	Entity mandate	65	70	75	85	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)	87%	88%	89%	89%
Number of electronic communications network service licensees monitored per year	Compliance and consumer affairs		65	70	75	85	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, plan and manage the radio frequency spectrum, and protect consumers in relation to these services.

Over the medium term, the authority will impose universal service obligations on mobile network operators as part of licensing the high-demand spectrum. As part of its ongoing regulatory activities, it plans to issue 42 community television licences 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 89 per cent of consumer complaints.

Expenditure is expected to decrease at an average annual rate of 12 per cent, from R786.2 million in 2022/23 to R536.5 million in 2025/26, due to one-off funding of R300 million in 2022/23 for strengthening regulatory capacity and licensing spectrum for mobile telecommunications, specifically wireless broadband services. As the authority requires specialised personnel to conduct its work, compensation of employees accounts for an estimated 65.2 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. These measures are aimed at ensuring that the authority continues to operate as a going concern. The authority expects to receive 96.8 per cent (R1.5 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 2022/23	Average growth rate (%) 2019/20 - 2022/23	Average: Expenditure/ Total (%) 2019/20 - 2022/23	Medium-term expenditure estimate			Average growth rate (%) 2022/23 - 2025/26	Average: Expenditure/ Total (%) 2022/23 - 2025/26
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26		
Administration	255.7	236.1	267.7	304.4	6.0%	50.4%	256.5	267.8	278.6	-2.9%	48.7%
Licensing	56.7	68.8	72.9	270.7	68.4%	19.3%	66.0	69.0	73.1	-35.4%	18.7%
Engineering and technology	21.1	15.8	22.6	38.2	21.8%	4.4%	20.8	21.8	22.9	-15.6%	4.4%
Policy research and analysis	23.6	25.2	25.9	53.5	31.4%	5.7%	29.3	30.7	32.2	-15.6%	6.2%
Compliance and consumer affairs	34.2	23.4	31.4	29.4	-4.9%	5.7%	28.8	30.1	31.4	2.3%	5.3%
Regions	73.8	71.4	72.9	90.1	6.9%	14.6%	90.0	94.1	98.3	2.9%	16.6%
Total	465.1	440.8	493.5	786.2	19.1%	100.0%	491.5	513.5	536.5	-12.0%	100.0%

Statements of financial performance, cash flow and financial position

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

R million	Audited outcome			Revised estimate 2022/23	Average growth rate (%) 2019/20 - 2022/23	Average: Expenditure/ Total (%) 2019/20 - 2022/23	Medium-term expenditure estimate			Average growth rate (%) 2022/23 - 2025/26	Average: Expenditure/ Total (%) 2022/23 - 2025/26
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26		
Statement of financial performance											
Revenue											
Non-tax revenue	12.1	10.3	15.6	16.8	11.5%	2.5%	17.5	18.3	19.1	4.4%	3.2%
Other non-tax revenue	12.1	10.3	15.6	16.8	11.5%	2.5%	17.5	18.3	19.1	4.4%	3.2%
Transfers received	456.5	469.2	486.0	769.4	19.0%	97.5%	473.9	495.2	517.4	-12.4%	96.8%
Total revenue	468.6	479.6	501.6	786.2	18.8%	100.0%	491.5	513.5	536.5	-12.0%	100.0%
Expenses											
Current expenses	465.1	440.8	493.5	786.2	19.1%	100.0%	491.5	513.5	536.5	-12.0%	100.0%
Compensation of employees	296.3	309.8	321.5	341.2	4.8%	60.6%	356.3	372.2	388.9	4.4%	65.2%
Goods and services	151.8	112.0	149.5	423.3	40.7%	35.5%	113.2	118.7	124.0	-33.6%	30.8%
Depreciation	17.0	18.7	22.2	21.7	8.5%	3.8%	21.9	22.6	23.7	3.0%	4.0%
Interest, dividends and rent on land	0.0	0.2	0.2	0.0	25.1%	-	0.0	0.0	0.0	4.4%	-
Total expenses	465.1	440.8	493.5	786.2	19.1%	100.0%	491.5	513.5	536.5	-12.0%	100.0%
Surplus/(Deficit)	3.5	38.8	8.1	-	-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 2023		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		2022/23		2023/24		2024/25		2025/26		2022/23 - 2025/26							
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	418	418	424	321.5	0.8	418	341.2	0.8	418	356.3	0.9	418	372.2	0.9	418	388.9	0.9	-	100.0%
1 – 6	18	18	22	3.2	0.1	18	3.5	0.2	18	3.7	0.2	18	3.8	0.2	18	4.0	0.2	-	4.3%
7 – 10	208	208	223	131.6	0.6	208	129.4	0.6	208	135.1	0.6	208	141.2	0.7	208	147.5	0.7	-	49.8%
11 – 12	130	130	119	101.7	0.9	130	115.4	0.9	130	120.5	0.9	130	125.9	1.0	130	131.5	1.0	-	31.1%
13 – 16	61	61	59	82.4	1.4	61	90.1	1.5	61	94.1	1.5	61	98.3	1.6	61	102.7	1.7	-	14.6%
17 – 22	1	1	1	2.7	2.7	1	2.8	2.8	1	2.9	2.9	1	3.0	3.0	1	3.2	3.2	-	0.2%

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		
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Number of citizens trained in digital literacy per year	e-Astuteness development	Entity mandate	5 836	16 018	74 443	100 000	120 000	150 000	170 000
Number of small, medium and micro enterprises trained in digital entrepreneurship per year	e-Astuteness development		- ¹	- ¹	- ¹	15 000	20 000	25 000	26 000
Number of learners trained as creative media practitioners per year	e-Astuteness development		323	117	240	500	750	1000	1100
Number of learners trained in creative media, radio and television learnerships per year	e-Astuteness development		- ¹	- ¹	- ¹	100	150	200	300
Number of citizens trained in digital technologies per year	e-Astuteness development		- ¹	1 109	2 988	3 000	3 100	3 300	3 500
Number of citizens participating in ICT skills-based programmes per year	e-Astuteness development		- ¹	- ¹	- ¹	100	150	200	300

1. No historical data available.

Entity overview

The National Electronic Media Institute of South Africa was established as a non-profit institution for education. 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 focus on providing digital skills in collaboration with government, education, business and civil society. The institute aims to train 9 900 citizens in digital technologies, 650 citizens in ICT skills-based programmes and 440 000 citizens in digital literacy over the MTEF period.

Expenditure is expected to increase at an average annual rate of 9 per cent, from R102.7 million in 2022/23 to R133.2 million in 2025/26. Goods and services – mainly rental costs for office space and in-house training – account for an estimated 34.8 per cent (R124.3 million) of expenditure over the medium term, while transfers

and subsidies to higher education institutions to fund e-skills projects account for an estimated 28.2 per cent (R105.9 million).

The institute is set to derive 89.7 per cent (R323.4 million) of its revenue over the medium term through transfers from the department and the balance through fees for training and development. Revenue is expected to increase in line with expenditure.

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	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2019/20	2020/21	2021/22		2022/23	2019/20 - 2022/23	2023/24	2024/25	2025/26		
Administration	59.5	49.8	43.1	52.6	-4.0%	54.6%	58.1	57.3	59.9	4.5%	48.0%
Multistakeholder collaboration	1.5	-	-	-	-100.0%	0.3%	-	-	-	-	-
e-Astuteness development	47.6	14.2	61.4	48.1	0.3%	41.5%	49.7	63.7	66.5	11.4%	47.6%
Knowledge for innovation	8.3	1.1	1.9	1.5	-44.1%	3.0%	3.1	3.1	3.2	30.8%	2.3%
Aggregation framework	0.2	-	1.5	0.6	54.1%	0.5%	3.3	3.3	3.5	80.2%	2.2%
Total	117.1	65.0	107.9	102.7	-4.3%	100.0%	114.2	127.4	133.2	9.0%	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	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2019/20	2020/21	2021/22		2022/23	2019/20 - 2022/23	2023/24	2024/25	2025/26		
Revenue											
Tax revenue	-	-	13.0	-	-	2.7%	-	-	-	-	-
Non-tax revenue	3.2	1.9	10.0	0.6	-42.9%	3.7%	11.1	19.6	20.6	225.0%	10.3%
Sale of goods and services other than capital assets	0.3	-	7.3	-	-100.0%	1.6%	9.6	18.0	19.0	-	9.2%
Other non-tax revenue	3.0	1.9	2.7	0.6	-41.2%	2.1%	1.5	1.6	1.6	38.7%	1.1%
Transfers received	112.3	63.0	98.5	102.1	-3.1%	93.7%	103.1	107.7	112.6	3.3%	89.7%
Total revenue	115.5	64.9	121.5	102.7	-3.8%	100.0%	114.2	127.4	133.2	9.0%	100.0%
Expenses											
Current expenses	65.2	54.3	68.4	73.3	4.0%	68.5%	86.2	88.7	93.9	8.6%	71.8%
Compensation of employees	27.2	24.4	30.7	32.6	6.3%	30.2%	46.4	47.1	50.5	15.7%	36.8%
Goods and services	36.1	27.5	35.7	40.6	3.9%	36.4%	39.6	41.4	43.3	2.2%	34.8%
Depreciation	1.9	2.4	2.0	0.1	-57.1%	1.8%	0.2	0.2	0.2	4.7%	0.1%
Transfers and subsidies	51.9	10.7	39.4	29.4	-17.3%	31.5%	28.0	38.6	39.2	10.1%	28.2%
Total expenses	117.1	65.0	107.9	102.7	-4.3%	100.0%	114.2	127.4	133.2	9.0%	100.0%
Surplus/(Deficit)	(1.6)	(0.1)	13.6	-	-100.0%	-	-	-	-	-	-

