

COMMUNICATIONS AND DIGITAL TECHNOLOGIES

Budget summary

R million	2024/25			Total	2025/26	2026/27
	Current payments	Transfers and subsidies	Payments for capital assets		Total	Total
MTEF allocation						
Administration	248.9	1.0	7.0	257.0	271.2	278.4
ICT International Relations and Affairs	34.2	41.9	0.6	76.7	80.6	84.8
ICT Policy Development and Research	42.7	–	0.5	43.1	44.3	46.6
ICT Enterprise and Public Entity Oversight	32.5	1 563.7	0.7	1 596.9	1 668.9	1 745.3
ICT Infrastructure Development and Support	1 922.3	–	0.4	1 922.7	301.9	316.2
ICT Information Society and Capacity Development	71.6	–	0.6	72.2	73.9	82.9
Total expenditure estimates	2 352.2	1 606.6	9.8	3 968.6	2 440.9	2 554.2
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:

- Films and Publications Act (1996), as amended, which provides for the classification of certain films and publications, and establishes the Film and Publication Board and appeals tribunal
- Postal Services Act (1998), as amended, which makes provision for the regulation of postal services
- Broadcasting Act (1999), as amended, which establishes broadcasting policy in South Africa
- Independent Communications Authority of South Africa Act (2000), which establishes the regulator in the sector
- 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.
- South African Post Bank SOC Ltd Act (2010), as amended, provides for the corporatisation of Postbank and its shareholding arrangements as well as the existence of the Post Office and its subsidiaries.

Selected performance indicators

Table 30.1 Performance indicators by programme and related priority

Indicator	Programme	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Number of approved country position papers to support the digital economy per year	ICT International Relations and Affairs	Departmental mandate	3	2	3	3	2	2	2
Number of quarterly state-owned entity performance reports analysed per year	ICT Enterprise and Public Entity Oversight		40	40	36	36	36	36	36
Number of identified connected government 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	970	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	749 700	5 080 508	- ²	- ²

1. No historical data available.

2. Project concluded.

Expenditure overview

Over the medium term, the department will focus on coordinating the rollout of broadband internet into underserved areas through the South Africa Connect project, and on enabling digital transformation and inclusion through legislative and regulatory interventions. Cabinet-approved reductions to the department's budget amount to R727.9 million over the MTEF period (R415 million in 2024/25, R153.7 million in 2025/26 and R159.2 million in 2026/27), mainly on transfers and subsidies, capital assets, and goods and services. The department plans to absorb this by reducing travel and hosting more meetings online, conducting more work in-house rather than using consultants, and reducing the number of non-core personnel, which will see a decrease in its number of personnel from 357 in 2024/25 to 346 in 2026/27. As a result, and following the one-off funding for phase 2 of the South Africa Connect project in 2024/25 and 2025/26, total expenditure is expected to decrease at an average annual rate of 8.3 per cent, from R3.3 billion in 2023/24 to R2.6 billion in 2026/27.

An estimated 53 per cent (R4.9 billion) of the department's budget over the MTEF period is allocated to transfers to entities for their operations and for project-specific funding. Of this amount, R1.7 billion is allocated to the South African Post Office for its universal service obligations to provide postal services in underserved areas, R1.5 billion is allocated to the Independent Communications Authority of South Africa for regulating the ICT and postal sectors, and R672.4 million is allocated to the South African Broadcasting Corporation for various activities.

The department is in the process of finalising its revised organisational structure and is filling critical positions. As a result, expenditure on compensation of employees is set to increase at an average annual rate of 4.4 per cent, from R302 million in 2023/24 to R344.2 million in 2026/27. Projected spending on goods and services amounts to R2.9 billion over the MTEF period, representing 34.8 per cent of the total budget. This is mostly for computer services for the implementation of the South Africa Connect project, and, to a lesser extent, travel and subsistence, consultants and operating leases for office accommodation.

Rolling out broadband in underserved areas

The department will continue to roll out the South Africa Connect project, supported by relevant state-owned entities such as Broadband Infracore, Sentech and the State Information Technology Agency. As a result, 970 government facilities will continue to be provided with connectivity over the MTEF period through phase 1 of the South Africa Connect project, and 5.1 million households will be connected through phase 2. An amount

of R2.4 billion is allocated for implementing the project over the medium term, with one-off allocations for phase 2 made in 2024/25 (R1.9 billion) and 2025/26 (R267.4 million). This spending is 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 submitting the Audio and Audiovisual Content Services and Online Safety Bill to the minister for approval, and monitoring the implementation of the national data and cloud policy. As a result, expenditure in the *ICT Policy Development and Research* programme is set to amount to R134 million over the medium term.

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	2020/21	2021/22	2022/23	2023/24	2020/21 - 2023/24		2024/25	2025/26	2026/27	2023/24 - 2026/27	
Programme 1	215.9	228.4	225.8	263.7	6.9%	6.1%	257.0	271.2	278.4	1.8%	8.7%
Programme 2	61.5	54.6	64.6	71.7	5.3%	1.7%	76.7	80.6	84.8	5.8%	2.6%
Programme 3	36.1	29.6	34.0	39.6	3.1%	0.9%	43.1	44.3	46.6	5.6%	1.4%
Programme 4	1 784.0	1 678.9	4 300.6	1 632.3	-2.9%	61.5%	1 596.9	1 668.9	1 745.3	2.3%	54.1%
Programme 5	1 017.4	1 513.0	533.3	1 230.6	6.5%	28.1%	1 922.7	301.9	316.2	-36.4%	30.7%
Programme 6	49.8	65.1	63.1	74.4	14.3%	1.7%	72.2	73.9	82.9	3.7%	2.5%
Subtotal	3 164.6	3 569.5	5 221.3	3 312.2	1.5%	100.0%	3 968.6	2 440.9	2 554.2	-8.3%	100.0%
Total	3 164.6	3 569.5	5 221.3	3 312.2	1.5%	100.0%	3 968.6	2 440.9	2 554.2	-8.3%	100.0%
Change to 2023 Budget estimate							(415.0)	(153.7)	(159.2)		
Economic classification											
Current payments	575.8	582.3	838.1	1 660.2	42.3%	23.9%	2 352.2	756.1	792.2	-21.9%	45.3%
Compensation of employees	270.6	271.5	265.0	302.0	3.7%	7.3%	315.3	329.1	344.2	4.4%	10.5%
Goods and services ¹	305.1	310.8	573.1	1 358.2	64.5%	16.7%	2 036.9	427.0	448.1	-30.9%	34.8%
of which:					0.0%	0.0%				0.0%	0.0%
Audit costs: External	6.0	6.4	5.5	6.9	5.1%	0.2%	6.5	8.2	8.9	8.6%	0.2%
Computer services	207.2	179.5	222.2	1 188.4	79.0%	11.8%	1 874.9	249.7	258.7	-39.8%	29.1%
Consultants: Business and advisory services	12.1	21.4	217.5	24.3	26.4%	1.8%	25.0	24.4	28.8	5.8%	0.8%
Operating leases	26.1	26.3	27.7	30.4	5.3%	0.7%	26.2	33.7	32.0	1.7%	1.0%
Property payments	14.8	15.5	16.0	17.4	5.6%	0.4%	14.9	16.6	17.5	0.1%	0.5%
Travel and subsistence	10.3	17.3	54.8	47.9	66.8%	0.9%	43.1	44.1	49.2	0.9%	1.5%
Transfers and subsidies¹	2 574.0	2 978.4	1 960.5	1 644.1	-13.9%	60.0%	1 606.6	1 677.5	1 754.4	2.2%	54.4%
Provinces and municipalities	0.0	0.0	0.0	0.0	19.0%	0.0%	0.0	0.0	0.0	-3.2%	0.0%
Departmental agencies and accounts	1 566.7	2 022.2	1 186.6	823.2	-19.3%	36.7%	804.8	835.5	874.7	2.0%	27.2%
Foreign governments and international organisations	39.5	32.0	35.4	41.1	1.4%	1.0%	41.9	43.8	45.8	3.6%	1.4%
Public corporations and private enterprises	962.5	922.1	735.4	777.9	-6.9%	22.3%	758.9	798.3	834.0	2.3%	25.8%
Households	5.4	2.0	3.1	1.9	-30.0%	0.1%	1.0	-	-	-100.0%	0.0%
Payments for capital assets	14.7	8.7	9.9	7.9	-18.8%	0.3%	9.8	7.2	7.6	-1.3%	0.3%
Machinery and equipment	9.7	6.0	8.3	4.4	-23.3%	0.2%	9.2	6.4	6.7	15.2%	0.2%
Software and other intangible assets	5.0	2.8	1.6	3.5	-11.3%	0.1%	0.6	0.8	0.8	-37.6%	0.0%
Payments for financial assets	0.1	0.1	2 412.9	-	-100.0%	15.8%	-	-	-	0.0%	0.0%
Total	3 164.6	3 569.5	5 221.3	3 312.2	1.5%	100.0%	3 968.6	2 440.9	2 554.2	-8.3%	100.0%

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

Transfers and subsidies expenditure trends and estimates

Table 30.3 Vote transfers and subsidies trends and estimates

	Audited outcome			Adjusted appropriation 2023/24	Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/ Total (%) 2020/21 - 2023/24	Medium-term expenditure estimate			Average growth rate (%) 2023/24 - 2026/27	Average: Expenditure/ Total (%) 2023/24 - 2026/27
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27		
R thousand											
Households											
Social benefits											
Current	5 247	1 835	2 390	1 537	-33.6%	0.1%	1 000	–	–	-100.0%	–
Households	5 247	1 835	2 390	1 537	-33.6%	0.1%	1 000	–	–	-100.0%	–
Other transfers to households											
Current	174	202	664	325	23.2%	–	–	–	–	-100.0%	–
Claims against the state	–	–	239	–	–	–	–	–	–	–	–
Households	174	202	425	325	23.2%	–	–	–	–	-100.0%	–
Provinces and municipalities											
Municipal bank accounts											
Current	19	16	23	32	19.0%	–	27	28	29	-3.2%	–
Vehicle licences	19	16	23	32	19.0%	–	27	28	29	-3.2%	–
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	1 566 655	2 022 181	1 186 638	823 193	-19.3%	61.1%	804 843	835 480	874 658	2.0%	50.0%
Independent Communications Authority of South Africa	543 719	508 190	769 431	473 947	-4.5%	25.1%	470 470	486 128	509 301	2.4%	29.0%
Film and Publication Board	100 596	100 937	102 870	103 860	1.1%	4.5%	103 098	107 717	112 652	2.7%	6.4%
National Electronic Media Institute of South Africa	97 448	98 468	102 121	98 428	0.3%	4.3%	96 961	101 304	105 945	2.5%	6.0%
Universal Service and Access Agency of South Africa	261 385	82 055	86 033	82 655	-31.9%	5.6%	81 685	85 344	89 254	2.6%	5.1%
Universal Service and Access Fund	63 086	64 165	66 777	64 303	0.6%	2.8%	52 629	54 987	57 506	-3.7%	3.4%
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	500 421	1 073 366	59 406	–	-100.0%	17.8%	–	–	–	–	–
Foreign governments and international organisations											
Current	39 458	32 049	35 406	41 116	1.4%	1.6%	41 878	43 750	45 754	3.6%	2.6%
Organisation for Economic Cooperation and Development	209	191	218	232	3.5%	–	282	701	733	46.7%	–
Universal Postal Union	8 915	7 388	7 532	9 085	0.6%	0.4%	9 187	8 298	8 678	-1.5%	0.5%
International Telecommunication Union	24 651	20 176	22 218	26 589	2.6%	1.0%	26 838	29 200	30 538	4.7%	1.7%
African Telecommunications Union	1 401	1 117	1 281	1 326	-1.8%	0.1%	1 388	1 993	2 084	16.3%	0.1%
Pan-African Postal Union	1 436	1 204	2 123	1 403	-0.8%	0.1%	1 503	1 527	1 597	4.4%	0.1%
Commonwealth Telecommunications Organisation	536	–	–	–	-100.0%	–	–	–	–	–	–
DONA Foundation	1 386	1 144	1 240	1 568	4.2%	0.1%	1 718	2 031	2 124	10.6%	0.1%
Forum of Incident Response Security Teams	–	85	–	–	–	–	–	–	–	–	–
Smart Africa Alliance	924	744	794	913	-0.4%	–	962	–	–	-100.0%	–
Public corporations and private enterprises											
Other transfers to public corporations											
Current	697 848	752 370	735 355	777 906	3.7%	32.4%	758 875	798 291	833 963	2.3%	47.4%
South African Broadcasting Corporation: Channel Africa	63 399	64 617	66 581	67 368	2.0%	2.9%	56 314	64 256	66 299	-0.5%	3.8%
South African Broadcasting Corporation: Public broadcaster	127 424	129 872	133 821	135 403	2.0%	5.7%	141 484	147 822	154 594	4.5%	8.7%
South African Broadcasting Corporation: Programme productions	14 940	15 226	15 680	15 865	2.0%	0.7%	13 262	13 856	14 491	-3.0%	0.9%
South African Post Office	492 085	504 168	519 273	524 270	2.1%	22.3%	547 815	572 357	598 579	4.5%	33.6%
South African Post Office: Operations	–	38 487	–	–	–	0.4%	–	–	–	–	–
South African Broadcasting Corporation: 2024 Elections coverage	–	–	–	35 000	–	0.4%	–	–	–	-100.0%	0.5%
Capital	264 630	169 746	–	–	-100.0%	4.7%	–	–	–	–	–
Sentech: Migration of digital signals	60 586	69 746	–	–	-100.0%	1.4%	–	–	–	–	–
Sentech: Dual illumination costs relating to the digital migration project	204 044	100 000	–	–	-100.0%	3.3%	–	–	–	–	–
Total	2 574 031	2 978 399	1 960 476	1 644 109	-13.9%	100.0%	1 606 623	1 677 549	1 754 404	2.2%	100.0%

Personnel information

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

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																			
Number of posts estimated for 31 March 2024		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			2023/24			2024/25		2025/26		2026/27		2023/24 - 2026/27					
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Communications and Digital Technologies																			
Salary level	337	20	300	265.0	0.9	315	286.8	0.9	357	315.3	0.9	351	329.1	0.9	346	344.2	1.0	3.2%	100.0%
1 – 6	38	1	34	10.8	0.3	33	11.5	0.3	68	17.9	0.3	68	19.0	0.3	66	20.5	0.3	26.0%	17.2%
7 – 10	117	11	108	75.4	0.7	124	88.8	0.7	132	99.4	0.8	128	102.2	0.8	128	106.5	0.8	1.0%	37.4%
11 – 12	78	2	69	62.4	0.9	70	66.3	0.9	69	69.5	1.0	68	72.9	1.1	68	77.3	1.1	-1.0%	20.2%
13 – 16	100	6	87	112.3	1.3	86	116.0	1.4	86	124.0	1.4	84	130.2	1.5	82	134.8	1.6	-1.2%	24.7%
Other	4	–	2	4.1	2.0	2	4.3	2.1	2	4.5	2.3	2	4.8	2.4	2	5.1	2.5	-0.0%	0.6%
Programme	337	20	300	265.0	0.9	315	286.8	0.9	357	315.3	0.9	351	329.1	0.9	346	344.2	1.0	3.2%	100.0%
Programme 1	186	12	159	118.2	0.7	178	139.5	0.8	172	144.0	0.8	169	150.4	0.9	165	157.0	1.0	-2.5%	49.9%
Programme 2	16	1	17	22.6	1.3	14	19.3	1.4	19	26.3	1.4	18	27.1	1.5	19	28.9	1.6	10.2%	5.0%
Programme 3	23	4	23	25.6	1.1	23	26.5	1.1	28	30.4	1.1	27	32.1	1.2	26	33.4	1.3	4.2%	7.6%
Programme 4	27	–	23	23.1	1.0	23	23.8	1.0	35	26.6	0.8	34	27.1	0.8	34	28.3	0.8	14.6%	9.2%
Programme 5	34	3	34	34.5	1.0	33	35.0	1.1	53	39.3	0.7	53	41.7	0.8	53	43.7	0.8	17.2%	14.0%
Programme 6	51	–	44	41.1	0.9	44	42.7	1.0	51	48.6	1.0	50	50.7	1.0	50	52.9	1.1	3.9%	14.3%

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

2. Rand million.

Departmental receipts

Table 30.5 Departmental receipts by economic classification

	Audited outcome			Adjusted estimate	Revised estimate	Average growth rate (%)	Average: Receipt item/ Total (%)	Medium-term receipts estimate			Average growth rate (%)	Average: Receipt item/ Total (%)
	2020/21	2021/22	2022/23					2023/24	2024/25	2025/26		
R thousand												
Departmental receipts	105 728	1 499	6 020	2 456	4 230	-65.8%	100.0%	2 360	2 360	2 360	-17.7%	100.0%
Sales of goods and services produced by department	92	71	71	61	67	-10.0%	0.3%	67	67	67	–	2.4%
Administrative fees of which:	24	4	3	–	6	-37.0%	–	7	7	7	5.3%	0.2%
Cryptography fees	4	4	3	–	6	14.5%	–	6	6	6	–	0.2%
Accreditation electric signature fee	20	–	–	–	–	-100.0%	–	–	–	–	–	–
Cryptography registration fee	–	–	–	–	–	–	–	1	1	1	–	–
Other sales of which:	68	67	68	61	61	-3.6%	0.2%	60	60	60	-0.5%	2.1%
Commission on insurance	68	67	68	61	61	-3.6%	0.2%	60	60	60	-0.5%	2.1%
Sales of scrap, waste, arms and other used current goods	2	–	–	–	–	-100.0%	–	–	–	–	–	–
of which:												
Sales tender documents	2	–	–	–	–	-100.0%	–	–	–	–	–	–
Interest, dividends and rent on land	104 821	1 008	5 628	1 995	3 663	-67.3%	98.0%	1 993	1 993	1 993	-18.4%	85.3%
Interest	1 062	945	5 570	1 931	3 600	50.2%	9.5%	1 930	1 930	1 930	-18.8%	83.0%
Dividends of which:	103 759	63	58	64	63	-91.5%	88.5%	63	63	63	–	2.2%
Vodacom shares	–	63	58	64	63	–	0.2%	63	63	63	–	2.2%
Telkom shares	103 759	–	–	–	–	-100.0%	88.3%	–	–	–	–	–
Sales of capital assets	639	175	–	–	–	-100.0%	0.7%	–	–	–	–	–
Transactions in financial assets and liabilities	174	245	321	400	500	42.2%	1.1%	300	300	300	-15.7%	12.4%
Total	105 728	1 499	6 020	2 456	4 230	-65.8%	100.0%	2 360	2 360	2 360	-17.7%	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 2023/24	Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/ Total (%) 2020/21 - 2023/24	Medium-term expenditure estimate			Average growth rate (%) 2023/24 - 2026/27	Average: Expenditure/ Total (%) 2023/24 - 2026/27
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27		
R million											
Ministry	4.2	4.4	4.6	5.6	9.8%	2.0%	5.9	6.1	6.4	4.9%	2.2%
Departmental Management	39.3	42.2	49.3	61.8	16.3%	20.6%	58.9	60.2	62.7	0.5%	22.8%
Internal Audit	6.6	6.4	5.2	8.1	7.0%	2.8%	9.5	9.3	9.7	5.9%	3.4%
Corporate Services	78.9	95.7	88.1	95.4	6.5%	38.3%	93.1	97.3	99.5	1.4%	36.0%
Financial Management	58.2	48.6	45.5	59.1	0.5%	22.6%	59.6	61.6	64.9	3.2%	22.9%
Office Accommodation	28.7	31.1	33.1	33.7	5.5%	13.6%	29.9	36.7	35.2	1.5%	12.7%
Total	215.9	228.4	225.8	263.7	6.9%	100.0%	257.0	271.2	278.4	1.8%	100.0%
Change to 2023 Budget estimate				-			(35.3)	(34.2)	(41.0)		
Economic classification											
Current payments	196.7	218.0	215.3	257.0	9.3%	95.0%	248.9	266.8	273.8	2.1%	97.8%
Compensation of employees	124.6	123.9	118.2	143.7	4.8%	54.7%	144.0	150.4	157.0	3.0%	55.6%
Goods and services	72.0	94.1	97.1	113.4	16.3%	40.3%	104.9	116.5	116.8	1.0%	42.2%
of which:						-					-
Audit costs: External	6.0	6.3	5.5	6.3	1.6%	2.6%	5.7	7.0	7.6	6.8%	2.5%
Computer services	6.0	18.9	17.3	20.6	51.1%	6.7%	15.2	18.0	16.3	-7.6%	6.6%
Consultants: Business and advisory services	2.1	1.7	1.4	4.9	33.2%	1.1%	6.1	6.0	6.3	9.1%	2.2%
Operating leases	25.6	26.0	27.3	29.5	5.0%	11.6%	25.3	32.4	30.7	1.3%	11.0%
Property payments	14.8	15.5	15.7	17.2	5.2%	6.8%	14.9	16.6	17.5	0.5%	6.2%
Travel and subsistence	5.1	7.6	17.4	14.0	40.4%	4.7%	15.9	14.2	14.7	1.6%	5.5%
Transfers and subsidies	4.6	1.7	1.4	1.4	-32.3%	1.0%	1.0	0.0	0.0	-72.7%	0.2%
Provinces and municipalities	0.0	0.0	0.0	0.0	11.0%	-	0.0	0.0	0.0	3.7%	-
Households	4.6	1.7	1.4	1.4	-32.6%	1.0%	1.0	-	-	-100.0%	0.2%
Payments for capital assets	14.5	8.6	8.7	5.2	-29.0%	4.0%	7.0	4.4	4.6	-4.0%	2.0%
Machinery and equipment	9.5	5.8	7.1	1.7	-43.6%	2.6%	6.5	3.7	3.9	31.1%	1.5%
Software and other intangible assets	5.0	2.8	1.6	3.5	-11.3%	1.4%	0.6	0.7	0.7	-40.6%	0.5%
Payments for financial assets	0.1	0.1	0.4	-	-100.0%	0.1%	-	-	-	-	-
Total	215.9	228.4	225.8	263.7	6.9%	100.0%	257.0	271.2	278.4	1.8%	100.0%
Proportion of total programme expenditure to vote expenditure	6.8%	6.4%	4.3%	8.0%	-	-	6.5%	11.1%	10.9%	-	-
Details of transfers and subsidies											
Households											
Social benefits											
Current	4.4	1.6	1.1	1.2	-35.0%	0.9%	1.0	-	-	-100.0%	0.2%
Households	4.4	1.6	1.1	1.2	-35.0%	0.9%	1.0	-	-	-100.0%	0.2%
Other transfers to households											
Current	0.2	0.2	0.3	0.2	5.1%	0.1%	-	-	-	-100.0%	-
Claims against the state	-	-	0.2	-	-	-	-	-	-	-	-
Households	0.2	0.2	0.0	0.2	5.1%	0.1%	-	-	-	-100.0%	-
Provinces and municipalities											
Municipal bank accounts											
Current	0.0	0.0	0.0	0.0	11.0%	-	0.0	0.0	0.0	3.7%	-
Vehicle licences	0.0	0.0	0.0	0.0	11.0%	-	0.0	0.0	0.0	3.7%	-

Personnel information

Table 30.7 Administration personnel numbers and cost by salary level¹

Number of posts estimated for 31 March 2024			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		Unit cost	2023/24		Unit cost	2024/25		Unit cost	2025/26		Unit cost			2026/27		Unit cost
Administration			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	2023/24 - 2026/27	
Salary level	186	12	159	118.2	0.7	178	139.5	0.8	172	144.0	0.8	169	150.4	0.9	165	157.0	1.0	-2.5%	100.0%
1 – 6	29	1	25	6.3	0.3	24	6.8	0.3	20	6.2	0.3	20	6.5	0.3	17	6.3	0.4	-10.9%	11.8%
7 – 10	76	6	65	44.2	0.7	80	56.1	0.7	80	58.5	0.7	79	61.1	0.8	77	63.0	0.8	-1.3%	46.1%
11 – 12	43	2	38	32.0	0.8	41	36.5	0.9	40	37.9	0.9	40	40.2	1.0	40	42.6	1.1	-0.8%	23.8%
13 – 16	34	3	29	31.6	1.1	31	35.9	1.2	30	36.9	1.2	28	37.7	1.3	28	40.0	1.4	-2.4%	17.1%
Other	4	–	2	4.1	2.0	2	4.3	2.1	2	4.5	2.3	2	4.8	2.4	2	5.1	2.5	–	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 2025 by:
 - developing 2 country position papers to support national ICT priorities. These will focus on the agendas of the BRICS group of countries, and the World Telecommunication Standardisation Assembly
 - coordinating the implementation of 2 international programmes to support the digital economy initiatives by end 2024/25.

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 pays 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 (%)		Medium-term expenditure estimate			Average: Expenditure/ Total (%)	
	2020/21	2021/22	2022/23	2023/24		2020/21	2023/24	2024/25	2025/26	2026/27	2023/24	2026/27
R million												
Programme Management for International Relations and Affairs	2.3	2.7	3.0	5.1	30.9%	5.2%	3.4	6.7	7.0	11.3%	7.0%	
International Affairs	8.2	9.7	9.8	13.1	17.0%	16.2%	13.0	13.7	14.3	2.8%	17.2%	
ICT Trade/Partnership	51.0	42.1	51.8	53.4	1.6%	78.6%	60.3	60.3	63.6	6.0%	75.7%	
Total	61.5	54.6	64.6	71.7	5.3%	100.0%	76.7	80.6	84.8	5.8%	100.0%	
Change to 2023 Budget estimate				–			0.9	1.2	1.8			