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 2023	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 approved funded posts	Number of posts on establishment	Actual			Revised estimate			Medium-term expenditure estimate										
			2021/22		2022/23		2023/24		2024/25		2025/26		2022/23 - 2025/26						
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost		
National Electronic Media Institute of South Africa	48	48	48	30.7	0.6	48	32.6	0.7	69	46.4	0.7	98	47.1	0.5	98	50.5	0.5	26.9%	100.0%
Salary level																			
7 – 10	36	36	33	14.6	0.4	36	15.7	0.4	19	4.3	0.2	19	6.3	0.3	19	6.6	0.3	-19.2%	35.3%
11 – 12	7	7	10	9.5	0.9	7	9.9	1.4	43	34.3	0.8	72	31.7	0.4	72	34.6	0.5	117.5%	56.0%
13 – 16	5	5	5	6.6	1.3	5	7.0	1.4	7	7.9	1.1	7	9.2	1.3	7	9.4	1.3	11.9%	8.7%

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		
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Percentage household coverage of digital television infrastructure per year	Attain digital terrestrial television network	Entity mandate	85%	99.8%	99.8%	99.8%	99.8%	99.8%	99.8%
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)	99.89% (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		2	2	2	2	-1	-1	-1
Total number of analogue sites switched off	Attain digital terrestrial television network		-2	-2	163	170	206	0	0
Number of set-top box installations for broadcasting digital migration per year	Attain digital terrestrial television network		-2	-2	170 274	151 000	0	0	0

1. Indicator discontinued.

2. No historical data available.

Entity overview

Sentech was established in terms of the Sentech Act (1996), is listed as a schedule 3B public entity in the Public Finance Management Act (1999) and derives its mandate from the Electronic Communications Act (2005). 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 licensed to provide international voice-based telecommunications and multimedia services.

Over the MTEF period, the entity will focus on achieving the objectives of its public service mandate while ensuring its financial sustainability. It will continue to operate an estimated 330 terrestrial distribution sites and satellite platforms to provide customers with content, multimedia and connectivity services. However, these operations will cease as all analogue transmitters are shut down in the migration to digital terrestrial television, which is expected to be completed in 2023/24. The entity plans to ensure that it provides digital television coverage to 99 per cent of households each year over the medium term.

To ensure a high-quality, stable network and replace obsolete equipment, the entity plans to spend R923.6 million on the acquisition of property, plant and equipment over the MTEF period. As such, spending on goods and services accounts for an estimated 34.3 per cent (R1.6 billion) of expenditure over the period ahead, mostly for service expenses such as satellite costs, which have increased in recent years due to exchange rate fluctuations. This trend is expected to persist. Compensation of employees accounts for an estimated 29.4 per cent (R1.4 billion) of the entity's budget, spending on which is expected to increase at an average annual rate of 4.2 per cent, from R433.6 million in 2022/23 to R490.9 million in 2025/26.

The entity expects to derive 95.7 per cent (R4.8 billion) of its revenue over the MTEF period through fees for television, radio and streaming services, and the remainder through other sources such as rental income. Revenue is expected to increase at an average annual rate of 3.2 per cent, from R1.6 billion in 2022/23 to R1.7 billion in 2025/26.

Programmes/Objectives/Activities**Table 30.35 Sentech expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2019/20	2020/21	2021/22		2022/23	2019/20 - 2022/23	2023/24	2024/25	2025/26	2022/23 - 2025/26	2022/23 - 2025/26
Administration	1 487.8	1 443.3	1 320.6	1 481.3	-0.1%	92.3%	1 509.4	1 570.4	1 733.8	5.4%	100.0%
Attain digital terrestrial television network	149.1	167.1	166.4	-	-100.0%	7.7%	-	-	-	-	-
Total	1 636.9	1 610.4	1 487.0	1 481.3	-3.3%	100.0%	1 509.4	1 570.4	1 733.8	5.4%	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	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2019/20	2020/21	2021/22		2022/23	2019/20 - 2022/23	2023/24	2024/25	2025/26	2022/23 - 2025/26	2022/23 - 2025/26
Revenue											
Non-tax revenue	1 418.5	1 756.3	1 458.7	1 579.2	3.6%	93.2%	1 564.4	1 659.9	1 734.3	3.2%	100.0%
Sale of goods and services other than capital assets	1 334.9	1 442.2	1 373.2	1 501.1	4.0%	85.2%	1 494.0	1 596.6	1 668.1	3.6%	95.7%
Other non-tax revenue	83.6	314.1	85.5	78.2	-2.2%	8.0%	70.4	63.3	66.2	-5.4%	4.3%
Transfers received	146.0	167.3	147.6	-	-100.0%	6.8%	-	-	-	-	-
Total revenue	1 564.5	1 923.7	1 606.3	1 579.2	0.3%	100.0%	1 564.4	1 659.9	1 734.3	3.2%	100.0%
Expenses											
Current expenses	1 636.9	1 512.1	1 438.8	1 443.2	-4.1%	97.0%	1 488.1	1 535.6	1 683.4	5.3%	97.7%
Compensation of employees	463.8	427.7	469.5	433.6	-2.2%	28.9%	451.3	469.9	490.9	4.2%	29.4%
Goods and services	778.2	654.3	607.0	585.5	-9.1%	42.1%	617.8	460.4	473.8	-6.8%	34.3%
Depreciation	233.5	262.8	219.9	281.9	6.5%	16.1%	270.8	391.3	408.9	13.2%	21.4%
Interest, dividends and rent on land	161.4	167.3	142.3	142.2	-4.1%	9.9%	148.1	214.0	309.8	29.6%	12.7%
Transfers and subsidies	-	98.3	48.2	38.1	-	3.0%	21.4	34.8	50.4	9.8%	2.3%
Total expenses	1 636.9	1 610.4	1 487.0	1 481.3	-3.3%	100.0%	1 509.4	1 570.4	1 733.8	5.4%	100.0%
Surplus/(Deficit)	(72.4)	313.3	119.3	97.9	-210.6%		54.9	89.5	-	-100.0%	

Cash flow statement

Cash flow from operating activities	473.4	565.6	251.2	378.5	-7.2%	100.0%	325.7	480.9	409.3	2.6%	100.0%
Receipts											
Non-tax receipts	1 502.1	1 489.5	1 451.3	1 579.2	1.7%	92.1%	1 564.4	1 659.9	1 734.3	3.2%	100.0%
Sales of goods and services other than capital assets	1 418.5	1 422.9	1 375.8	1 501.1	1.9%	87.5%	1 494.0	1 596.6	1 668.1	3.6%	95.7%
Other tax receipts	83.6	66.5	75.6	78.2	-2.2%	4.7%	70.4	63.3	66.2	-5.4%	4.3%
Transfers received	146.0	230.1	147.6	-	-100.0%	7.9%	-	-	-	-	-
Total receipts	1 648.1	1 719.6	1 598.9	1 579.2	-1.4%	100.0%	1 564.4	1 659.9	1 734.3	3.2%	100.0%
Payment											
Current payments	1 132.8	1 105.5	1 299.5	1 162.7	0.9%	96.4%	1 217.2	1 144.3	1 274.5	3.1%	97.1%
Compensation of employees	463.8	427.7	469.0	433.2	-2.2%	36.9%	451.3	469.9	490.9	4.3%	37.4%
Goods and services	510.4	512.0	691.1	587.3	4.8%	47.0%	617.8	460.4	473.8	-6.9%	43.4%
Interest and rent on land	158.6	165.8	139.5	142.2	-3.6%	12.5%	148.1	214.0	309.8	29.6%	16.3%
Transfers and subsidies	41.9	48.5	48.2	38.1	-3.1%	3.6%	21.4	34.8	50.4	9.8%	2.9%
Total payments	1 174.7	1 154.0	1 347.7	1 200.8	0.7%	100.0%	1 238.6	1 179.1	1 324.9	3.3%	100.0%
Net cash flow from investing activities	(72.9)	(70.7)	(75.2)	(535.6)	94.4%	100.0%	(556.3)	(179.6)	(187.6)	-29.5%	100.0%
Acquisition of property, plant, equipment and intangible assets	(72.9)	(70.7)	(75.2)	(535.6)	94.4%	100.0%	(556.3)	(179.6)	(187.6)	-29.5%	100.0%
Proceeds from the sale of property, plant, equipment and intangible assets	-	0.1	0.1	-	-	-	-	-	-	-	-
Net cash flow from financing activities	3.5	(11.5)	(24.6)	(104.4)	-411.4%	100.0%	(105.3)	(106.5)	(111.3)	2.1%	100.0%
Deferred income	72.2	230.1	147.6	-	-100.0%	-127.4%	-	-	-	-	-
Repayment of finance leases	(84.9)	(254.7)	(186.8)	(109.7)	8.9%	155.0%	(110.3)	(111.3)	(116.2)	1.9%	104.7%
Other flows from financing activities	16.1	13.0	14.5	5.3	-31.1%	72.3%	5.0	4.8	5.0	-1.9%	-4.7%
Net increase/(decrease) in cash and cash equivalents	404.0	483.4	151.4	(261.6)	-186.5%	11.8%	(335.8)	194.8	110.5	-175.0%	-5.3%