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 (%)	
	2020/21	2021/22	2022/23				2023/24	2024/25	2025/26			2026/27
	2020/21 - 2023/24						2023/24 - 2026/27					
R million												
Current payments	22.0	22.5	29.0	30.0	10.9%	41.0%	34.2	36.2	38.4	8.6%	44.3%	
Compensation of employees	20.1	19.5	22.6	20.9	1.2%	32.9%	26.3	27.1	28.9	11.4%	32.9%	
Goods and services	1.9	3.0	6.4	9.1	69.9%	8.1%	7.9	9.1	9.5	1.5%	11.4%	
<i>of which:</i>												
Administrative fees	0.0	0.0	0.0	0.5	138.1%	0.2%	0.0	0.5	0.5	4.9%	0.5%	
Communication	0.3	0.3	0.3	0.3	-	0.5%	0.4	0.3	0.3	5.2%	0.4%	
Contractors	0.1	0.0	0.0	1.2	173.0%	0.5%	-	1.3	1.4	4.5%	1.2%	
Travel and subsistence	0.8	0.8	4.8	3.6	64.7%	4.0%	3.6	3.9	4.0	3.9%	4.8%	
Operating payments	-	0.2	0.3	0.4	-	0.3%	0.1	0.4	0.4	4.7%	0.4%	
Venues and facilities	0.2	-	0.6	2.2	124.3%	1.2%	3.1	1.6	1.7	-8.7%	2.8%	
Transfers and subsidies	39.5	32.1	35.4	41.1	1.4%	58.7%	41.9	43.8	45.8	3.6%	55.0%	
Foreign governments and international organisations	39.5	32.0	35.4	41.1	1.4%	58.7%	41.9	43.8	45.8	3.6%	55.0%	
Households	0.0	0.0	0.0	0.0	65.1%	-	-	-	-	-100.0%	-	
Payments for capital assets	-	-	0.2	0.5	-	0.3%	0.6	0.6	0.7	9.5%	0.8%	
Machinery and equipment	-	-	0.2	0.5	-	0.3%	0.6	0.6	0.7	9.5%	0.8%	
Total	61.5	54.6	64.6	71.7	5.3%	100.0%	76.7	80.6	84.8	5.8%	100.0%	
Proportion of total programme expenditure to vote expenditure	1.9%	1.5%	1.2%	2.2%	-	-	1.9%	3.3%	3.3%	-	-	
Details of transfers and subsidies												
Households												
Other transfers to households												
Current	0.0	0.0	0.0	0.0	65.1%	-	-	-	-	-100.0%	-	
Households	0.0	0.0	0.0	0.0	65.1%	-	-	-	-	-100.0%	-	
Foreign governments and international organisations												
Current	39.5	32.0	35.4	41.1	1.4%	58.7%	41.9	43.8	45.8	3.6%	55.0%	
Organisation for Economic Cooperation and Development	0.2	0.2	0.2	0.2	3.5%	0.3%	0.3	0.7	0.7	46.7%	0.6%	
Universal Postal Union	8.9	7.4	7.5	9.1	0.6%	13.1%	9.2	8.3	8.7	-1.5%	11.2%	
International Telecommunication Union	24.7	20.2	22.2	26.6	2.6%	37.1%	26.8	29.2	30.5	4.7%	36.1%	
African Telecommunications Union	1.4	1.1	1.3	1.3	-1.8%	2.0%	1.4	2.0	2.1	16.3%	2.2%	
Pan-African Postal Union	1.4	1.2	2.1	1.4	-0.8%	2.4%	1.5	1.5	1.6	4.4%	1.9%	
Commonwealth Telecommunications Organisation	0.5	-	-	-	-100.0%	0.2%	-	-	-	-	-	
DONA Foundation	1.4	1.1	1.2	1.6	4.2%	2.1%	1.7	2.0	2.1	10.6%	2.4%	
Forum of Incident Response Security Teams	-	0.1	-	-	-	-	-	-	-	-	-	
Smart Africa Alliance	0.9	0.7	0.8	0.9	-0.4%	1.3%	1.0	-	-	-100.0%	0.6%	

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 2024		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			2023/24			2024/25					2025/26			2026/27		
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			Number	Cost	Unit cost	Number	Cost	Unit cost
Salary level	16	1	17	22.6	1.3	14	19.3	1.4	19	26.3	1.4	18	27.1	1.5	19	28.9	1.6	10.2%	100.0%
7 – 10	7	1	8	8.4	1.1	7	7.8	1.1	11	12.0	1.1	10	11.9	1.2	11	12.8	1.2	15.1%	55.5%
13 – 16	9	-	9	14.1	1.6	7	11.5	1.7	8	14.3	1.8	8	15.1	1.9	8	16.1	2.0	4.6%	44.5%

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:
 - submitting the Audio and Audiovisual Content Services and Online Safety Bill to Parliament by 2025/26
 - monitoring the implementation of the digital economy master plan over the MTEF period
 - monitoring the implementation of national data and cloud policy over the MTEF period
 - coordinating the strategic implementation plan for the Presidential Commission on the Fourth Industrial Revolution over the MTEF period.

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 the 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 (%)
	2020/21	2021/22	2022/23				2023/24	2024/25	2025/26		
R million											
Programme Management for ICT Policy Development and Research	0.6	0.7	1.6	2.8	64.6%	4.1%	2.9	3.0	3.2	4.6%	6.8%
ICT Policy Development	8.8	8.1	12.4	9.4	2.2%	27.9%	13.5	14.1	14.8	16.2%	29.9%
Economic and Market Analysis	3.2	2.2	2.5	5.5	20.2%	9.6%	6.2	5.6	5.9	2.4%	13.4%
Research	4.7	4.7	4.8	7.8	17.8%	15.8%	8.5	9.1	9.5	7.0%	20.1%
Small, Medium and Micro Enterprise	4.3	–	0.0	1.4	-31.0%	4.1%	1.4	1.9	1.6	4.8%	3.6%
Broadcasting Policy	5.4	12.7	6.4	7.7	12.4%	23.2%	8.3	7.6	7.7	0.1%	18.1%
Presidential Commission on 4IR	9.0	1.2	6.3	5.0	-17.9%	15.4%	2.2	2.9	3.9	-7.9%	8.1%
Total	36.1	29.6	34.0	39.6	3.1%	100.0%	43.1	44.3	46.6	5.6%	100.0%
Change to 2023 Budget estimate				–			(2.5)	(2.9)	(2.8)		
Economic classification											
Current payments	35.5	29.5	33.5	39.2	3.4%	98.9%	42.7	44.1	46.4	5.8%	99.4%
Compensation of employees	33.1	27.8	25.6	29.1	-4.2%	83.0%	30.4	32.1	33.4	4.6%	72.0%
Goods and services	2.4	1.7	8.0	10.1	60.8%	15.9%	12.3	12.0	13.1	8.8%	27.3%
of which:						–					–
Advertising	0.5	0.2	1.3	0.2	-27.2%	1.6%	0.6	0.6	0.6	43.1%	1.2%
Communication	0.6	0.5	0.5	0.4	-8.6%	1.5%	0.6	0.6	0.6	9.6%	1.2%
Consultants: Business and advisory services	0.2	–	3.0	1.5	106.6%	3.3%	2.4	2.3	3.3	30.4%	5.5%
Consumables: Stationery, printing and office supplies	–	0.0	0.1	0.3	–	0.3%	0.6	0.4	0.4	7.3%	0.9%
Travel and subsistence	0.3	0.6	2.5	5.5	153.7%	6.3%	4.5	5.1	5.0	-2.8%	11.6%
Venues and facilities	0.0	–	0.3	0.8	151.9%	0.8%	0.9	0.8	0.8	0.8%	1.9%
Transfers and subsidies	0.6	0.1	0.4	0.2	-31.7%	0.9%	–	–	–	-100.0%	0.1%
Households	0.6	0.1	0.4	0.2	-31.7%	0.9%	–	–	–	-100.0%	0.1%
Payments for capital assets	0.0	–	0.0	0.1	84.9%	0.1%	0.5	0.2	0.2	9.2%	0.5%
Machinery and equipment	0.0	–	0.0	0.1	84.9%	0.1%	0.5	0.2	0.2	9.2%	0.5%
Total	36.1	29.6	34.0	39.6	3.1%	100.0%	43.1	44.3	46.6	5.6%	100.0%
Proportion of total programme expenditure to vote expenditure	1.1%	0.8%	0.7%	1.2%	–	–	1.1%	1.8%	1.8%	–	–

Table 30.10 ICT Policy Development and Research 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 (%)
		2020/21	2021/22	2022/23				2023/24	2024/25	2025/26		
R million												
Households												
Social benefits												
Current		0.6	0.1	0.4	0.2	-32.1%	0.9%	-	-	-	-100.0%	0.1%
Households		0.6	0.1	0.4	0.2	-32.1%	0.9%	-	-	-	-100.0%	0.1%
Other transfers to households												
Current		0.0	-	0.0	0.0	26.0%	-	-	-	-	-100.0%	-
Households		0.0	-	0.0	0.0	26.0%	-	-	-	-	-100.0%	-

Personnel information

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

Number of posts estimated for 31 March 2024		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		2023/24		2024/25		2025/26		2026/27		2023/24 - 2026/27							
ICT Policy Development and Research		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	23	4	23	25.6	1.1	23	26.5	1.1	28	30.4	1.1	27	32.1	1.2	26	33.4	1.3	4.2%	100.0%
7 – 10	5	1	6	3.7	0.6	7	4.7	0.7	12	7.3	0.6	11	7.3	0.7	10	7.0	0.7	12.8%	38.3%
11 – 12	6	-	7	7.6	1.1	7	7.9	1.1	7	8.4	1.2	7	9.3	1.3	7	9.8	1.4	0.0%	26.7%
13 – 16	12	3	10	14.3	1.4	9	13.8	1.5	9	14.7	1.6	9	15.6	1.7	9	16.5	1.8	-	34.9%

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 prescripts on an ongoing basis.
- Improve the impact of service delivery by public entities and their market responsiveness by:
 - monitoring the implementation of the performance management system for councillors from the Independent Communications Authority of South Africa on an ongoing basis
 - facilitating the development of shareholder compacts for schedule 2 and 3B public entities on an ongoing basis
 - monitoring the implementation of the South African Post Office business rescue plan over the MTEF period
 - reviewing the South African Broadcasting Corporation’s turnaround plan by March 2025
 - monitoring the implementation of State Information Technology Agency repurposing recommendations by March 2026.

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 its 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 2023/24	Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/Total (%) 2023/24	Medium-term expenditure estimate			Average growth rate (%) 2023/24 - 2026/27	Average: Expenditure/Total (%) 2023/24 - 2026/27
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27		
R million											
Programme Management for ICT Enterprise and Public Entity Oversight	3.1	3.2	3.3	4.1	9.9%	0.1%	4.2	4.4	4.6	4.0%	0.3%
Regulatory Institutions	645.8	562.2	872.6	579.9	-3.5%	28.3%	575.8	598.4	626.7	2.6%	35.8%
Universal Service and Access	1 037.7	1 009.2	3 318.0	945.0	-3.1%	67.2%	914.7	959.0	1 002.0	2.0%	57.5%
ICT Skills Development	97.4	98.5	102.1	98.4	0.3%	4.2%	97.0	101.3	105.9	2.5%	6.1%
State-owned Enterprise Governance and Support	–	5.8	4.6	4.9	–	0.2%	5.2	5.8	6.0	6.9%	0.3%
Total	1 784.0	1 678.9	4 300.6	1 632.3	-2.9%	100.0%	1 596.9	1 668.9	1 745.3	2.3%	100.0%
Change to 2023 Budget estimate				–			(87.6)	(90.4)	(94.5)		
Economic classification											
Current payments	19.9	25.9	25.2	30.4	15.2%	1.1%	32.5	34.3	35.8	5.7%	2.0%
Compensation of employees	18.3	23.2	23.1	25.1	11.2%	1.0%	26.6	27.1	28.3	4.2%	1.6%
Goods and services	1.6	2.7	2.1	5.3	48.2%	0.1%	5.9	7.2	7.5	12.2%	0.4%
of which:											
Bursaries: Employees	0.0	0.5	0.2	0.3	111.8%	–	0.4	0.4	0.5	11.7%	–
Communication	0.4	0.7	0.5	0.6	13.7%	–	0.8	0.8	0.8	9.1%	–
Consultants: Business and advisory services	1.0	–	0.0	0.5	-21.2%	–	0.6	0.8	0.8	19.9%	–
Consumables: Stationery, printing and office supplies	–	0.0	0.0	0.4	–	–	0.3	0.8	0.8	26.4%	–
Travel and subsistence	0.1	0.1	1.2	2.1	161.9%	–	2.1	2.5	2.7	8.4%	0.1%
Training and development	0.0	0.1	0.1	0.2	165.0%	–	0.4	0.6	0.6	36.5%	–
Transfers and subsidies	1 764.1	1 653.0	1 862.7	1 601.2	-3.2%	73.2%	1 563.7	1 633.8	1 708.6	2.2%	98.0%
Departmental agencies and accounts	1 066.2	900.6	1 127.2	823.2	-8.3%	41.7%	804.8	835.5	874.7	2.0%	50.2%
Public corporations and private enterprises	697.8	752.4	735.4	777.9	3.7%	31.5%	758.9	798.3	834.0	2.3%	47.7%
Households	0.0	0.0	0.1	0.1	283.7%	–	–	–	–	-100.0%	–
Payments for capital assets	–	–	0.2	0.8	–	–	0.7	0.8	0.9	4.4%	–
Machinery and equipment	–	–	0.2	0.8	–	–	0.7	0.8	0.9	4.4%	–
Payments for financial assets	–	–	2 412.5	–	–	25.7%	–	–	–	–	–
Total	1 784.0	1 678.9	4 300.6	1 632.3	-2.9%	100.0%	1 596.9	1 668.9	1 745.3	2.3%	100.0%
Proportion of total programme expenditure to vote expenditure	56.4%	47.0%	82.4%	49.3%	–	–	40.2%	68.4%	68.3%	–	–

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

Details of transfers and subsidies				Adjusted appropriation	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
Audited outcome			2023/24				2024/25	2025/26	2026/27		
R million	2020/21	2021/22	2022/23	2023/24	2020/21 - 2023/24		2024/25	2025/26	2026/27	2023/24 - 2026/27	
Households											
Social benefits											
Current											
Households	–	–	0.1	0.0	–	–	–	–	–	-100.0%	–
Households	–	–	0.1	0.0	–	–	–	–	–	-100.0%	–
Other transfers to households											
Current											
Households	0.0	0.0	0.0	0.1	281.4%	–	–	–	–	-100.0%	–
Households	0.0	0.0	0.0	0.1	281.4%	–	–	–	–	-100.0%	–
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current											
	1 066.2	900.6	1 127.2	823.2	-8.3%	41.7%	804.8	835.5	874.7	2.0%	50.2%
Independent Communications Authority of South Africa	543.7	460.0	769.4	473.9	-4.5%	23.9%	470.5	486.1	509.3	2.4%	29.2%
Film and Publication Board	100.6	100.9	102.9	103.9	1.1%	4.3%	103.1	107.7	112.7	2.7%	6.4%
National Electronic Media Institute of South Africa	97.4	98.5	102.1	98.4	0.3%	4.2%	97.0	101.3	105.9	2.5%	6.1%
Universal Service and Access Agency of South Africa	261.4	82.1	86.0	82.7	-31.9%	5.5%	81.7	85.3	89.3	2.6%	5.1%
Universal Service and Access Fund	63.1	64.2	66.8	64.3	0.6%	2.7%	52.6	55.0	57.5	-3.7%	3.5%
Universal Service and Access Agency of South Africa: Distribution costs to South African Post Office relating to the broadcasting digital migration project	–	95.0	–	–	–	1.0%	–	–	–	–	–
Public corporations and private enterprises											
Other transfers to public corporations											
Current											
	697.8	752.4	735.4	777.9	3.7%	31.5%	758.9	798.3	834.0	2.3%	47.7%
South African Broadcasting Corporation: Channel Africa	63.4	64.6	66.6	67.4	2.0%	2.8%	56.3	64.3	66.3	-0.5%	3.8%
South African Broadcasting Corporation: Public broadcaster	127.4	129.9	133.8	135.4	2.0%	5.6%	141.5	147.8	154.6	4.5%	8.7%
South African Broadcasting Corporation: Programme productions	14.9	15.2	15.7	15.9	2.0%	0.7%	13.3	13.9	14.5	-3.0%	0.9%
South African Post Office	492.1	504.2	519.3	524.3	2.1%	21.7%	547.8	572.4	598.6	4.5%	33.8%
South African Post Office: Operations	–	38.5	–	–	–	0.4%	–	–	–	–	–
South African Broadcasting Corporation: 2024 elections coverage	–	–	–	35.0	–	0.4%	–	–	–	-100.0%	0.5%

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 2024		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		2023/24		2024/25		2025/26		2026/27		2023/24 - 2026/27					
		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	27	–	23	23.1	1.0	23	23.8	1.0	35	26.6	0.8	34	27.1	0.8	34	28.3	0.8
1 – 6	–	–	–	–	–	–	–	13	1.4	0.1	13	1.4	0.1	13	1.5	0.1	–
7 – 10	8	–	7	2.5	0.4	7	2.6	0.4	7	2.7	0.4	7	2.9	0.4	7	2.7	0.4
11 – 12	7	–	6	5.6	0.9	6	5.5	1.0	6	5.8	1.0	5	5.1	1.1	5	5.4	1.1
13 – 16	12	–	10	15.0	1.5	10	15.7	1.6	10	16.7	1.7	10	17.7	1.8	10	18.7	1.9

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:
 - monitoring the implementation of phase 2 of the South Africa Connect project on an ongoing basis
 - monitoring and maintaining the provision of broadband services to 970 connected sites over the medium term
 - monitoring the implementation of strategic national cybersecurity programmes and services on an ongoing basis
 - monitoring the distribution and installation of set-top boxes by March 2025
 - monitoring the analogue switch-off of transmitters below 694 MHz by March 2025.
 - Gazetting the next generation radio frequency spectrum policy by March 2025.

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 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 2023/24	Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/ Total (%) 2020/21 - 2023/24	Medium-term expenditure estimate			Average growth rate (%) 2023/24 - 2026/27	Average: Expenditure/ Total (%) 2023/24 - 2026/27
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27		
R million											
Programme Management for ICT Infrastructure Development and Support	2.2	2.3	3.2	3.2	13.8%	0.3%	3.3	3.4	3.6	4.8%	0.4%
Broadband	226.9	228.0	435.2	1 196.1	74.0%	48.6%	1 894.6	267.4	279.4	-38.4%	96.4%
ICT Support	5.7	7.6	5.7	9.0	16.3%	0.7%	9.0	11.1	11.6	8.8%	1.1%
Broadcasting Digital Migration	782.6	1 275.1	89.2	22.3	-69.5%	50.5%	15.9	20.0	21.5	-1.2%	2.1%
Total	1 017.4	1 513.0	533.3	1 230.6	6.5%	100.0%	1 922.7	301.9	316.2	-36.4%	100.0%
Change to 2023 Budget estimate							(276.4)	(11.3)	(11.4)		
Economic classification											
Current payments	252.1	221.5	473.0	1 230.0	69.6%	50.7%	1 922.3	301.4	315.7	-36.5%	99.9%
Compensation of employees	34.9	35.1	34.5	37.1	2.1%	3.3%	39.3	41.7	43.7	5.6%	4.3%
Goods and services	217.2	186.3	438.5	1 192.9	76.4%	47.4%	1 883.0	259.7	271.9	-38.9%	95.7%
of which:											
Advertising	1.1	15.6	2.0	1.2	3.2%	0.5%	0.6	1.4	1.5	7.2%	0.1%
Audit costs: External	–	0.0	–	0.6	–	–	0.8	1.2	1.2	26.8%	0.1%
Computer services	201.1	160.4	204.1	1 165.6	79.6%	40.3%	1 859.5	231.5	242.2	-40.8%	92.8%
Consultants: Business and advisory services	8.0	1.9	207.3	5.2	-13.3%	5.2%	5.2	5.7	5.6	2.3%	0.6%
Consumables: Stationery, printing and office supplies	–	0.0	0.0	0.5	–	–	1.2	1.1	1.2	32.5%	0.1%
Travel and subsistence	3.0	5.6	21.4	16.0	75.4%	1.1%	10.4	12.4	13.6	-5.4%	1.4%
Transfers and subsidies	765.3	1 291.5	59.8	0.1	-95.8%	49.3%	–	–	–	-100.0%	–
Provinces and municipalities	–	0.0	0.0	0.0	–	–	–	–	–	-100.0%	–
Departmental agencies and accounts	500.4	1 121.6	59.4	–	-100.0%	39.2%	–	–	–	–	–
Public corporations and private enterprises	264.6	169.7	–	–	-100.0%	10.1%	–	–	–	–	–
Households	0.2	0.2	0.4	0.1	-37.0%	–	–	–	–	-100.0%	–
Payments for capital assets	0.1	0.0	0.6	0.5	105.3%	–	0.4	0.5	0.5	0.2%	0.1%
Machinery and equipment	0.1	0.0	0.6	0.5	105.3%	–	0.4	0.4	0.4	-8.1%	–
Software and other intangible assets	–	–	–	–	–	–	–	0.1	0.1	–	–
Total	1 017.4	1 513.0	533.3	1 230.6	6.5%	100.0%	1 922.7	301.9	316.2	-36.4%	100.0%
Proportion of total programme expenditure to vote expenditure	32.1%	42.4%	10.2%	37.2%	–	–	48.4%	12.4%	12.4%	–	–

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

Details of transfers and subsidies				Adjusted appropriation	Average growth rate (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
Audited outcome			2023/24				2020/21 - 2023/24	2024/25	2025/26		
R million	2020/21	2021/22	2022/23	2023/24	2020/21 - 2023/24	2024/25	2025/26	2026/27	2023/24	2026/27	
Households											
Social benefits											
Current	0.2	0.2	0.4	0.1	-37.0%	-	-	-	-100.0%	-	
Households	0.2	0.2	0.4	0.1	-37.0%	-	-	-	-100.0%	-	
Other transfers to households											
Current	-	0.0	0.0	-	-	-	-	-	-	-	
Households	-	0.0	0.0	-	-	-	-	-	-	-	
Provinces and municipalities											
Municipal bank accounts											
Current	-	0.0	0.0	0.0	-	-	-	-	-100.0%	-	
Vehicle licences	-	0.0	0.0	0.0	-	-	-	-	-100.0%	-	
Departmental agencies and accounts											
Departmental agencies (non-business entities)											
Current	500.4	1 121.6	59.4	-	-100.0%	39.2%	-	-	-	-	
Independent Communications Authority of South Africa	-	48.2	-	-	-	1.1%	-	-	-	-	
Universal Service and Access Fund: Broadcasting digital migration	500.4	1 073.4	59.4	-	-100.0%	38.0%	-	-	-	-	
Public corporations and private enterprises											
Other transfers to public corporations											
Capital	264.6	169.7	-	-	-100.0%	10.1%	-	-	-	-	
Sentech: Migration of digital signals	60.6	69.7	-	-	-100.0%	3.0%	-	-	-	-	
Sentech: Dual illumination costs relating to the digital migration project	204.0	100.0	-	-	-100.0%	7.1%	-	-	-	-	

Personnel information

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

Number of posts estimated for 31 March 2024			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						2023/24 - 2026/27					
			2022/23		2023/24			2024/25		2025/26		2026/27							
			Number	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	34	3	34	34.5	1.0	33	35.0	1.1	53	39.3	0.7	53	41.7	0.8	53	43.7	0.8	17.2%	100.0%
1 – 6	1	-	1	0.8	0.8	1	0.8	0.8	21	3.1	0.1	21	3.2	0.2	22	4.4	0.2	180.4%	34.1%
7 – 10	8	3	11	10.0	0.9	10	9.5	1.0	10	10.1	1.0	10	10.7	1.1	10	11.4	1.1	-	20.9%
11 – 12	10	-	9	8.9	1.0	9	9.1	1.0	9	9.6	1.1	9	10.2	1.2	9	10.8	1.2	-	18.4%
13 – 16	15	-	13	14.9	1.1	13	15.6	1.2	13	16.5	1.3	13	17.5	1.3	12	17.1	1.4	-2.6%	26.7%

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

Programme 6: ICT Information Society and Capacity Development

Programme purpose

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

Objectives

- Contribute towards building a digitally transformed economy and society by:
 - monitoring the automation of e-government services on the e-portal on an ongoing basis
 - monitoring the implementation of digital and future skills programmes on an ongoing basis
 - implementing and reviewing the national artificial intelligence plan over the MTEF period

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 (%)		Medium-term expenditure estimate			Average growth rate (%)		
	2020/21	2021/22	2022/23		2023/24	2020/21	2023/24	2024/25	2025/26	2026/27	2023/24	2026/27
R million												
Programme Management for ICT Information Society and Capacity Development	1.5	2.6	2.8	2.9	25.0%	3.8%	3.0	3.1	3.3	4.5%	4.0%	
Information Society Development	39.0	59.1	56.8	64.8	18.4%	87.0%	66.4	66.5	75.2	5.1%	89.9%	
Capacity Development	9.4	3.4	3.5	6.8	-10.2%	9.1%	2.8	4.3	4.4	-13.3%	6.0%	
Total	49.8	65.1	63.1	74.4	14.3%	100.0%	72.2	73.9	82.9	3.7%	100.0%	
Change to 2023 Budget estimate				-			(14.0)	(16.0)	(11.2)			
Economic classification												
Current payments	49.6	65.0	62.1	73.5	14.0%	99.2%	71.6	73.2	82.1	3.8%	99.0%	
Compensation of employees	39.7	41.9	41.1	46.2	5.2%	66.9%	48.6	50.7	52.9	4.6%	65.4%	
Goods and services	10.0	23.1	21.0	27.3	40.0%	32.2%	23.0	22.5	29.3	2.3%	33.6%	
of which:												
<i>Bursaries: Employees</i>	0.1	0.1	0.2	0.6	119.2%	0.4%	0.7	0.7	0.8	8.3%	0.9%	
<i>Catering: Departmental activities</i>	0.0	0.2	0.6	0.5	156.0%	0.5%	0.7	0.7	0.8	17.0%	0.9%	
<i>Consultants: Business and advisory services</i>	0.9	16.6	5.8	12.3	138.1%	14.1%	10.7	9.6	12.8	1.3%	15.0%	
<i>Travel and subsistence</i>	1.0	2.7	7.5	6.7	86.9%	7.1%	6.6	6.0	9.2	11.1%	9.4%	
<i>Training and development</i>	6.0	0.3	0.1	0.2	-67.3%	2.6%	0.6	0.6	0.7	47.3%	0.7%	
<i>Venues and facilities</i>	0.5	0.7	2.5	0.9	22.6%	1.8%	0.9	1.9	2.0	30.5%	1.9%	
Transfers and subsidies	0.1	0.0	0.8	0.1	15.9%	0.4%	-	-	-	-100.0%	-	
Households	0.1	0.0	0.8	0.1	15.9%	0.4%	-	-	-	-100.0%	-	
Payments for capital assets	0.1	0.1	0.2	0.8	86.7%	0.5%	0.6	0.7	0.8	-0.5%	1.0%	
Machinery and equipment	0.1	0.1	0.2	0.8	86.7%	0.5%	0.6	0.7	0.8	-0.5%	1.0%	
Total	49.8	65.1	63.1	74.4	14.3%	100.0%	72.2	73.9	82.9	3.7%	100.0%	
Proportion of total programme expenditure to vote expenditure	1.6%	1.8%	1.2%	2.2%	-	-	1.8%	3.0%	3.2%	-	-	
Details of transfers and subsidies												
Households												
Social benefits												
Current	0.1	-	0.4	0.1	17.3%	0.2%	-	-	-	-100.0%	-	
Households	0.1	-	0.4	0.1	17.3%	0.2%	-	-	-	-100.0%	-	
Other transfers to households												
Current	0.0	0.0	0.3	0.0	-	0.1%	-	-	-	-100.0%	-	
Households	0.0	0.0	0.3	0.0	-	0.1%	-	-	-	-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 2024	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	Unit cost	Cost	2023/24	Unit cost	Cost	2024/25		2025/26				2026/27		2023/24 - 2026/27		
ICT Information Society and Capacity Development																			
Salary level	51	-	44	41.1	0.9	44	42.7	1.0	51	48.6	1.0	50	50.7	1.0	50	52.9	1.1	3.9%	100.0%
1-6	8	-	8	3.7	0.5	8	3.9	0.5	14	7.3	0.5	14	7.8	0.5	14	8.2	0.6	21.7%	26.3%
7-10	13	-	11	6.6	0.6	13	8.1	0.6	13	8.6	0.7	12	8.3	0.7	13	9.7	0.7	0.0%	26.1%
11-12	12	-	9	8.4	0.9	7	7.3	1.0	7	7.7	1.0	7	8.2	1.1	7	8.7	1.2	-	15.3%
13-16	18	-	16	22.4	1.4	16	23.5	1.5	16	25.0	1.6	16	26.5	1.7	15	26.4	1.8	-2.1%	32.3%

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		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Network performance rebates paid as percentage of gross revenue per year	Network operations	Entity mandate	≤0.3%	≤0.3%	≤0.3%	≤0.3%	≤0.3%	≤0.3%	≤0.3%
Actual time taken to restore core network faults per year (hours)	Network operations		7.5	7.5	7.5	7.5	7.5	7.5	7.5
Number of government sites connected to Broadband Infraco network and maintained as part of phase 1 of the South Africa Connect project per year	Network operations		713	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, maintaining broadband connectivity to the 713 government sites it is responsible for and the time taken to restore faults on the core network at 7.5 hours. Expenditure is expected to increase at an average annual rate of 27.4 per cent, from R437.6 million in 2023/24 to R904.3 million in 2026/27. This is mainly due to an increase in payments to access network providers as South Africa Connect phase 2 is rolled out using one-off allocations in 2024/25 and 2025/26, and an increase in expenditure on capital investments. Broadband Infraco plans to spend a total of R2.6 billion over the MTEF period on capital expenditure, particularly fibre networks and points of presence.