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

Statement of financial position		Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
		2019/20	2020/21	2021/22				2022/23	2019/20 - 2022/23	2023/24		
R million												
Carrying value of assets		1 128.0	1 070.8	1 036.4	1 289.1	4.6%	26.0%	1 674.6	1 698.0	1 774.1	11.2%	37.0%
of which:												
Acquisition of assets		(72.9)	(70.7)	(75.2)	(535.6)	94.4%	100.0%	(556.3)	(179.6)	(187.6)	-29.5%	100.0%
Investments		1 206.1	1 063.4	977.5	958.3	-7.4%	24.2%	837.0	720.4	752.7	-7.7%	18.8%
Inventory		54.7	58.5	64.8	60.5	3.4%	1.4%	61.1	61.8	64.5	2.1%	1.4%
Receivables and prepayments		343.3	137.4	174.1	164.2	-21.8%	4.7%	167.3	170.5	178.1	2.8%	3.9%
Cash and cash equivalents		1 516.4	1 999.8	2 151.2	1 894.3	7.7%	43.4%	1 556.5	1 617.9	1 690.4	-3.7%	38.9%
Taxation		38.5	9.1	13.9	-	-100.0%	0.4%	-	-	-	-	-
Total assets		4 286.9	4 339.0	4 417.9	4 366.4	0.6%	100.0%	4 296.5	4 268.6	4 459.8	0.7%	100.0%
Accumulated surplus/(deficit)		1 443.9	1 752.1	1 868.7	1 860.6	8.8%	39.7%	1 915.5	2 005.0	2 094.8	4.0%	45.3%
Capital and reserves		851.9	851.9	846.0	851.9	-	19.5%	851.9	851.9	890.1	1.5%	19.8%
Finance lease		1 578.0	1 216.3	1 157.9	1 448.1	-2.8%	31.1%	1 322.9	1 204.8	1 260.3	-4.5%	30.1%
Deferred income		214.2	286.3	308.0	-	-100.0%	4.6%	-	-	-	-	-
Trade and other payables		136.9	165.0	165.1	160.3	5.4%	3.6%	161.9	163.5	170.9	2.1%	3.8%
Taxation		4.5	14.5	-	13.1	42.6%	0.2%	11.9	10.8	11.3	-4.8%	0.3%
Provisions		57.4	53.0	72.2	32.4	-17.4%	1.2%	32.4	32.4	32.4	-	0.7%
Total equity and liabilities		4 286.9	4 339.0	4 417.9	4 366.4	0.6%	100.0%	4 296.5	4 268.6	4 459.8	0.7%	100.0%

Personnel information

Table 30.37 Sentech personnel numbers and cost by salary level

Number of posts estimated for 31 March 2023		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 approved establishment	Actual			Revised estimate			Medium-term expenditure estimate						2022/23 - 2025/26					
		2021/22		2022/23		2023/24		2024/25		2025/26									
Sentech		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2022/23 - 2025/26	Average: Salary level/ Total (%)	
Salary level	485	493	493	469.5	1.0	484	433.6	0.9	484	451.3	0.9	479	469.9	1.0	483	490.9			1.0
1 – 6	40	44	40	18.5	0.5	40	18.5	0.5	40	19.5	0.5	40	19.8	0.5	43	22.9	0.5	2.4%	8.4%
7 – 10	46	46	46	23.5	0.5	46	24.5	0.5	45	25.5	0.6	45	26.7	0.6	46	28.8	0.6	-	9.4%
11 – 12	1	1	1	1.0	1.0	1	1.0	1.0	1	1.1	1.1	1	1.1	1.1	1	1.1	1.1	-	0.2%
13 – 16	391	395	399	404.6	1.0	390	367.7	0.9	391	382.4	1.0	386	398.4	1.0	386	414.2	1.1	-0.3%	80.5%
17 – 22	7	7	7	21.9	3.1	7	21.9	3.1	7	22.9	3.3	7	23.9	3.4	7	23.9	3.4	-	1.5%

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			
			2019/20	2020/21	2021/22		2022/23	2023/24	2024/25	2025/26
Percentage of local content broadcast on public broadcasting service television channels per year	Local content delivery: Video entertainment	Entity mandate	SABC1: 77.7%	SABC1: 68%	SABC1: 65%	SABC1: 65%	SABC1: 65%	SABC1: 65%	SABC1: 65%	SABC1: 65%
			SABC2: 87.8%	SABC2: 76%	SABC2: 65%	SABC2: 65%	SABC2: 65%	SABC2: 65%	SABC2: 65%	SABC2: 65%
Percentage of content in languages other than English broadcast on public broadcasting service television channels per year	Local content delivery: Video entertainment		- ¹	- ¹	SABC1: 75%	SABC1: 75%	SABC1: 75%	SABC1: 75%	SABC1: 75%	SABC1: 75%
Percentage share of prime time television screen ratings per year	Local content delivery: Video entertainment		- ¹	- ¹	- ¹	SABC1: 25%	SABC1: 30%	SABC1: 35%	SABC1: 35%	SABC1: 35%
						SABC2: 8%	SABC2: 12%	SABC2: 14%	SABC2: 14%	SABC2: 14%
						SABC3: 3%	SABC3: 5%	SABC3: 6%	SABC3: 6%	SABC3: 6%

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

Indicator	Programme/ Objective/ Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Percentage of local music broadcast on public broadcasting service radio stations per year	Local content delivery: Radio		73%	70%	70%	70%	70%	70%	70%
Percentage of local music broadcast on public commercial radio stations and Lotus FM per year	Local content delivery: Radio		39%	38%	35%	35%	35%	35%	35%
Number 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	14	14	14	14	14	14	14

1. No historical data available.

Entity overview

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

Over the MTEF period, the corporation will focus on implementing the growth phase of its turnaround plan, which involves initiatives to improve performance by offering new content on multiple platforms and optimising operations in an effort to generate revenue and ensure financial recovery. Initiatives include a new streaming platform, which will include a variety of local and international content; revising content acquisition models for video entertainment, which is expected to improve turnaround times for commissioning and broadcasting; increasing its share of the industry radio advertising revenue; and rolling out radio brand campaigns to improve the corporation's image.

As the corporation relies heavily on human capital to fulfil its mandate, compensation of employees accounts for an estimated 37.5 per cent (R8 billion) of projected spending over the medium term. Goods and services accounts for 36.6 per cent (R7.7 billion) of total expenditure over the period, mostly for signal and broadcast costs, and programme, film and sports rights. Total expenditure is expected to increase at an average annual rate of 4.5 per cent, from R6.4 billion in 2022/23 to R7.3 billion in 2025/26.

The corporation estimates that 81.7 per cent (R18.5 billion) of its revenue over the MTEF period will be generated through advertising and other commercial activities. Transfers from the department account for an estimated 3.2 per cent (R720.8 million) of revenue over the medium term, while proceeds from television licence fees account for an estimated 15 per cent (R3.4 billion). Total revenue is expected to increase at an average annual rate of 6.9 per cent, from R6.4 billion in 2022/23 to R7.9 billion in 2025/26, in line with the implementation of revenue-generation initiatives.

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 (%)
	2019/20	2020/21	2021/22	2022/23				2019/20 - 2022/23	2023/24	2024/25		
Administration	1 530.2	1 258.5	1 108.5	1 601.5	1.5%	23.2%	1 730.1	1 729.0	1 806.5	4.1%	24.9%	
Local content delivery: Video entertainment	1 862.5	1 719.8	1 773.0	1 864.0	–	30.8%	1 942.7	1 985.9	2 074.9	3.6%	28.5%	
Local content delivery: Radio	821.0	817.3	698.7	908.8	3.4%	13.8%	1 024.7	861.9	900.5	-0.3%	13.4%	
Universal access transmitter rollout news	810.1	792.2	657.5	720.1	-3.9%	12.7%	823.7	814.5	851.0	5.7%	11.6%	
Sports of national interest and mandate	454.3	233.8	447.8	398.7	-4.3%	6.5%	478.6	539.6	563.7	12.2%	7.2%	
Digital terrestrial migration and technology	771.4	759.0	646.4	882.0	4.6%	13.0%	996.2	1 022.5	1 068.3	6.6%	14.4%	
Total	6 249.6	5 580.6	5 331.9	6 375.0	0.7%	100.0%	6 995.9	6 953.4	7 264.9	4.5%	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 (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2019/20	2020/21	2021/22	2022/23				2019/20 - 2022/23	2023/24	2024/25		
Revenue												
Non-tax revenue	5 539.3	4 844.6	4 940.1	6 223.6	4.0%	96.3%	6 900.3	7 340.2	7 623.1	7.0%	96.8%	
Sale of goods and services other than capital assets	5 130.8	4 393.0	4 214.6	5 266.8	0.9%	85.1%	5 750.2	6 218.4	6 496.9	7.2%	81.7%	
Other non-tax revenue	408.5	451.6	725.5	956.8	32.8%	11.3%	1 150.2	1 121.9	1 126.1	5.6%	15.0%	
Transfers received	199.0	205.8	190.9	216.1	2.8%	3.7%	253.6	228.5	238.7	3.4%	3.2%	
Total revenue	5 738.3	5 050.4	5 131.1	6 439.7	3.9%	100.0%	7 154.0	7 568.7	7 861.8	6.9%	100.0%	
Expenses												
Current expenses	6 249.1	5 580.6	5 331.9	6 375.0	0.7%	100.0%	6 995.9	6 953.4	7 264.9	4.5%	100.0%	
Compensation of employees	2 829.7	2 749.7	2 009.4	2 341.1	-6.1%	42.2%	2 572.6	2 665.5	2 784.9	6.0%	37.5%	
Goods and services	1 924.1	1 623.9	1 822.7	2 440.3	8.2%	33.1%	2 653.1	2 444.7	2 554.2	1.5%	36.6%	
Depreciation	1 453.5	1 198.6	1 493.7	1 587.3	3.0%	24.4%	1 768.8	1 840.0	1 922.4	6.6%	25.8%	
Interest, dividends and rent on land	41.9	8.3	6.0	6.4	-46.6%	0.3%	1.5	3.1	3.3	-19.9%	0.1%	
Transfers and subsidies	0.5	–	–	–	-100.0%	–	–	–	–	–	–	
Total expenses	6 249.6	5 580.6	5 331.9	6 375.0	0.7%	100.0%	6 995.9	6 953.4	7 264.9	4.5%	100.0%	
Surplus/(Deficit)	(511.4)	(530.2)	(200.8)	64.6	-150.2%	–	158.1	615.3	596.9	109.8%	–	
Cash flow statement												
Cash flow from operating activities	(1 209.9)	(690.1)	(352.8)	(225.7)	-42.9%	100.0%	251.4	523.9	1 352.9	-281.6%	100.0%	
Receipts												
Non-tax receipts	5 196.2	4 475.2	4 277.8	5 311.7	0.7%	86.0%	6 519.6	7 809.7	6 558.0	7.3%	91.9%	
Sales of goods and services other than capital assets	5 131.3	4 393.0	4 214.6	5 266.8	0.9%	84.8%	6 477.8	7 751.3	6 496.9	7.2%	91.2%	
Other tax receipts	64.9	82.1	63.2	44.9	-11.6%	1.2%	41.8	58.4	61.0	10.8%	0.7%	
Transfers received	198.5	205.8	190.9	216.1	2.9%	3.6%	253.6	228.5	238.7	3.4%	3.3%	
Financial transactions in assets and liabilities	278.9	472.6	765.1	812.8	42.8%	10.4%	662.1	(97.0)	(101.3)	-150.0%	4.7%	
Total receipts	5 673.6	5 153.5	5 233.8	6 340.6	3.8%	100.0%	7 435.3	7 941.2	6 695.4	1.8%	100.0%	
Payment												
Current payments	6 884.0	5 774.1	5 586.6	6 566.3	-1.6%	99.7%	7 183.9	7 417.3	5 342.5	-6.6%	100.0%	
Compensation of employees	2 824.8	2 749.7	2 009.4	2 341.1	-6.1%	39.9%	2 572.6	2 665.5	2 784.9	6.0%	39.9%	
Goods and services	4 017.3	3 022.1	3 571.2	4 218.8	1.6%	59.6%	4 609.9	4 750.1	2 554.2	-15.4%	60.1%	
Interest and rent on land	41.9	2.3	6.0	6.4	-46.6%	0.2%	1.5	1.6	3.3	-19.9%	0.1%	
Transfers and subsidies	(0.5)	69.5	–	–	-100.0%	0.3%	–	–	–	–	–	
Total payments	6 883.5	5 843.6	5 586.6	6 566.3	-1.6%	100.0%	7 183.9	7 417.3	5 342.5	-6.6%	100.0%	

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

Cash flow statement		Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
		2019/20	2020/21	2021/22				2022/23	2019/20 - 2022/23	2023/24		
R million												
Net cash flow from investing activities		(85.8)	(114.7)	(109.0)	(374.0)	63.3%	100.0%	(344.0)	(36.7)	–	-100.0%	–
Acquisition of property, plant, equipment and intangible assets		(102.2)	(116.4)	(117.9)	(457.0)	64.7%	112.7%	(344.0)	(36.7)	–	-100.0%	–
Acquisition of software and other intangible assets		(0.0)	(0.7)	(1.4)	–	-100.0%	0.5%	–	–	–	–	–
Proceeds from the sale of property, plant, equipment and intangible assets		16.4	2.4	1.1	83.0	71.7%	-11.1%	–	–	–	-100.0%	–
Other flows from investing activities		–	–	9.1	–	–	-2.1%	–	–	–	–	–
Net cash flow from financing activities		3 356.0	154.7	159.2	311.4	-54.7%	100.0%	197.4	198.0	254.0	-6.6%	100.0%
Deferred income		183.5	183.5	189.8	216.1	5.6%	78.2%	218.6	220.8	277.9	8.8%	100.3%
Borrowing activities		(2.5)	(14.0)	(18.7)	95.3	-437.1%	2.4%	(21.2)	(22.9)	(23.9)	-163.1%	-0.3%
Repayment of finance leases		(25.1)	(14.9)	(11.9)	–	-100.0%	-4.5%	–	–	–	–	–
Other flows from financing activities		3 200.0	–	–	–	-100.0%	23.8%	–	–	–	–	–
Net increase/(decrease) in cash and cash equivalents		2 060.3	(650.1)	(302.6)	(288.4)	-151.9%	2.8%	104.8	685.1	1 606.9	-277.3%	7.2%
Statement of financial position												
Carrying value of assets		1 588.1	1 542.7	1 523.0	2 066.5	9.2%	28.3%	2 220.3	2 108.2	2 202.6	2.1%	32.5%
of which:												
Acquisition of assets		(102.2)	(116.4)	(117.9)	(457.0)	64.7%	100.0%	(344.0)	(36.7)	–	-100.0%	–
Investments		262.4	19.4	18.3	–	-100.0%	1.2%	–	–	–	–	–
Inventory		498.1	473.6	464.9	627.3	8.0%	8.7%	630.9	672.8	703.0	3.9%	9.9%
Receivables and prepayments		919.1	752.5	655.6	900.6	-0.7%	13.5%	985.5	1 057.5	1 104.9	7.1%	15.2%
Cash and cash equivalents		2 132.9	1 482.8	1 180.2	609.9	-34.1%	22.6%	679.7	1 364.9	1 426.0	32.7%	15.0%
Non-current assets held for sale		–	1.5	1.5	–	–	–	–	–	–	–	–
Defined benefit plan assets		775.1	1 796.5	1 669.7	1 796.5	32.3%	25.6%	1 796.5	1 796.5	1 877.0	1.5%	27.4%
Derivatives financial instruments		7.3	8.5	–	–	-100.0%	0.1%	–	–	–	–	–
Total assets		6 183.1	6 077.6	5 513.3	6 000.9	-1.0%	100.0%	6 312.9	6 999.9	7 313.5	6.8%	100.0%
Accumulated surplus/(deficit)		(212.2)	(219.1)	(737.6)	(429.8)	26.5%	-6.9%	(417.2)	53.2	55.5	-150.6%	-3.1%
Capital and reserves		6.4	–	–	–	-100.0%	–	–	–	–	–	–
Capital reserve fund		3 503.4	3 491.3	3 517.3	3 436.6	-0.6%	58.8%	3 559.7	3 715.4	3 881.8	4.1%	55.0%
Borrowings		19.4	14.9	–	102.3	74.0%	0.6%	81.1	58.2	60.8	-15.9%	1.2%
Finance lease		30.6	19.0	–	–	-100.0%	0.2%	–	–	–	–	–
Deferred income		363.3	196.0	312.9	359.8	-0.3%	5.2%	318.0	272.8	285.1	-7.5%	4.7%
Trade and other payables		818.7	729.6	620.4	629.1	-8.4%	11.7%	691.2	675.2	705.5	3.9%	10.2%
Taxation		69.5	68.8	62.0	85.9	7.3%	1.2%	102.4	110.4	115.3	10.3%	1.6%
Provisions		1 341.1	1 585.7	1 577.3	1 742.9	9.1%	26.4%	1 902.9	2 036.6	2 127.8	6.9%	29.3%
Derivatives financial instruments		242.9	191.2	161.1	74.2	-32.7%	2.8%	74.8	78.1	81.6	3.3%	1.2%
Total equity and liabilities		6 183.1	6 077.6	5 513.3	6 000.9	-1.0%	100.0%	6 312.9	6 999.9	7 313.5	6.8%	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 2023		Number and cost ¹ of personnel posts filled/planned for on funded establishment										Average growth rate of personnel posts (%)	Average: Salary level/ Total (%)							
		Actual			Revised estimate			Medium-term expenditure estimate												
Number of approved funded posts	Number of posts on establishment	2021/22		2022/23		2023/24		2024/25		2025/26		2022/23 - 2025/26								
		Number	Cost	Number	Cost	Number	Cost	Number	Cost	Number	Cost									
South African Broadcasting Corporation		2 459	2 821	2 336	2 009.4	0.9	2 381	2 341.1	1.0	2 381	2 572.6	1.1	2 381	2 665.5	1.1	2 381	2 784.9	1.2	–	100.0%
1 – 6	16	18	15	2.0	0.1	15	2.0	0.1	15	2.3	0.2	15	2.3	0.2	15	2.4	0.2	–	0.6%	
7 – 10	1 739	2 003	1 644	1 262.9	0.8	1 679	1 579.1	0.9	1 679	1 732.4	1.0	1 679	1 825.4	1.1	1 679	1 902.8	1.1	–	70.5%	
11 – 12	533	611	510	498.9	1.0	519	509.3	1.0	519	561.5	1.1	519	561.5	1.1	519	589.6	1.1	–	21.8%	
13 – 16	159	176	155	211.7	1.4	156	216.1	1.4	156	238.3	1.5	156	238.3	1.5	156	250.2	1.6	–	6.6%	
17 – 22	12	13	12	33.8	2.8	12	34.5	2.9	12	38.1	3.2	12	38.1	3.2	12	40.0	3.3	–	0.5%	