The entity plans to maintain its approved number of personnel at 117 over the medium term. Compensation of employees is set to increase at an average annual rate of 4.9 per cent, from R135.9 million in 2023/24 to R156.7 million in 2026/27. Revenue is expected to increase at an average annual rate of 7.9 per cent, from R870.6 million in 2023/24 to R1.1 billion in 2026/27, mostly due to the receipt of funding for the implementation of the South Africa Connect project, which accounts for a projected R1.3 billion in revenue over the MTEF period.

Programmes/Objectives/Activities

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

R million	Audited outcome				Revised estimate	Average growth rate (%)	Average Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/Total (%)
	2020/21	2021/22	2022/23	2023/24				2024/25	2025/26	2026/27		
Administration	115.5	157.4	312.5	154.2	10.1%	34.1%	666.2	349.3	339.0	30.0%	39.7%	
Network operations	457.5	401.5	277.3	283.3	-14.8%	65.9%	740.6	556.7	565.3	25.9%	60.3%	
Total	573.0	558.9	589.8	437.6	-8.6%	100.0%	1 406.8	906.0	904.3	27.4%	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 2023/24	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2020/21	2021/22	2022/23		2020/21	2023/24	2024/25	2025/26	2026/27	2023/24	2026/27
Revenue											
Non-tax revenue	465.9	439.1	468.7	870.6	23.2%	100.0%	864.2	985.8	1 092.2	7.9%	100.0%
Sale of goods and services other than capital assets	463.0	437.8	467.6	870.6	23.4%	99.7%	864.2	985.8	1 092.2	7.9%	100.0%
Other non-tax revenue	2.8	1.3	1.0	–	-100.0%	0.3%	–	–	–	–	–
Total revenue	465.9	439.1	468.7	870.6	23.2%	100.0%	864.2	985.8	1 092.2	7.9%	100.0%
Expenses											
Current expenses	573.0	558.9	589.8	437.6	-8.6%	100.0%	1 406.8	906.0	904.3	27.4%	100.0%
Compensation of employees	118.6	99.1	106.9	135.9	4.6%	21.9%	142.6	149.8	156.7	4.9%	18.8%
Goods and services	268.7	326.1	328.2	59.6	-39.5%	43.6%	1 042.6	523.6	504.3	103.8%	50.3%
Depreciation	169.3	112.7	123.2	194.0	4.6%	28.7%	180.6	189.7	198.4	0.8%	25.0%
Interest, dividends and rent on land	16.4	21.1	31.5	48.2	43.3%	5.7%	41.0	43.0	45.0	-2.3%	5.9%
Total expenses	573.0	558.9	589.8	437.6	-8.6%	100.0%	1 406.8	906.0	904.3	27.4%	100.0%
Surplus/(Deficit)	(107.1)	(119.8)	(121.1)	433.0	-259.3%		(542.6)	79.8	187.9	-24.3%	
Cash flow statement											
Cash flow from operating activities	44.9	7.0	260.4	61.4	11.0%	100.0%	(11.8)	355.4	161.3	38.0%	100.0%
Receipts											
Non-tax receipts	466.0	439.7	469.0	870.6	23.2%	93.2%	929.1	1 022.0	888.4	0.7%	100.0%
Sales of goods and services other than capital assets	463.1	437.8	467.8	870.6	23.4%	92.9%	929.1	1 022.0	888.4	0.7%	100.0%
Other tax receipts	2.8	1.8	1.2	–	-100.0%	0.3%	–	–	–	–	–
Financial transactions in assets and liabilities	–	–	173.9	–	–	6.8%	–	–	–	–	–
Total receipts	466.0	439.7	642.9	870.6	23.2%	100.0%	929.1	1 022.0	888.4	0.7%	100.0%
Payment											
Current payments	421.1	432.7	382.5	809.2	24.3%	100.0%	940.9	666.6	727.1	-3.5%	100.0%
Compensation of employees	118.6	109.3	105.8	132.7	3.8%	24.4%	139.3	146.2	153.0	4.9%	18.5%
Goods and services	294.7	308.2	245.2	628.4	28.7%	70.7%	760.7	483.1	549.6	-4.4%	76.6%
Interest and rent on land	7.8	15.2	31.5	48.2	83.6%	4.9%	41.0	37.2	24.5	-20.2%	4.8%
Total payments	421.1	432.7	382.5	809.2	24.3%	100.0%	940.9	666.6	727.1	-3.5%	100.0%
Net cash flow from investing activities	(14.4)	(47.6)	(37.6)	(82.9)	79.1%	100.0%	(324.1)	(294.7)	(2.6)	-68.4%	100.0%
Acquisition of property, plant, equipment and intangible assets	(14.4)	(45.0)	(32.4)	(82.9)	79.1%	95.2%	(324.1)	(294.7)	(2.6)	-68.4%	100.0%
Acquisition of software and other intangible assets	–	(3.0)	(5.8)	–	–	5.5%	–	–	–	–	–
Proceeds from the sale of property, plant, equipment and intangible assets	–	0.4	0.6	–	–	-0.6%	–	–	–	–	–
Net cash flow from financing activities	(52.4)	(20.1)	(29.2)	(75.5)	12.9%	100.0%	92.8	(79.2)	(199.4)	38.2%	100.0%
Borrowing activities	(52.4)	(20.1)	(29.2)	(75.5)	12.9%	100.0%	92.8	(79.2)	(199.4)	38.2%	100.0%
Net increase/(decrease) in cash and cash equivalents	(22.0)	(60.8)	193.5	(97.0)	64.0%	-1.0%	(243.1)	(18.5)	(40.7)	-25.1%	100.0%
Statement of financial position											
Carrying value of assets of which:	955.3	872.8	810.4	1 505.2	16.4%	82.3%	1 655.0	1 458.9	1 286.4	-5.1%	97.9%
<i>Acquisition of assets</i>	<i>(14.4)</i>	<i>(45.0)</i>	<i>(32.4)</i>	<i>(82.9)</i>	<i>79.1%</i>	<i>100.0%</i>	<i>(324.1)</i>	<i>(294.7)</i>	<i>(2.6)</i>	<i>-68.4%</i>	<i>100.0%</i>
Investments	7.8	7.8	5.5	7.4	-1.8%	0.6%	10.6	9.4	8.3	4.0%	0.6%
Receivables and prepayments	83.4	86.1	121.7	91.4	3.1%	8.0%	106.0	116.2	129.3	12.2%	7.5%
Cash and cash equivalents	87.6	26.9	220.6	123.6	12.1%	9.2%	(119.6)	(138.0)	(178.8)	-213.1%	-6.0%
Total assets	1 134.1	993.6	1 158.3	1 727.6	15.1%	100.0%	1 651.9	1 446.5	1 245.3	-10.3%	100.0%
Accumulated surplus/(deficit)	(1 423.8)	(1 558.5)	(1 679.7)	(1 246.6)	-4.3%	-123.0%	(1 789.3)	(1 709.5)	(1 521.6)	6.9%	-105.2%
Capital reserve fund	1 815.2	1 829.5	1 829.5	1 935.5	2.2%	151.3%	1 829.5	1 829.5	1 829.5	-1.9%	124.0%
Borrowings	–	–	–	283.8	–	4.1%	680.9	529.1	419.7	13.9%	32.0%
Finance lease	30.3	43.9	18.0	56.6	23.1%	2.9%	30.3	30.3	30.3	-18.8%	2.4%
Deferred income	463.9	338.1	474.2	305.8	-13.0%	32.9%	226.0	103.7	(142.5)	-177.5%	6.8%
Trade and other payables	237.8	366.2	496.0	332.7	11.8%	29.5%	650.6	593.2	548.2	18.1%	35.9%
Taxation	2.7	–	22.0	51.2	165.9%	1.3%	23.8	70.1	81.6	16.8%	4.0%
Provisions	7.9	12.6	12.9	8.6	2.8%	0.9%	–	–	–	-100.0%	0.1%
Total equity and liabilities	1 134.1	1 031.8	1 173.1	1 727.6	15.1%	100.0%	1 651.9	1 446.5	1 245.3	-10.3%	100.0%

Personnel information

Table 30.21 Broadband Infraco personnel numbers and cost by salary level

Number of posts estimated for 31 March 2024		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											
		2022/23		2023/24		2024/25			2025/26			2026/27			2023/24 - 2026/27				
Broadband Infraco		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	117	117	117	106.9	0.9	117	135.9	1.2	117	142.6	1.2	117	149.8	1.3	117	156.7	1.3	-	100.0%
1 – 6	59	59	59	18.0	0.3	59	18.2	0.3	59	19.1	0.3	59	20.1	0.3	59	21.0	0.4	-	50.4%
7 – 10	-	-	-	2.3	-	-	2.4	-	-	2.5	-	-	2.6	-	-	2.7	-	-	-
11 – 12	34	34	34	52.5	1.5	34	72.8	2.1	34	76.5	2.2	34	80.3	2.4	34	84.0	2.5	-	29.1%
13 – 16	19	19	19	19.5	1.0	19	28.4	1.5	19	29.8	1.6	19	31.3	1.6	19	32.7	1.7	-	16.2%
17 – 22	5	5	5	14.6	2.9	5	14.1	2.8	5	14.8	3.0	5	15.5	3.1	5	16.2	3.2	-	4.3%

1. Rand million.

Film and Publication Board

Selected performance indicators

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

Indicator	Programme/Objective/Activity	MTSF priority	Audited performance			Estimated performance	MTEF targets		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Percentage of licensing and content classification decisions issued within 7 working days per year	Technology support and platform monitoring	Entity mandate	- ¹	- ¹	- ¹	90%	90%	90%	92%
Percentage of the digital transformation roadmap implemented per year	Technology support and platform monitoring		- ¹	- ¹	- ¹	95%	95%	95%	98%
Percentage of applications for licences processed within 5 working days per year	Technology support and platform monitoring		- ¹	- ¹	- ¹	95%	95%	95%	97%
Percentage of matters finalised before the enforcement committee within 12 months per year	Regulatory development and enforcement		- ¹	- ¹	- ¹	90%	90%	90%	90%

1. 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. Since the operationalisation of the Films and Publications Amendment Act (2019) in 2022, 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 stop illegal online activities.

Over the MTEF period, the board will focus on implementing its digital roadmap strategy and enforcing industry compliance by continuing to monitor online platforms. To ensure appropriate content regulation and research and development in the film, gaming and other publication industries, R50.3 million is allocated over the medium term. An amount of R273.3 million over the period ahead is earmarked for improving and maintaining organisational governance, risk management and internal control to create a high-performing, digitised

organisation. Compensation of employees accounts for an estimated 50.4 per cent of total expenditure, increasing at an average annual rate of 7.3 per cent, from R73.2 million in 2023/24 to R90.4 million in 2026/27. This is due to inflationary increases as well as the reskilling of staff who will enter higher salary bands in priority positions as the board builds capacity for its expanded mandate.

Accordingly, expenditure is expected to increase at an average annual rate of 12.6 per cent, from R132.7 million in 2023/24 to R189.7 million in 2026/27. This increase is in line with projected revenue and will be supported through the revenue enhancement unit that was operationalised on 1 May 2023. As the amended act has increased the scope of material to be licensed, self-generated revenue is expected to increase at an average annual rate of 41.3 per cent over the medium term. The board expects to derive 66.1 per cent (R323.5 million) of its revenue over the period ahead through transfers from the department and the remainder through fees charged for classification and registration.