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		
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Percentage of customer queries resolved within 48 hours per year	Logistics	Entity mandate	85%	89.3% (471/ 527)	91.2% (248/ 272)	80.3% (151/ 188)	100%	100%	100%
Total number of points of presence	Post office operations		2 120	2 098	1 919	1 919	1 919	1 919	1 919
Percentage of regulated mail delivery standards achieved per year	Post office operations		86% (675 990/ 789 804)	42% (90 723/ 214 036)	72% (203 504/ 284 363)	57% (40 192/ 69 920)	92%	92%	92%

Entity overview

The South African Post Office is a government business enterprise established to provide postal and related services to the public. It is a schedule 2 public entity in terms of the Public Finance Management Act (1999) 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 weighing less than 1 kilogram.

Over the medium term, the post office will focus on providing universal access to postal and related services, and implementing the Post Office of Tomorrow strategy to improve its financial position. The strategy deals with improving the company's logistics business through partnering with various service and technology providers; modernising postal services through digital postal services and new payment channels; relaunching the post office trust centre; providing government authentication services such as secure digital certificates, secure digital signature apps, and a digital commissioner of oaths; establishing digital business hubs; and modernising the post office through new equipment, processes and capabilities. These interventions are expected to increase revenue while reducing costs due to improved efficiencies.

An amount of R1.6 billion is allocated over the MTEF period for the company to maintain 1 919 points of presence, including post offices and retail postal agencies, and provide postal services in areas that have been historically neglected. The main cost drivers are compensation of employees, accounting for an estimated 54.1 per cent (R8 billion) of total spending. Expenditure is expected to decrease at an average annual rate of 14.4 per cent, from R6.8 billion in 2022/23 to R4.3 billion in 2025/26, driven mainly by reduced spending on compensation of employees and goods and services as a result of the staff optimisation project and other restructuring. This is expected to result in a decrease in the number of personnel from 14 155 in 2022/23 to a projected 8 383 in 2025/26.

The company generates revenue through postal and courier services, and fees for financial transactions. The post office has projected a net loss of R2.1 billion in 2023/24, improving to a profit of R206.7 million in 2025/26 due to the implementation of the Post Office of Tomorrow strategy. Accordingly, revenue is expected to decrease at an average annual rate of 6.2 per cent over the medium term. The company will continue to pursue potential revenue-generating opportunities in the government, courier and financial services sectors over the period ahead as it seeks to improve its financial position.

Programmes/Objectives/Activities**Table 30.43 South African Post Office expenditure trends and estimates by programme/objective/activity**

R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2019/20	2020/21	2021/22				2022/23	2019/20 - 2022/23	2023/24		
Administration	2 383.5	3 043.4	2 769.2	2 686.6	4.1%	39.3%	1 671.0	1 453.8	1 351.1	-20.5%	33.6%
Logistics	37.0	32.3	34.3	40.0	2.6%	0.5%	42.2	44.8	47.4	5.8%	0.9%
Post office operations	4 437.9	4 155.0	3 964.5	4 080.1	-2.8%	60.2%	3 554.5	3 128.0	2 877.7	-11.0%	65.6%
Total	6 858.4	7 230.6	6 768.0	6 806.7	-0.3%	100.0%	5 267.7	4 626.6	4 276.2	-14.4%	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											
R million	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2019/20	2020/21	2021/22				2022/23	2019/20 - 2022/23	2023/24		
Revenue											
Non-tax revenue	4 518.0	4 386.7	4 082.6	4 905.0	2.8%	90.0%	2 674.0	3 145.8	3 910.6	-7.3%	86.6%
Sale of goods and services other than capital assets	4 009.8	2 991.9	3 032.1	4 490.3	3.8%	72.6%	2 493.2	2 958.9	3 717.4	-6.1%	80.9%
Other non-tax revenue	508.2	1 394.8	1 050.5	414.8	-6.5%	17.3%	180.8	186.9	193.2	-22.5%	5.7%
Transfers received	475.9	492.1	504.2	519.3	3.0%	10.0%	524.3	547.8	572.4	3.3%	13.4%
Total revenue	4 993.9	4 878.8	4 586.8	5 424.3	2.8%	100.0%	3 198.3	3 693.7	4 483.0	-6.2%	100.0%
Expenses											
Current expenses	6 858.2	7 229.7	6 767.7	6 806.5	-0.3%	100.0%	5 267.5	4 625.8	4 275.1	-14.4%	100.0%
Compensation of employees	3 758.8	3 712.0	3 508.6	3 277.7	-4.5%	51.5%	3 282.4	2 566.4	2 160.8	-13.0%	54.1%
Goods and services	2 841.5	2 279.0	2 102.7	3 343.1	5.6%	38.3%	1 874.1	1 934.4	1 983.0	-16.0%	43.2%
Depreciation	238.0	452.4	514.0	121.0	-20.2%	4.8%	103.7	117.4	123.2	0.6%	2.3%
Interest, dividends and rent on land	20.0	786.2	642.5	64.7	48.0%	5.4%	7.3	7.6	8.0	-50.2%	0.4%
Transfers and subsidies	0.2	0.9	0.3	0.2	-1.1%	-	0.2	0.7	1.1	78.1%	-
Total expenses	6 858.4	7 230.6	6 768.0	6 806.7	-0.3%	100.0%	5 267.7	4 626.6	4 276.2	-14.4%	100.0%
Surplus/(Deficit)	(1 864.6)	(2 351.9)	(2 181.2)	(1 382.4)	-9.5%	-	(2 069.4)	(932.9)	206.7	-153.1%	-
Cash flow statement											
Cash flow from operating activities	(1 626.7)	649.3	(1 280.0)	(1 261.1)	-8.1%	100.0%	(1 965.5)	(814.8)	331.1	-164.0%	100.0%
Receipts											
Non-tax receipts	4 112.0	3 023.4	3 102.5	4 506.0	3.1%	78.7%	2 506.4	2 973.2	3 732.8	-6.1%	81.3%
Sales of goods and services other than capital assets	4 009.8	2 991.9	3 032.1	4 490.3	3.8%	77.5%	2 493.2	2 958.9	3 717.4	-6.1%	80.9%
Other tax receipts	102.2	31.5	70.5	15.8	-46.4%	1.2%	13.2	14.3	15.3	-0.9%	0.4%
Transfers received	475.9	492.1	504.2	519.3	3.0%	10.8%	524.3	547.8	572.4	3.3%	13.4%
Financial transactions in assets and liabilities	406.0	617.7	470.1	399.0	-0.6%	10.5%	167.6	172.7	177.8	-23.6%	5.3%
Total receipts	4 993.9	4 133.2	4 076.8	5 424.3	2.8%	100.0%	3 198.3	3 693.7	4 483.0	-6.2%	100.0%
Payment											
Current payments	6 620.3	3 483.0	5 356.5	6 685.4	0.3%	100.0%	5 163.8	4 508.5	4 151.9	-14.7%	100.0%
Compensation of employees	3 758.8	3 712.0	3 508.6	3 277.7	-4.5%	69.5%	3 282.4	2 566.4	2 160.8	-13.0%	55.4%
Goods and services	2 841.6	(269.7)	1 715.4	3 343.1	5.6%	29.3%	1 874.1	1 934.4	1 983.0	-16.0%	44.2%
Interest and rent on land	20.0	40.7	132.4	64.7	48.0%	1.2%	7.3	7.6	8.0	-50.2%	0.4%
Transfers and subsidies	0.2	0.9	0.3	-	-100.0%	-	-	-	-	-	-
Total payments	6 620.5	3 483.9	5 356.8	6 685.4	0.3%	100.0%	5 163.8	4 508.5	4 151.9	-14.7%	100.0%
Net cash flow from investing activities	(1 893.4)	15.8	829.5	(10.0)	-82.6%	100.0%	(100.0)	(120.0)	(130.0)	135.1%	100.0%
Acquisition of property, plant, equipment and intangible assets	(67.8)	(20.7)	(118.1)	(10.0)	-47.2%	-10.4%	(80.0)	(100.0)	(100.0)	115.4%	85.1%
Acquisition of software and other intangible assets	-	-	(0.2)	-	-	-	(20.0)	(20.0)	(30.0)	-	14.9%
Other flows from investing activities	(1 825.7)	36.4	947.8	-	-100.0%	110.4%	-	-	-	-	-
Net cash flow from financing activities	(955.6)	(594.6)	(593.1)	1 088.4	-204.4%	100.0%	2 023.2	896.8	(235.4)	-160.0%	100.0%
Other flows from financing activities	(955.6)	(594.6)	(593.1)	1 088.4	-204.4%	100.0%	2 023.2	896.8	(235.4)	-160.0%	100.0%
Net increase/(decrease) in cash and cash equivalents	(4 475.8)	70.5	(1 043.7)	(182.7)	-65.6%	-20.6%	(42.3)	(38.1)	(34.3)	-42.8%	-1.3%

1. Amounts for 2022/23 do not include an adjusted appropriation of R2.4 billion that will be tabled with this publication.

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

Statement of financial position		Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
		2019/20	2020/21	2021/22				2022/23	2019/20 - 2022/23	2023/24		
R million												
Carrying value of assets		2 354.0	2 663.1	2 707.2	2 605.2	3.4%	38.1%	2 507.6	2 414.1	2 324.5	-3.7%	44.1%
of which:												
Acquisition of assets		(67.8)	(20.7)	(118.1)	(10.0)	-47.2%	100.0%	(80.0)	(100.0)	(100.0)	115.4%	100.0%
Investments		1 935.0	2 072.1	969.5	972.4	-20.5%	20.9%	982.1	996.2	1 014.6	1.4%	17.8%
Inventory		79.2	56.8	47.2	44.9	-17.3%	0.8%	42.6	40.5	38.5	-5.0%	0.7%
Receivables and prepayments		1 371.1	1 776.6	1 820.8	1 782.0	9.1%	25.0%	1 746.4	1 711.5	1 677.2	-2.0%	31.0%
Cash and cash equivalents		1 578.8	1 649.3	605.6	422.9	-35.5%	14.6%	380.6	342.6	308.3	-10.0%	6.5%
Non-current assets held for sale		-	-	144.4	-	-	0.6%	-	-	-	-	-
Total assets		7 318.2	8 217.9	6 294.7	5 827.5	-7.3%	100.0%	5 659.4	5 504.8	5 363.2	-2.7%	100.0%
Accumulated surplus/(deficit)		(9 683.4)	(12 027.6)	(14 294.6)	(16 614.3)	19.7%	-197.7%	(18 683.7)	(19 616.7)	(19 409.9)	5.3%	-333.4%
Capital and reserves		9 668.5	9 990.2	10 212.9	10 212.9	1.8%	147.8%	10 212.9	10 212.9	10 212.9	-	182.9%
Deferred income		169.5	119.1	81.6	85.7	-20.3%	1.6%	90.0	94.5	99.2	5.0%	1.7%
Trade and other payables		4 957.4	8 427.6	8 883.1	10 681.5	29.2%	123.7%	12 524.0	13 238.8	12 822.1	6.3%	221.0%
Taxation		18.7	18.8	19.3	19.9	2.0%	0.3%	20.5	21.1	21.8	3.0%	0.4%
Provisions		1 431.6	1 334.3	1 257.8	1 320.6	-2.7%	19.6%	1 386.7	1 456.0	1 528.8	5.0%	25.5%
Derivatives financial instruments		755.7	355.4	134.6	121.1	-45.7%	4.7%	109.0	98.1	88.3	-10.0%	1.9%
Total equity and liabilities		7 318.2	8 217.9	6 294.7	5 827.5	-7.3%	100.0%	5 659.4	5 504.8	5 363.2	-2.7%	100.0%

Personnel information

Table 30.45 South African Post Office personnel numbers and cost¹ by salary level

Number of posts estimated for 31 March 2023		Number and cost ¹ of personnel posts filled/planned for on funded establishment												Average growth rate of personnel posts (%)	Average: Salary level/ Total (%)					
		Actual			Revised estimate			Medium-term expenditure estimate												
Number of approved funded posts	Number of posts on establishment	2021/22		2022/23		2023/24		2024/25		2025/26		2022/23 - 2025/26								
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost							
South African Post Office		14 155	14 155	15 235	3 508.6	0.2	14 155	3 277.7	0.2	14 158	3 282.4	0.2	10 500	2 566.4	0.2	8 383	2 160.8	0.3	-16.0%	100.0%
Salary level																				
1 – 6	11 635	11 635	12 399	2 385.7	0.2	11 635	2 257.4	0.2	11 635	2 257.6	0.2	8 633	1 762.9	0.2	6 881	1 474.0	0.2	-16.1%	82.2%	
7 – 10	2 417	2 417	2 727	1 006.5	0.4	2 417	900.0	0.4	2 417	900.0	0.4	1 785	698.4	0.4	1 430	587.5	0.4	-16.1%	17.1%	
11 – 12	70	70	82	75.0	0.9	70	65.2	0.9	70	65.2	0.9	52	51.0	1.0	44	45.2	1.0	-14.3%	0.5%	
13 – 16	28	28	24	32.3	1.3	28	40.5	1.4	31	45.0	1.5	25	38.8	1.6	23	38.0	1.7	-6.3%	0.2%	
17 – 22	5	5	3	9.2	3.1	5	14.7	2.9	5	14.7	2.9	5	15.4	3.1	5	16.2	3.2	-	0.0%	

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		
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Number of e-government services implemented per year	Revenue generation stream		80	100	100	100	100	100	- ¹
Percentage of projects timeously, successfully and satisfactorily delivered within budget per year	Revenue generation stream		95% (892/930)	100% (910)	100% (910)	100% (910)	100% (910)	100% (910)	- ¹
Number of big data analytics use cases deployed through the integration of government data and systems per year	Revenue generation stream	Entity mandate	- ²	2	3	4	10	12	12
Number of open innovation solutions commercialised per year	Revenue generation stream		- ²	2	1	3	4	5	5

1. Indicator discontinued.

2. No historical data available.

Entity overview

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

Over the medium term, the agency will focus on strategic projects such as South Africa Connect, cloud infrastructure investments and the Gauteng broadband network; and the implementation of its financial sustainability plan to ensure its viability. This will entail, among other things, negotiating partnerships with industry and local research institutions, and reviewing and modernising costing and recovery models. These interventions are expected to enable the agency to fund its infrastructure requirements more efficiently to better serve its customers.

Spending on goods and services accounts for an estimated 58.3 per cent (R11.3 billion) of expenditure over the medium term, mainly for the provision of IT services, and spending on compensation of employees accounts for an estimated 36.6 per cent (R7.1 billion). As the implementation of strategic projects requires substantial capital investment, an estimated R1.5 billion is allocated for the acquisition of assets over the MTEF period, with depreciation set to amount to R986.8 million as a result. Total expenditure is expected to increase at an average annual rate of 4.5 per cent, from R5.9 billion in 2022/23 to R6.7 billion in 2025/26.

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 4.5 per cent, from R5.9 billion in 2022/23 to R6.8 billion in 2025/26.