Programmes/Objectives/Activities

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

R million	Audited outcome			Revised estimate 2023/24	Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/ Total (%) 2020/21 - 2023/24	Medium-term expenditure estimate			Average growth rate (%) 2023/24 - 2026/27	Average: Expenditure/ Total (%) 2023/24 - 2026/27
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27		
Administration	80.1	87.4	104.5	63.1	-7.7%	74.1%	77.1	87.3	96.1	15.1%	49.2%
Technology support and platform monitoring	11.5	12.2	12.4	55.8	69.5%	18.8%	67.8	69.7	75.9	10.8%	41.2%
Regulatory development and enforcement	9.6	7.1	2.1	13.8	13.0%	7.1%	15.4	15.8	17.7	8.7%	9.6%
Total	101.2	106.7	119.0	132.7	9.5%	100.0%	160.2	172.8	189.7	12.6%	100.0%

Statements of financial performance, cash flow and financial position

Table 30.24 Film and Publication Board statements of financial performance

Statement of financial performance											
R million	Audited outcome			Revised estimate 2023/24	Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/ Total (%) 2020/21 - 2023/24	Medium-term expenditure estimate			Average growth rate (%) 2023/24 - 2026/27	Average: Expenditure/ Total (%) 2023/24 - 2026/27
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27		
Revenue											
Non-tax revenue	8.2	10.2	15.2	28.9	52.2%	12.8%	57.1	65.1	77.0	38.7%	33.9%
Sale of goods and services other than capital assets	7.1	9.1	12.9	26.3	54.9%	11.4%	55.2	62.9	74.1	41.3%	32.4%
Other non-tax revenue	1.1	1.1	2.3	2.6	32.4%	1.5%	1.9	2.1	2.9	4.0%	1.5%
Transfers received	100.6	100.9	102.9	103.9	1.1%	87.2%	103.1	107.7	112.7	2.7%	66.1%
Total revenue	108.8	111.1	118.1	132.7	6.9%	100.0%	160.2	172.8	189.7	12.6%	100.0%
Expenses											
Current expenses	101.2	106.7	119.0	132.7	9.5%	100.0%	160.2	172.8	189.7	12.6%	100.0%
Compensation of employees	60.7	64.9	66.5	73.2	6.4%	57.9%	79.7	84.9	90.4	7.3%	50.4%
Goods and services	40.5	41.8	52.5	59.5	13.7%	42.1%	80.5	87.9	99.3	18.6%	49.6%
Total expenses	101.2	106.7	119.0	132.7	9.5%	100.0%	160.2	172.8	189.7	12.6%	100.0%
Surplus/(Deficit)	7.6	4.4	(0.9)	-	-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 2024		Number and cost ¹ of personnel posts filled/planned for on funded establishment															Average growth rate of personnel posts (%) 2023/24 - 2026/27	Average: salary level/ Total (%) 2023/24 - 2026/27		
Number of approved funded posts	Number of posts on establishment	Actual 2022/23			Revised estimate 2023/24			Medium-term expenditure estimate												
		Number	Cost	Unit cost	Number	Cost	Unit cost	2024/25			2025/26			2026/27						
Film and Publication Board		116	124	127	66.5	0.5	128	73.2	0.6	107	79.7	0.7	107	84.9	0.8	107	90.4	0.8	-5.8%	100.0%
1 – 6	21	21	21	4.0	0.2	10	2.4	0.2	8	3.8	0.5	8	4.0	0.5	8	4.3	0.5	-7.2%	7.6%	
7 – 10	61	69	70	30.0	0.4	89	42.3	0.5	63	37.8	0.6	63	40.3	0.6	63	43.1	0.7	-10.9%	61.5%	
11 – 12	14	14	14	8.6	0.6	9	6.0	0.7	17	9.0	0.5	17	9.2	0.5	17	9.8	0.6	23.6%	13.7%	
13 – 16	20	20	22	23.9	1.1	20	22.4	1.1	19	29.2	1.5	19	31.4	1.7	19	33.2	1.7	-1.7%	17.2%	

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		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Access to high-demand spectrum from 700 MHz, 800 MHz, 2.6 GHz and 3.5 GHz bands per year	Licensing	Entity mandate	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	700 MHz – 3.5 GHz
Number of tariff analysis reports produced per year	Policy research and analysis		2	2	2	2	2	2	2
Number of broadcasting licenses monitored per year	Compliance and consumer affairs		70	75	85	85	85	85	85
Percentage of consumer complaints resolved per year	Compliance and consumer affairs		96% (7 420/ 7 754)	95% (11 353/ 12 003)	96% (14 575/ 15 111)	88%	89%	89%	89%
Number of electronic communications network service licensees monitored per year	Compliance and consumer affairs		70	75	85	85	85	85	85

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 regulator's mandate is defined in the Electronic Communications Act (2005) as licensing and regulating electronic communications and broadcasting services, and in the Postal Services Act (1998) as regulating the postal services sector. Enabling legislation also empowers the regulator to monitor licensee compliance with licence terms and conditions, develop regulations for the 3 sectors, plan and manage the radio frequency spectrum, and protect consumers in relation to these services.

Over the medium term, the regulator will continue to focus on its regulatory activities in the communications, broadcasting and postal services sectors. It will proceed with the next phase of licensing high-demand spectrum in 2024/25, and monitor 255 broadcast licences and produce 6 tariff analysis reports over the medium term. Spending on compensation of employees accounts for an estimated 75.8 per cent (R1.2 billion) of total expenditure, increasing at an average annual rate of 4.7 per cent, from R359.2 million in 2023/24 to R412.3 million in 2026/27.

The authority expects to receive almost all of its revenue over the medium term (R1.5 billion) through transfers from the department. Revenue is expected to increase 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 2023/24	Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/Total (%) 2020/21 - 2023/24	Medium-term expenditure estimate			Average growth rate (%) 2023/24 - 2026/27	Average: Expenditure/Total (%) 2023/24 - 2026/27
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27		
Administration	236.1	267.7	284.5	268.4	4.4%	54.1%	249.8	257.4	268.9	0.1%	51.4%
Licensing	68.8	72.9	63.0	64.0	-2.4%	13.8%	63.2	65.5	69.0	2.5%	12.9%
Engineering and technology	15.8	22.6	27.9	25.7	17.5%	4.7%	22.9	24.0	25.1	-0.7%	4.8%
Policy research and analysis	25.2	25.9	27.5	34.8	11.4%	5.8%	31.4	31.8	33.3	-1.5%	6.5%
Compliance and consumer affairs	23.4	31.4	25.8	28.3	6.4%	5.6%	28.0	29.4	30.7	2.8%	5.7%
Regions	71.4	72.9	78.4	89.1	7.7%	16.0%	93.4	97.2	102.2	4.7%	18.8%
Total	440.8	493.5	507.0	510.3	5.0%	100.0%	488.8	505.2	529.3	1.2%	100.0%

Statements of financial performance, cash flow and financial position

Table 30.28 Independent Communications Authority of South Africa statements of financial performance

Statement of financial performance	Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
	2020/21	2021/22	2022/23				2023/24	2024/25	2025/26		
R million					2020/21 - 2023/24		2024/25	2025/26	2026/27	2023/24 - 2026/27	
Revenue											
Non-tax revenue	10.3	14.6	73.4	22.5	29.6%	5.6%	18.3	19.1	20.0	-3.9%	3.9%
Other non-tax revenue	10.3	14.6	73.4	22.5	29.6%	5.6%	18.3	19.1	20.0	-3.9%	3.9%
Transfers received	469.2	494.0	498.5	487.8	1.3%	94.4%	470.5	486.1	509.3	1.4%	96.1%
Total revenue	479.6	508.6	571.9	510.3	2.1%	100.0%	488.8	505.2	529.3	1.2%	100.0%
Expenses											
Current expenses	440.8	493.5	507.0	510.3	5.0%	100.0%	488.8	505.2	529.3	1.2%	100.0%
Compensation of employees	309.8	321.5	326.7	359.2	5.1%	67.6%	376.5	393.2	412.3	4.7%	75.8%
Goods and services	112.0	149.5	158.0	127.8	4.5%	28.0%	87.9	87.6	92.3	-10.3%	19.5%
Depreciation	18.7	22.2	22.2	23.3	7.5%	4.4%	24.4	24.4	24.7	2.0%	4.8%
Interest, dividends and rent on land	0.2	0.2	0.0	0.0	-71.0%	-	0.0	0.0	0.0	4.7%	-
Total expenses	440.8	493.5	507.0	510.3	5.0%	100.0%	488.8	505.2	529.3	1.2%	100.0%
Surplus/(Deficit)	38.8	15.1	64.9	-	-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 2024	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 approved establishment	Actual			Revised estimate			Medium-term expenditure estimate										
			2022/23		Unit cost	2023/24		Unit cost	2024/25		Unit cost	2025/26		Unit cost	2026/27			Unit cost	
Independent Communications Authority of South Africa	418	418	418	326.7	0.8	418	359.2	0.9	418	376.5	0.9	418	393.2	0.9	418	412.3	1.0	-	100.0%
Salary level																			
1 – 6	18	18	18	2.1	0.1	18	3.7	0.2	18	3.8	0.2	18	4.0	0.2	18	4.2	0.2	-	4.3%
7 – 10	207	207	207	132.7	0.6	207	138.1	0.7	207	144.7	0.7	207	150.5	0.7	207	158.5	0.8	-	49.5%
11 – 12	130	130	130	109.7	0.8	130	120.5	0.9	130	126.3	1.0	130	132.2	1.0	130	138.3	1.1	-	31.1%
13 – 16	62	62	62	80.6	1.3	62	94.1	1.5	62	98.6	1.6	62	103.2	1.7	62	107.9	1.7	-	14.8%
17 – 22	1	1	1	1.7	1.7	1	2.9	2.9	1	3.1	3.1	1	3.2	3.2	1	3.3	3.3	-	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		2026/27
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	
Number of learners trained in creative media through short courses per year	e-Astuteness development	Entity mandate	150	0	500	600	650	1 000	1 200
Number of learners trained in creative media through learnerships per year	e-Astuteness development		117	240	150	150	100	200	200
Number of citizens trained in digital literacy per year	e-Astuteness development		16 018	74 443	50 000	80 000	60 000	120 000	130 000
Number of small, medium and micro enterprises trained in digital entrepreneurship per year	e-Astuteness development		- ¹	- ¹	10 000	11 000	12 000	15 000	15 000
Number of learners trained in digital technologies per year	e-Astuteness development		1 000	0	3 000	2 500	2 000	2 700	2 800
Number of learners trained in ICT training programmes per year	e-Astuteness development		- ¹	- ¹	100	150	200	250	250

1. No historical data available.

Entity overview

The National Electronic Media Institute of South Africa was established as a non-profit institute for education in terms of the Companies Act (1973) and is listed as a schedule 3A public entity in terms of the Public Finance Management Act (1999). The institute's programmes are structured to enhance the market readiness of students in a wide range of broadcasting disciplines. The institute is responsible for the implementation of digital programmes, including the development of South Africans' digital skills capacity.

The entity's expanded mandate includes providing digital skills and training through identified partnerships with government, education, business and civil society. Identified digital skills priority areas include government e-enablement, creative new media industries, e-inclusion and social innovation. As such, the institute aims to train a total of 310 000 learners in digital literacy and 42 000 small, medium and micro enterprises in digital entrepreneurship between 2024/25 and 2026/27.

In line with its expanded mandate, the entity's organisational structure was revised from 48 positions in 2022/23 to 98 in 2024/25. Spending on compensation of employees is expected to increase at an average annual rate of 4.5 per cent, from R46.4 million in 2023/24 to R53 million in 2026/27. Transfers and subsidies to higher education institutions to fund e-skills projects account for an estimated 15.9 per cent (R41.2 million) of spending over the period ahead.

The institute is set to derive 96.3 per cent (R304.2 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 decrease at an average annual rate of 0.6 per cent, from R109.6 million in 2023/24 to R107.6 million in 2026/27 due to higher spending in 2023/24 as a result of National Treasury-approved retention of surplus funds from the previous financial year.

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 2023/24	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2020/21	2021/22	2022/23		2020/21 - 2023/24	Average: Expenditure/ Total (%)	2024/25	2025/26	2026/27	2023/24 - 2026/27	Average: Expenditure/ Total (%)
Administration	49.8	43.1	52.6	58.6	5.6%	51.3%	58.2	59.7	60.7	1.2%	56.7%
e-Astuteness development	14.2	61.4	95.0	44.5	46.5%	45.7%	33.9	36.5	39.9	-3.6%	36.9%
Knowledge for innovation	1.1	1.9	1.5	3.1	43.5%	1.8%	3.1	3.2	3.4	3.1%	3.1%
Aggregation framework	-	1.5	0.6	3.3	-	1.2%	3.3	3.5	3.6	3.1%	3.3%
Total	65.0	107.9	149.7	109.6	19.0%	100.0%	98.6	102.9	107.6	-0.6%	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

Statement of financial performance											
R million	Audited outcome			Revised estimate 2023/24	Average growth rate (%)		Medium-term expenditure estimate			Average growth rate (%)	
	2020/21	2021/22	2022/23		2020/21 - 2023/24	Average: Expenditure/ Total (%)	2024/25	2025/26	2026/27	2023/24 - 2026/27	Average: Expenditure/ Total (%)
Revenue											
Non-tax revenue	1.9	9.7	13.6	11.1	79.0%	7.6%	1.6	1.6	1.7	-46.5%	3.7%
Sale of goods and services other than capital assets	-	7.1	9.9	9.6	-	5.3%	-	-	-	-100.0%	2.2%
Other non-tax revenue	1.9	2.7	3.7	1.5	-8.2%	2.3%	1.6	1.6	1.7	4.3%	1.5%
Transfers received	63.0	111.7	134.7	98.4	16.0%	92.4%	97.0	101.3	105.9	2.5%	96.3%
Total revenue	64.9	121.5	148.3	109.6	19.1%	100.0%	98.6	102.9	107.6	-0.6%	100.0%
Expenses											
Current expenses	54.3	68.4	120.3	83.4	15.4%	75.8%	85.9	89.7	92.3	3.4%	84.1%
Compensation of employees	24.4	30.7	32.6	46.4	24.0%	32.5%	47.1	50.5	53.0	4.5%	47.1%
Goods and services	27.5	35.7	87.5	34.9	8.3%	41.4%	36.5	37.2	39.1	3.9%	35.4%
Depreciation	2.4	2.0	0.1	2.1	-4.8%	1.9%	2.2	2.0	0.2	-56.0%	1.6%
Transfers and subsidies	10.7	39.4	29.4	26.2	34.6%	24.2%	12.7	13.2	15.3	-16.3%	15.9%
Total expenses	65.0	107.9	149.7	109.6	19.0%	100.0%	98.6	102.9	107.6	-0.6%	100.0%
Surplus/(Deficit)	(0.1)	13.6	(1.3)	-	-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 2024			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 posts	Number of posts on approved establishment	Actual			Revised estimate			Medium-term expenditure estimate													
			2022/23		2023/24		2024/25		2025/26		2026/27		2023/24 - 2026/27									
			Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number		Cost	Unit cost							
National Electronic Media Institute of South Africa			69	69	48	32.6	0.7	69	46.4	0.7	98	47.1	0.5	98	50.5	0.5	98	53.0	0.5	12.4%	100.0%	
Salary level	69	69	48	32.6	0.7	69	46.4	0.7	98	47.1	0.5	98	50.5	0.5	98	53.0	0.5	98	53.0	0.5	12.4%	100.0%
7 – 10	19	19	36	15.7	0.4	19	4.2	0.2	19	6.2	0.3	19	6.5	0.3	19	6.7	0.4	19	6.7	0.4	–	21.4%
11 – 12	43	43	7	9.9	1.4	43	33.9	0.8	70	28.3	0.4	70	31.1	0.4	70	33.1	0.5	70	33.1	0.5	17.6%	69.2%
13 – 16	7	7	5	7.0	1.4	7	8.3	1.2	9	12.6	1.4	9	12.9	1.4	9	13.3	1.5	9	13.3	1.5	8.7%	9.4%

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		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Percentage household coverage of digital television infrastructure per year	Administration	Entity mandate	99.8%	99.8%	99.8%	99.8%	99.8%	99.8%	99.8%
Percentage availability of digital terrestrial television per year	Administration		99.9% (1.01 million hours/ 1.02 million hours)	99.9% (1.01 million hours/ 1.02 million hours)	99.9% (1.01 million hours/ 1.02 million hours)	99.9%	99.9%	99.9%	99.9%
Number of analogue sites switched off per year	Administration		– ¹	163	49	45	57	– ²	– ²
Number of very-small-aperture terminal sites added for the South Africa Connect access network per year	Administration		– ¹	– ¹	– ¹	160	520	720	200
Number of base stations added for the South Africa Connect access network per year	Administration		– ¹	– ¹	– ¹	37	311	361	91

1. No historical data available.

2. Analogue broadcasting ends due to the migration to digital terrestrial television.

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.