Programmes/Objectives/Activities

Table 30.47 State Information Technology Agency expenditure trends and estimates by programme/objective/activity

R million	Audited outcome			Revised estimate 2022/23	Average growth rate (%) 2019/20 - 2022/23	Average: Expenditure/ Total (%) 2019/20 - 2022/23	Medium-term expenditure estimate			Average growth rate (%) 2022/23 - 2025/26	Average: Expenditure/ Total (%) 2022/23 - 2025/26
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26		
Administration	1 456.1	1 803.5	1 785.3	1 735.2	6.0%	30.2%	1 812.0	1 892.7	1 977.6	4.5%	29.4%
Revenue generation stream	3 658.1	3 933.3	3 869.0	4 174.6	4.5%	69.8%	4 359.1	4 553.0	4 757.0	4.5%	70.6%
Total	5 114.2	5 736.7	5 654.3	5 909.7	4.9%	100.0%	6 171.0	6 445.8	6 734.6	4.5%	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 2022/23	Average growth rate (%) 2019/20 - 2022/23	Average: Expenditure/ Total (%) 2019/20 - 2022/23	Medium-term expenditure estimate			Average growth rate (%) 2022/23 - 2025/26	Average: Expenditure/ Total (%) 2022/23 - 2025/26
	2019/20	2020/21	2021/22				2023/24	2024/25	2025/26		
Revenue											
Non-tax revenue	5 237.8	5 794.7	6 022.4	5 928.8	4.2%	100.0%	6 190.9	6 466.4	6 756.1	4.5%	100.0%
Sale of goods and services other than capital assets	5 121.9	5 733.6	5 830.5	5 917.0	4.9%	98.3%	6 178.6	6 453.5	6 742.6	4.4%	99.8%
Other non-tax revenue	115.8	61.1	191.9	11.8	-53.3%	1.7%	12.3	12.9	13.4	4.5%	0.2%
Total revenue	5 237.8	5 794.7	6 022.4	5 928.8	4.2%	100.0%	6 190.9	6 466.4	6 756.1	4.5%	100.0%
Expenses											
Current expenses	4 996.6	5 433.6	5 483.1	5 909.7	5.8%	97.3%	6 171.0	6 445.8	6 734.6	4.5%	100.0%
Compensation of employees	1 822.7	1 929.5	1 921.5	2 165.7	5.9%	35.0%	2 261.5	2 362.3	2 468.2	4.5%	36.6%
Goods and services	3 011.0	3 337.4	3 391.0	3 442.7	4.6%	58.8%	3 594.8	3 754.8	3 923.0	4.5%	58.3%
Depreciation	160.6	160.8	165.3	301.4	23.3%	3.5%	314.7	328.7	343.4	4.5%	5.1%
Interest, dividends and rent on land	2.2	5.9	5.3	-	-100.0%	0.1%	-	-	-	-	-
Transfers and subsidies	117.6	303.1	171.2	-	-100.0%	2.7%	-	-	-	-	-
Total expenses	5 114.2	5 736.7	5 654.3	5 909.7	4.9%	100.0%	6 171.0	6 445.8	6 734.6	4.5%	100.0%
Surplus/(Deficit)	123.6	57.9	368.1	19.1	-46.3%		19.9	20.6	21.4	3.9%	

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

Cash flow statement				Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
Audited outcome			2022/23				2019/20 - 2022/23	2023/24	2024/25		
R million	2019/20	2020/21	2021/22	2022/23	2019/20 - 2022/23	2023/24	2024/25	2025/26	2022/23 - 2025/26	2022/23 - 2025/26	
Cash flow from operating activities	443.9	656.2	581.4	328.2	-9.6%	100.0%	155.2	184.7	240.4	-9.9%	100.0%
Receipts											
Non-tax receipts	6 764.9	6 488.3	7 177.3	5 917.0	-4.4%	100.0%	6 029.8	6 298.2	6 627.7	3.9%	100.0%
Sales of goods and services other than capital assets	6 710.9	6 444.4	7 101.0	5 917.0	-4.1%	99.4%	6 029.8	6 298.2	6 580.3	3.6%	99.8%
Other sales	–	–	62.1	–	–	0.2%	–	–	–	–	–
Other tax receipts	54.0	43.9	76.3	–	-100.0%	0.6%	–	–	47.4	–	0.2%
Total receipts	6 764.9	6 488.3	7 177.3	5 917.0	-4.4%	100.0%	6 029.8	6 298.2	6 627.7	3.9%	100.0%
Payment											
Current payments	6 257.0	5 740.5	6 391.2	5 477.9	-4.3%	98.1%	5 870.7	6 109.3	6 383.0	5.2%	99.5%
Compensation of employees	1 806.3	1 929.5	1 933.9	2 158.8	6.1%	32.4%	2 275.9	2 354.5	2 460.0	4.4%	38.6%
Goods and services	4 450.7	3 811.0	4 457.3	3 319.2	-9.3%	65.7%	3 594.8	3 754.8	3 923.0	5.7%	60.9%
Transfers and subsidies	64.1	91.7	204.7	110.9	20.1%	1.9%	4.0	4.2	4.3	-66.1%	0.5%
Total payments	6 321.1	5 832.1	6 595.9	5 588.9	-4.0%	100.0%	5 874.7	6 113.4	6 387.3	4.6%	100.0%
Net cash flow from investing activities	(265.9)	(151.8)	(180.1)	(750.0)	41.3%	100.0%	(500.0)	(500.0)	(522.4)	-11.4%	100.0%
Acquisition of property, plant, equipment and intangible assets	(180.1)	(42.3)	(53.3)	(750.0)	60.9%	56.3%	(500.0)	(500.0)	(522.4)	-11.4%	100.0%
Acquisition of software and other intangible assets	(85.7)	(109.5)	(126.8)	–	-100.0%	43.7%	–	–	–	–	–
Net cash flow from financing activities	(0.2)	(1.3)	(27.5)	–	-100.0%	–	–	–	–	–	–
Repayment of finance leases	(0.2)	(1.3)	(27.5)	–	-100.0%	–	–	–	–	–	–
Net increase/(decrease) in cash and cash equivalents	177.8	503.0	373.8	(421.8)	-233.4%	2.9%	(344.8)	(315.3)	(282.0)	-12.6%	-5.5%
Statement of financial position											
Carrying value of assets	1 675.8	1 763.4	1 623.3	1 830.8	3.0%	35.0%	1 907.1	1 942.7	2 029.7	3.5%	45.0%
<i>of which:</i>											
Acquisition of assets	(180.1)	(42.3)	(53.3)	(750.0)	60.9%	100.0%	(500.0)	(500.0)	(522.4)	-11.4%	100.0%
Inventory	293.7	150.6	39.0	–	-100.0%	2.5%	–	–	–	–	–
Receivables and prepayments	1 202.5	1 397.2	1 033.4	1 227.7	0.7%	24.7%	1 083.2	1 142.4	1 193.6	-0.9%	27.1%
Cash and cash equivalents	1 351.0	1 854.0	2 227.8	1 471.1	2.9%	34.8%	965.9	951.0	993.6	-12.3%	25.3%
Taxation	166.2	127.6	186.3	122.0	-9.8%	3.1%	111.0	100.1	104.6	-5.0%	2.5%
Total assets	4 689.1	5 292.8	5 109.7	4 651.6	-0.3%	100.0%	4 067.2	4 136.2	4 321.5	-2.4%	100.0%
Accumulated surplus/(deficit)	2 768.3	2 958.8	3 326.9	2 924.7	1.8%	60.7%	2 011.8	2 008.8	2 098.8	-10.5%	52.4%
Capital and reserves	627.3	627.3	627.3	627.3	–	12.7%	627.3	627.3	655.4	1.5%	14.8%
Finance lease	90.7	67.0	41.6	–	-100.0%	1.0%	–	–	–	–	–
Trade and other payables	905.5	1 329.7	790.1	834.4	-2.7%	19.5%	1 158.2	1 210.1	1 264.4	14.9%	26.2%
Taxation	64.8	183.5	195.7	148.0	31.7%	3.0%	156.3	165.0	172.4	5.2%	3.8%
Provisions	93.5	10.4	124.3	113.9	6.8%	1.8%	111.4	122.6	128.1	4.0%	2.8%
Derivatives financial instruments	139.1	116.0	3.8	3.3	-71.2%	1.3%	2.2	2.3	2.4	-10.5%	0.1%
Total equity and liabilities	4 689.1	5 292.8	5 109.7	4 651.6	-0.3%	100.0%	4 067.2	4 136.2	4 321.5	-2.4%	100.0%