Sentech will continue to operate an estimated 330 terrestrial distribution sites and satellite platforms over the MTEF period to provide customers with content and multimedia connectivity services, and managed infrastructure services and satellite platforms to achieve its public service mandate while ensuring financial sustainability. These operations will continue until all analogue transmitters are shut down after migration to

digital terrestrial television, which is scheduled for completion in December 2024. The entity plans to continue investing in core infrastructure to ensure the provision of digital television coverage to 99.8 per cent of households in each year over the medium term. It will also focus on various technology enhancement programmes and innovations to maintain infrastructure and service integrity. These include over-the-top services and the provision of infrastructure services through its data centre. The national satellite strategy has been developed and due process will be followed to obtain a national satellite for South Africa through partnership arrangements with interested parties.

An estimated R1.7 billion in capital expenditure is planned over the MTEF period, R666 million of which is allocated to roll out the access network portion of the South Africa Connect project. Spending on compensation of employees accounts for an estimated 29.1 per cent (R1.5 billion) of total expenditure, increasing at an average annual rate of 5.2 per cent, from R451.3 million in 2023/24 to R525.3 million in 2026/27. The entity plans to increase its number of personnel from 445 to 453 over the medium term to support the planned capital investment.

The entity expects to derive 95.9 per cent (R5.1 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. As a result, revenue is expected to increase at an average annual rate of 5.9 per cent, from R1.6 billion in 2023/24 to R1.9 billion in 2026/27.

Programmes/Objectives/Activities

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

R million	Audited outcome			Revised estimate 2023/24	Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/ Total (%) 2020/21 - 2023/24	Medium-term expenditure estimate			Average growth rate (%) 2023/24 - 2026/27	Average: Expenditure/ Total (%) 2023/24 - 2026/27
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27		
Administration	1 443.3	1 171.6	1 560.3	1 509.4	1.5%	92.9%	1 570.4	1 733.8	1 855.2	7.1%	100.0%
Attain digital terrestrial television network	167.1	166.4	91.2	-	-100.0%	7.1%	-	-	-	-	-
Total	1 610.4	1 338.0	1 651.5	1 509.4	-2.1%	100.0%	1 570.4	1 733.8	1 855.2	7.1%	100.0%

Statements of financial performance, cash flow and financial position

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

Statement of financial performance											
R million	Audited outcome			Revised estimate 2023/24	Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/ Total (%) 2020/21 - 2023/24	Medium-term expenditure estimate			Average growth rate (%) 2023/24 - 2026/27	Average: Expenditure/ Total (%) 2023/24 - 2026/27
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27		
Revenue											
Non-tax revenue	1 756.3	1 448.7	1 515.6	1 573.4	-3.6%	97.8%	1 659.9	1 734.3	1 866.1	5.9%	100.0%
Sale of goods and services other than capital assets	1 442.2	1 373.2	1 411.9	1 494.0	1.2%	89.5%	1 596.6	1 668.1	1 794.9	6.3%	95.9%
Other non-tax revenue	314.1	75.6	103.7	79.4	-36.8%	8.4%	63.3	66.2	71.2	-3.6%	4.1%
Transfers received	167.3	-	-	-	-100.0%	2.2%	-	-	-	-	-
Total revenue	1 923.7	1 448.7	1 515.6	1 573.4	-6.5%	100.0%	1 659.9	1 734.3	1 866.1	5.9%	100.0%
Expenses											
Current expenses	1 512.1	1 289.8	1 621.0	1 488.1	-0.5%	96.8%	1 535.6	1 683.4	1 801.2	6.6%	97.6%
Compensation of employees	427.7	469.5	437.7	451.3	1.8%	29.5%	469.9	490.9	525.3	5.2%	29.1%
Goods and services	654.3	458.0	799.4	617.8	-1.9%	41.0%	460.4	473.8	507.0	-6.4%	31.2%
Depreciation	262.8	219.9	227.9	270.8	1.0%	16.1%	391.3	408.9	437.5	17.3%	22.5%
Interest, dividends and rent on land	167.3	142.3	155.9	148.1	-4.0%	10.1%	214.0	309.8	331.5	30.8%	14.8%
Transfers and subsidies	98.3	48.2	30.5	21.4	-39.9%	3.2%	34.8	50.4	53.9	36.2%	2.4%
Total expenses	1 610.4	1 338.0	1 651.5	1 509.4	-2.1%	100.0%	1 570.4	1 733.8	1 855.2	7.1%	100.0%
Surplus/(Deficit)	313.3	110.8	(135.9)	63.9	-41.1%		89.5	-	10.9	-44.5%	

Table 30.36 Sentech 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 (%)
		2020/21	2021/22	2022/23				2023/24	2024/25	2025/26		
R million												
Cash flow from operating activities		565.6	168.6	(481.9)	325.7	-16.8%	100.0%	480.9	409.3	367.2	4.1%	100.0%
Receipts												
Non-tax receipts		1 489.5	1 448.7	1 505.6	1 564.4	1.6%	93.6%	1 659.9	1 734.3	1 784.9	4.5%	100.0%
Sales of goods and services other than capital assets		1 422.9	1 373.2	1 411.9	1 494.0	1.6%	88.8%	1 596.6	1 668.1	1 784.9	6.1%	97.0%
Other tax receipts		66.5	75.6	93.7	70.4	1.9%	4.8%	63.3	66.2	-	-100.0%	3.0%
Transfers received		230.1	166.3	30.5	-	-100.0%	6.4%	-	-	-	-	-
Total receipts		1 719.6	1 615.1	1 536.1	1 564.4	-3.1%	100.0%	1 659.9	1 734.3	1 784.9	4.5%	100.0%
Payment												
Current payments		1 105.5	1 446.5	2 018.0	1 217.2	3.3%	98.5%	1 144.3	1 274.5	1 363.8	3.9%	96.9%
Compensation of employees		427.7	469.5	437.7	451.3	1.8%	31.9%	469.9	490.9	525.3	5.2%	37.6%
Goods and services		512.0	837.5	1 424.4	617.8	6.5%	55.7%	460.4	473.8	507.0	-6.4%	40.1%
Interest and rent on land		165.8	139.5	155.9	148.1	-3.7%	10.9%	214.0	309.8	331.5	30.8%	19.2%
Transfers and subsidies		48.5	-	-	21.4	-23.9%	1.5%	34.8	50.4	53.9	36.2%	3.1%
Total payments		1 154.0	1 446.5	2 018.0	1 238.6	2.4%	100.0%	1 179.1	1 324.9	1 417.7	4.6%	100.0%
Net cash flow from investing activities		(70.7)	(75.2)	(93.3)	(556.3)	98.9%	100.0%	(179.6)	(187.6)	(200.8)	-28.8%	100.0%
Acquisition of property, plant, equipment and intangible assets		(70.7)	(75.2)	(93.3)	(556.3)	98.9%	100.0%	(179.6)	(187.6)	(200.8)	-28.8%	100.0%
Proceeds from the sale of property, plant, equipment and intangible assets		0.1	0.1	-	-	-100.0%	-	-	-	-	-	-
Net cash flow from financing activities		(11.5)	58.0	(63.0)	(105.3)	109.1%	100.0%	(106.5)	(111.3)	(119.0)	4.2%	100.0%
Deferred income		230.1	147.6	-	-	-100.0%	-435.7%	-	-	-	-	-
Repayment of finance leases		(254.7)	(104.1)	(80.8)	(110.3)	-24.3%	566.0%	(111.3)	(116.2)	(124.4)	4.1%	104.6%
Other flows from financing activities		13.0	14.5	17.8	5.0	-27.2%	-30.3%	4.8	5.0	5.3	2.0%	-4.6%
Net increase/(decrease) in cash and cash equivalents		483.4	151.4	(638.2)	(335.8)	-188.6%	-4.9%	194.8	110.5	47.4	-152.1%	100.0%
Statement of financial position												
Carrying value of assets		1 070.8	1 036.4	1 149.6	1 674.6	16.1%	28.5%	1 698.0	1 774.1	1 898.2	4.3%	39.6%
<i>of which:</i>												
Acquisition of assets		(70.7)	(75.2)	(93.3)	(556.3)	98.9%	100.0%	(179.6)	(187.6)	(200.8)	-28.8%	100.0%
Investments		1 063.4	977.5	891.2	837.0	-7.7%	21.7%	720.4	752.7	805.4	-1.3%	17.5%
Inventory		58.5	64.8	74.3	61.1	1.5%	1.5%	61.8	64.5	69.0	4.1%	1.4%
Receivables and prepayments		137.4	174.1	665.0	167.3	6.8%	6.6%	170.5	178.1	190.6	4.4%	4.0%
Cash and cash equivalents		1 999.8	2 151.2	1 513.0	1 556.5	-8.0%	41.6%	1 617.9	1 690.4	1 808.7	5.1%	37.5%
Taxation		9.1	13.9	-	-	-100.0%	0.1%	-	-	-	-	-
Total assets		4 339.0	4 417.9	4 293.1	4 296.5	-0.3%	100.0%	4 268.6	4 459.8	4 772.0	3.6%	100.0%
Accumulated surplus/(deficit)		1 752.1	1 868.7	1 732.8	1 915.5	3.0%	41.9%	2 005.0	2 094.8	2 241.5	5.4%	46.4%
Capital and reserves		851.9	846.0	846.0	851.9	-	19.6%	851.9	890.1	952.4	3.8%	19.9%
Finance lease		1 216.3	1 157.9	1 286.9	1 322.9	2.8%	28.8%	1 204.8	1 260.3	1 348.5	0.6%	28.9%
Deferred income		286.3	308.0	229.7	-	-100.0%	4.7%	-	-	-	-	-
Trade and other payables		165.0	165.1	181.4	161.9	-0.6%	3.9%	163.5	170.9	182.8	4.1%	3.8%
Taxation		14.5	-	-	11.9	-6.3%	0.2%	10.8	11.3	12.1	0.5%	0.3%
Provisions		53.0	72.2	16.4	32.4	-15.1%	1.0%	32.4	32.4	34.7	2.3%	0.7%
Total equity and liabilities		4 339.0	4 417.9	4 293.1	4 296.5	-0.3%	100.0%	4 268.6	4 459.8	4 772.0	3.6%	100.0%

Personnel information

Table 30.37 Sentech personnel numbers and cost by salary level

Number of posts estimated for 31 March 2024		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						2023/24 - 2026/27					
		2022/23		2023/24		2024/25		2025/26		2026/27									
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Sentech																			
Salary level	453	453	445	437.7	1.0	445	451.3	1.0	453	469.9	1.0	453	490.9	1.1	453	525.3	1.2	0.6%	100.0%
7 – 10	263	263	255	263.9	1.0	255	264.4	1.0	263	272.4	1.0	263	282.4	1.1	263	302.2	1.1	1.0%	57.9%
11 – 12	122	122	122	109.4	0.9	122	117.7	1.0	122	124.3	1.0	122	131.3	1.1	122	140.5	1.2	-	27.1%
13 – 16	20	20	20	34.7	1.7	20	37.3	1.9	20	39.4	2.0	20	41.6	2.1	20	44.5	2.2	-	4.4%
17 – 22	48	48	48	29.7	0.6	48	31.9	0.7	48	33.7	0.7	48	35.6	0.7	48	38.1	0.8	-	10.6%

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		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Number of national days covered on television per year	Local content delivery: Television	Entity mandate	- ¹	7	7	7	7	7	7
Percentage of prime-time share of television screen ratings per year	Local content delivery: Television		- ¹	- ¹	SABC1: 25% SABC2: 8% SABC3: 3%	SABC1: 22% SABC2: 6% SABC3: 3%	SABC1: 24% SABC2: 8% SABC3: 5%	SABC1: 26% SABC2: 10% SABC3: 6%	SABC1: 26% SABC2: 10% SABC3: 6%
Number of national days covered on radio per year	Local content delivery: Radio		- ¹	7	7	7	7	7	7
Percentage of news and current affairs-related complaints adjudicated in the corporation's favour per year	Universal access transmitter rollout news		- ¹	- ¹	80%	80%	80%	80%	80%
Number of new sports rights acquired per year	Sports of national interest and mandate		- ¹	3	5	12	18	24	24
Number of hours of television content digitised per year	Digital terrestrial migration and technology		- ¹	500	70 000	20 000	50 000	50 000	50 000

1. No historical data available.

Entity overview

The South African Broadcasting Corporation derives its mandate from the Broadcasting Act (1999) and is listed as a schedule 2 public entity in the Public Finance Management Act (1999). The corporation is mandated to provide broadcasting and information services through a wide range of programming that displays South African talent in educational and entertainment programmes; offer diverse views through a variety of news, information and analysis; and advance national and public interests through popular sports. The corporation is charged with upholding the democratic values of the Constitution, and enhancing and protecting the fundamental rights of South Africa's people.