Personnel information

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

Number of approved funded establishment posts	Number of posts estimated for 31 March 2023		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 posts	Actual			Revised estimate			Medium-term expenditure estimate										
			2021/22	2022/23	2023/24	2024/25	2025/26	2022/23 - 2025/26											
State Information Technology Agency	2 850	2 850	2 838	1 921.5	0.7	2 850	2 165.7	0.8	2 850	2 261.5	0.8	2 850	2 362.3	0.8	2 850	2 468.2	0.9	–	100.0%
Salary level																			
1 – 6	285	285	265	54.9	0.2	285	66.0	0.2	285	68.9	0.2	285	71.9	0.3	285	75.2	0.3	–	10.0%
7 – 10	1 726	1 726	1 737	946.1	0.5	1 726	1 051.8	0.6	1 726	1 098.3	0.6	1 726	1 147.2	0.7	1 726	1 198.6	0.7	–	60.6%
11 – 12	313	313	308	263.3	0.9	313	296.6	0.9	313	309.7	1.0	313	323.5	1.0	313	337.9	1.1	–	11.0%
13 – 16	508	508	510	612.7	1.2	508	701.4	1.4	508	732.5	1.4	508	765.2	1.5	508	799.6	1.6	–	17.8%
17 – 22	18	18	18	44.5	2.5	18	50.0	2.8	18	52.2	2.9	18	54.5	3.0	18	56.9	3.2	–	0.6%

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). Its sole mandate is to promote universal service and access to electronic communications and broadcasting services. The agency is set to be disestablished by the end of 2023/24 as part of recommendations emanating from the 2016 National Integrated ICT Policy White Paper. The disestablishment is intended to streamline roles and responsibilities of different entities and increase efficiency to support universal service and access. The legislative process to complete this is expected to conclude by 2025/26.

The agency will, however, continue to manage the Universal Service and Access Fund until it is disestablished to ensure that disbursed funds reach the intended deserving beneficiaries. Expenditure is expected to decrease at a rate of 77.4 per cent, from R385.3 million in 2022/23 to R86.9 million in 2023/24. This is due to one-off funding in previous years for the broadcasting digital migration project earmarked for the South African Post Office to cover distribution costs. Over the medium term, expenditure is expected to decrease to R94.8 million in 2025/26. The agency is set to derive its total budget through transfers from the department.

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 2022/23	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2019/20	2020/21	2021/22		2019/20	2022/23	2023/24	2024/25	2025/26	2022/23	2025/26
Administration	91.6	68.1	81.7	385.3	61.4%	100.0%	86.9	90.8	94.8	-37.3%	100.0%
Total	91.6	68.1	81.7	385.3	61.4%	100.0%	86.9	90.8	94.8	-37.3%	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 2022/23	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2019/20	2020/21	2021/22		2019/20	2022/23	2023/24	2024/25	2025/26	2022/23	2025/26
Revenue											
Non-tax revenue	2.4	4.0	8.4	–	-100.0%	2.2%	–	–	–	–	–
Other non-tax revenue	2.4	4.0	8.4	–	-100.0%	2.2%	–	–	–	–	–
Transfers received	82.9	261.4	177.1	86.0	1.2%	97.8%	86.9	90.8	94.8	3.3%	100.0%
Total revenue	85.4	265.4	185.4	86.0	0.2%	100.0%	86.9	90.8	94.8	3.3%	100.0%
Expenses											
Current expenses	91.6	68.1	81.7	116.5	8.3%	82.6%	86.9	90.8	94.8	-6.6%	82.6%
Compensation of employees	48.8	50.5	59.8	66.0	10.6%	54.4%	65.5	68.4	71.5	2.7%	60.8%
Goods and services	26.2	16.7	21.8	50.2	24.2%	23.2%	21.3	22.3	23.3	-22.6%	21.7%
Depreciation	16.3	0.2	0.1	–	-100.0%	4.5%	–	–	–	–	–
Interest, dividends and rent on land	0.3	0.7	0.0	0.3	-4.0%	0.4%	–	–	–	-100.0%	–
Transfers and subsidies	–	–	–	268.8	–	17.4%	–	–	–	-100.0%	17.4%
Total expenses	91.6	68.1	81.7	385.3	61.4%	100.0%	86.9	90.8	94.8	-37.3%	100.0%
Surplus/(Deficit)	(6.2)	197.3	103.7	(299.2)	264.1%	–	–	–	–	-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 2023		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 approved funded posts	Number of posts on establishment	Actual			Revised estimate			Medium-term expenditure estimate											
		2021/22		2022/23		2023/24		2024/25		2025/26		2022/23 - 2025/26							
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number		Cost	Unit cost					
Universal Service and Access Agency of South Africa		96	59.8	0.6	96	66.0	0.7	96	65.5	0.7	96	68.4	0.7	96	71.5	0.7	-	100.0%	
Salary level	98	98	96	59.8	0.6	96	66.0	0.7	96	65.5	0.7	96	68.4	0.7	96	71.5	0.7	-	100.0%
1 – 6	44	44	44	11.1	0.3	44	11.0	0.2	44	11.5	0.3	44	12.0	0.3	44	12.5	0.3	-	45.8%
7 – 10	23	23	22	11.2	0.5	22	12.8	0.6	22	12.7	0.6	22	13.2	0.6	22	13.8	0.6	-	22.9%
11 – 12	13	13	12	12.3	1.0	12	14.0	1.2	12	13.6	1.1	12	14.2	1.2	12	14.9	1.2	-	12.5%
13 – 16	18	18	18	25.2	1.4	18	28.1	1.6	18	27.8	1.5	18	29.0	1.6	18	30.3	1.7	-	18.8%

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		
			2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Number of subsidised and connected sites funded in line with the approved broadband funding model per year	Broadband infrastructure and connectivity to underserved and unserved areas	Entity mandate	0	280	0	412	300	- ¹	- ¹
Subsidised installations funded in line with the approved broadcasting digital migration funding model per year	Broadcasting digital migration programme		4 387	10 400	33 406	60 000	716 594	- ¹	- ¹

1. No targets due to the fund's dissolution in 2023/24.

Entity overview

The Universal Service and Access Fund was established in terms of section 89(1) of the Electronic Communications Act (2005). 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, which is expected to be disestablished through an amendment of the act by 2025/26.

By the end of 2023/24, the fund expects to conclude the broadcasting digital migration project, which will enable analogue broadcasting to be switched off in the remaining districts to release much-needed spectrum, and provide aftermarket support to all qualifying beneficiaries who may encounter problems with their installed digital set-top boxes.

Expenditure is set to decrease at a rate of 97.7 per cent, from R2.9 billion in 2022/23 to R67.4 million in 2023/24. This is due to the retention of funds from previous financial years, with the approval of National Treasury in terms of section 53(3) of the Public Finance Management Act (1999), which were mostly used for activities related to broadcasting digital migration in 2022/23. The fund derives all its revenue through transfers from the department.

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	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2019/20	2020/21	2021/22		2019/20 - 2022/23	2022/23	2023/24	2024/25	2025/26	2022/23 - 2025/26	2025/26
Administration	1.1	1.5	4.5	16.0	144.2%	6.6%	3.0	3.0	3.0	-42.8%	3.3%
Broadband infrastructure and connectivity to underserved and unserved areas	14.8	–	–	294.0	170.8%	9.4%	64.4	67.4	70.6	-37.8%	74.4%
Broadcasting digital migration programme	38.5	10.3	35.6	2 565.7	305.5%	84.0%	–	–	–	-100.0%	22.3%
Total	54.4	11.8	40.1	2 875.8	275.4%	100.0%	67.4	70.4	73.6	-70.5%	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	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2019/20	2020/21	2021/22		2022/23	2019/20 - 2022/23	2022/23	2023/24	2024/25	2025/26	2022/23 - 2025/26
Revenue											
Non-tax revenue	75.5	39.2	66.8	–	-100.0%	16.6%	–	–	–	–	–
Other non-tax revenue	75.5	39.2	66.8	–	-100.0%	16.6%	–	–	–	–	–
Transfers received	63.6	563.5	1 137.5	129.2	26.6%	83.4%	67.4	70.4	73.6	-17.1%	100.0%
Total revenue	139.1	602.7	1 204.4	129.2	-2.4%	100.0%	67.4	70.4	73.6	-17.1%	100.0%
Expenses											
Current expenses	1.1	1.5	4.5	16.0	144.2%	6.6%	3.0	3.0	3.0	-42.8%	3.3%
Goods and services	1.1	1.3	3.1	14.0	133.6%	5.3%	3.0	3.0	3.0	-40.2%	3.3%
Interest, dividends and rent on land	–	0.2	1.4	2.0	–	1.3%	–	–	–	-100.0%	–
Transfers and subsidies	53.3	10.3	35.6	2 859.7	277.2%	93.4%	64.4	67.4	70.6	-70.9%	96.7%
Total expenses	54.4	11.8	40.1	2 875.8	275.4%	100.0%	67.4	70.4	73.6	-70.5%	100.0%
Surplus/(Deficit)	84.7	590.8	1 164.2	(2 746.6)	-418.9%		–	–	–	-100.0%	