Over the medium term, the corporation will focus on implementing its turnaround plan to alleviate its financial challenges, mainly due to poor revenue collection. This includes implementing a revenue improvement plan to increase revenue from sources such as digital platforms, increasing compliance with television licence collections and acquiring new content. The corporation will continue to discuss alternative funding models with the department and implement its cost-deferment plan to spend more efficiently.

Compensation of employees accounts for an estimated 38.1 per cent (R7.5 billion) of projected spending over the medium term, while goods and services accounts for 38 per cent, mostly for signal and broadcast costs, and programming, film and sports rights. Total expenditure is expected to increase at an average annual rate of 2.5 per cent, from R6.4 billion in 2023/24 to R6.8 billion in 2026/27.

The corporation expects to derive 81.4 per cent (R16.7 billion) of its revenue over the MTEF period through advertising and other commercial activities, with proceeds from television licence fees accounting for an estimated 15.1 per cent (R3 billion) and transfers from the department amounting to an estimated 3.5 per cent (R672.4 million). Total revenue is expected to increase at an average annual rate of 3.7 per cent, from R6.4 billion in 2023/24 to R7.1 billion in 2026/27, 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 2023/24	Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/ Total (%) 2020/21 - 2023/24	Medium-term expenditure estimate			Average growth rate (%) 2023/24 - 2026/27	Average: Expenditure/ Total (%) 2023/24 - 2026/27
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27		
Administration	1 258.5	1 108.5	1 477.6	1 719.5	11.0%	23.8%	1 650.3	2 333.0	2 444.8	12.4%	30.9%
Local content delivery: Video entertainment	1 719.8	1 773.0	1 805.6	1 713.1	-0.1%	30.4%	1 925.3	1 961.8	2 052.1	6.2%	29.1%
Local content delivery: Radio	817.3	698.7	775.8	907.1	3.5%	13.8%	852.6	848.8	887.8	-0.7%	13.3%
Universal access transmitter rollout news	792.2	657.5	670.2	779.8	-0.5%	12.5%	736.9	76.6	80.1	-53.2%	6.5%
Sports of national interest and mandate	233.8	447.8	471.8	337.9	13.1%	6.5%	404.4	422.0	441.4	9.3%	6.1%
Digital terrestrial migration and technology	759.0	646.4	707.0	902.3	5.9%	13.0%	982.0	895.4	936.6	1.3%	14.1%
Total	5 580.6	5 331.9	5 908.0	6 359.6	4.5%	100.0%	6 551.5	6 537.6	6 842.8	2.5%	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 2023/24	Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/ Total (%) 2020/21 - 2023/24	Medium-term expenditure estimate			Average growth rate (%) 2023/24 - 2026/27	Average: Expenditure/ Total (%) 2023/24 - 2026/27
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27		
Revenue											
Non-tax revenue	4 844.6	4 940.1	4 626.7	6 130.2	8.2%	96.3%	6 183.3	6 579.7	6 882.4	3.9%	96.5%
Sale of goods and services other than capital assets	4 393.0	4 214.6	3 754.0	5 080.7	5.0%	81.8%	5 245.2	5 584.3	5 841.2	4.8%	81.4%
Other non-tax revenue	451.6	725.5	872.7	1 049.5	32.5%	14.4%	938.2	995.3	1 041.1	-0.3%	15.1%
Transfers received	205.8	190.9	153.9	253.6	7.2%	3.7%	211.1	225.9	235.4	-2.5%	3.5%
Total revenue	5 050.4	5 131.1	4 780.6	6 383.8	8.1%	100.0%	6 394.4	6 805.6	7 117.7	3.7%	100.0%
Expenses											
Current expenses	5 580.6	5 331.9	5 908.0	6 359.6	4.5%	100.0%	6 551.5	6 537.6	6 842.8	2.5%	100.0%
Compensation of employees	2 749.7	2 009.4	2 381.9	2 536.5	-2.7%	41.8%	2 435.9	2 463.3	2 576.6	0.5%	38.1%
Goods and services	1 623.9	1 822.7	1 983.9	2 359.0	13.3%	33.5%	2 535.6	2 495.1	2 614.4	3.5%	38.0%
Depreciation	1 198.6	1 493.7	1 508.2	1 462.6	6.9%	24.5%	1 576.9	1 575.9	1 648.3	4.1%	23.8%
Interest, dividends and rent on land	8.3	6.0	34.0	1.5	-43.8%	0.2%	3.1	3.3	3.4	32.3%	-
Total expenses	5 580.6	5 331.9	5 908.0	6 359.6	4.5%	100.0%	6 551.5	6 537.6	6 842.8	2.5%	100.0%
Surplus/(Deficit)	(530.2)	(200.8)	(1 127.4)	24.2	-135.7%		(157.1)	268.1	275.0	124.8%	
Cash flow statement											
Cash flow from operating activities	(690.1)	(352.8)	(630.7)	(162.8)	-38.2%	100.0%	(214.2)	(74.6)	(177.7)	3.0%	100.0%
Receipts											
Non-tax receipts	4 475.2	4 277.8	3 814.3	5 088.1	4.4%	85.9%	5 246.3	5 592.4	5 849.7	4.8%	97.2%
Sales of goods and services other than capital assets	4 393.0	4 214.6	3 754.0	5 080.7	5.0%	84.8%	5 245.2	5 584.3	5 841.2	4.8%	97.1%
Other tax receipts	82.1	63.2	60.3	7.4	-55.1%	1.1%	1.1	8.1	8.5	4.5%	0.1%
Transfers received	205.8	190.9	153.9	253.6	7.2%	3.9%	211.1	225.9	235.4	-2.5%	4.1%
Financial transactions in assets and liabilities	472.6	765.1	813.4	-	-100.0%	10.2%	(97.0)	(101.3)	(106.0)	-	-1.3%
Total receipts	5 153.5	5 233.8	4 781.7	5 341.7	1.2%	100.0%	5 360.4	5 717.1	5 979.1	3.8%	100.0%
Payment											
Current payments	5 774.1	5 586.6	5 412.4	5 504.5	-1.6%	99.7%	5 574.6	5 791.7	6 156.8	3.8%	100.0%
Compensation of employees	2 749.7	2 009.4	2 378.4	2 536.5	-2.7%	43.3%	2 435.9	2 463.3	2 576.6	0.5%	43.5%
Goods and services	3 022.1	3 571.2	3 000.0	2 966.5	-0.6%	56.2%	3 135.6	3 325.1	3 576.8	6.4%	56.4%
Interest and rent on land	2.3	6.0	34.0	1.5	-13.9%	0.2%	3.1	3.3	3.4	32.3%	-
Transfers and subsidies	69.5	-	-	-	-100.0%	0.3%	-	-	-	-	-
Total payments	5 843.6	5 586.6	5 412.4	5 504.5	-2.0%	100.0%	5 574.6	5 791.7	6 156.8	3.8%	100.0%
Net cash flow from investing activities	(114.7)	(109.0)	(299.2)	(410.0)	52.9%	100.0%	40.5	(228.0)	(82.2)	-41.5%	100.0%
Acquisition of property, plant, equipment and intangible assets											
Acquisition of property, plant, equipment and intangible assets	(116.4)	(117.9)	(253.8)	(410.0)	52.2%	98.6%	(60.0)	(228.0)	(78.0)	-42.5%	36.7%
Acquisition of software and other intangible assets	(0.7)	(1.4)	(49.3)	-	-100.0%	4.6%	-	-	(4.2)	-	1.3%
Proceeds from the sale of property, plant, equipment and intangible assets	2.4	1.1	3.9	-	-100.0%	-1.1%	100.5	-	-	-	62.1%
Other flows from investing activities	-	9.1	-	-	-	-2.1%	-	-	-	-	-
Net cash flow from financing activities	154.7	159.2	221.3	123.7	-7.2%	100.0%	238.6	243.7	235.4	23.9%	100.0%
Deferred income											
Deferred income	183.5	189.8	202.3	253.6	11.4%	133.6%	211.1	225.9	235.4	-2.5%	121.5%
Borrowing activities											
Borrowing activities	(14.0)	(18.7)	27.4	(129.9)	110.3%	-28.3%	27.5	17.8	-	-100.0%	-21.5%
Repayment of finance leases											
Repayment of finance leases	(14.9)	(11.9)	(8.4)	-	-100.0%	-5.2%	-	-	-	-	-
Net increase/(decrease) in cash and cash equivalents	(650.1)	(302.6)	(708.6)	(449.1)	-11.6%	-9.1%	64.9	(58.9)	(24.5)	-62.1%	100.0%

Table 30.40 South African Broadcasting Corporation 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 (%)
		2020/21	2021/22	2022/23	2023/24				2024/25	2025/26	2026/27		
R million		2020/21	2021/22	2022/23	2023/24	2020/21 - 2023/24		2024/25	2025/26	2026/27	2023/24 - 2026/27		
Carrying value of assets		1 542.7	1 523.0	1 672.6	1 754.4	4.4%	31.5%	1 653.9	1 795.5	1 877.6	2.3%	36.0%	
of which:													
Acquisition of assets		(116.4)	(117.9)	(253.8)	(410.0)	52.2%	100.0%	(60.0)	(228.0)	(78.0)	-42.5%	100.0%	
Investments		19.4	18.3	14.9	21.6	3.7%	0.4%	-	-	-	-100.0%	0.1%	
Inventory		473.6	464.9	481.3	555.5	5.5%	9.6%	574.3	584.7	611.6	3.3%	11.8%	
Receivables and prepayments		752.5	655.6	663.9	738.7	-0.6%	13.5%	738.6	812.0	849.3	4.8%	16.0%	
Cash and cash equivalents		1 482.8	1 180.2	471.6	22.5	-75.2%	14.1%	122.2	88.8	92.9	60.4%	1.7%	
Non-current assets held for sale		1.5	1.5	1.5	-	-100.0%	-	-	-	-	-	-	
Defined benefit plan assets		1 796.5	1 669.7	1 319.1	1 669.7	-2.4%	30.9%	1 669.7	1 669.7	1 746.5	1.5%	34.4%	
Derivatives financial instruments		8.5	-	-	-	-100.0%	-	-	-	-	-	-	
Total assets		6 077.6	5 513.3	4 624.9	4 762.4	-7.8%	100.0%	4 758.6	4 950.6	5 177.9	2.8%	100.0%	
Accumulated surplus/(deficit)		(219.1)	(737.6)	(2 180.5)	(1 812.0)	102.2%	-25.5%	(1 690.7)	(1 133.8)	(1 038.7)	-16.9%	-29.1%	
Capital reserve fund		3 491.3	3 517.3	3 565.0	3 577.4	0.8%	68.4%	3 557.0	3 526.8	3 541.8	-0.3%	72.4%	
Borrowings		14.9	-	27.4	10.6	-10.8%	0.3%	10.6	10.6	10.6	-	0.2%	
Finance lease		19.0	-	-	-	-100.0%	0.1%	-	-	-	-	-	
Deferred income		196.0	312.9	368.8	9.7	-63.3%	4.3%	9.3	9.4	9.9	0.5%	0.2%	
Trade and other payables		729.6	620.4	1 185.1	1 200.6	18.1%	18.5%	1 062.6	702.0	734.3	-15.1%	19.0%	
Taxation		68.8	62.0	3.6	97.3	12.2%	1.1%	102.7	110.7	115.8	6.0%	2.2%	
Provisions		1 585.7	1 577.3	1 509.3	1 643.0	1.2%	30.5%	1 643.0	1 643.0	1 718.5	1.5%	33.9%	
Derivatives financial instruments		191.2	161.1	146.2	35.8	-42.8%	2.5%	64.2	81.9	85.7	33.7%	1.4%	
Total equity and liabilities		6 077.6	5 513.3	4 624.9	4 762.4	-7.8%	100.0%	4 758.6	4 950.6	5 177.9	2.8%	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 2024		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 posts	Actual			Revised estimate			Medium-term expenditure estimate						2023/24 - 2026/27					
		2022/23		2023/24		2024/25		2025/26		2026/27									
South African Broadcasting Corporation		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost			
Salary level	2 459	2 821	2 381	2 381.9	1.0	2 381	2 536.5	1.1	2 381	2 435.9	1.0	2 381	2 463.3	1.0	2 381	2 576.6	1.1	-	100.0%
1 – 6	22	25	21	10.0	0.5	21	11.0	0.5	21	11.0	0.5	21	11.5	0.5	21	12.1	0.6	-	0.9%
7 – 10	1 739	2 003	1 679	1 619.8	1.0	1 679	1 696.4	1.0	1 679	1 595.7	1.0	1 679	1 581.1	0.9	1 679	1 653.9	1.0	-	70.5%
11 – 12	533	611	519	509.3	1.0	519	561.5	1.1	519	561.5	1.1	519	589.6	1.1	519	616.7	1.2	-	21.8%
13 – 16	153	169	150	208.2	1.4	150	229.6	1.5	150	229.6	1.5	150	241.1	1.6	150	252.2	1.7	-	6.3%
17 – 22	12	13	12	34.5	2.9	12	38.1	3.2	12	38.1	3.2	12	40.0	3.3	12	41.8	3.5	-	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		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Percentage of customer queries resolved within 72 hours per year	Logistics		93%	91%	83%	96%	96%	96%	96%
Total points of presence	Post office operations	Entity mandate	2 098	1 646	1 554	1 554	1 554	1 554	1 554
Percentage of regulated mail delivery standards achieved per year	Post office operations		53%	68%	52%	92%	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 entity will focus on providing universal access to postal and related services, particularly courier services, postal services, financial services and e-commerce. An amount of R1.7 billion is allocated to the post office over the MTEF period to fund its public service mandate. The post office was placed under business rescue on 10 July 2023 and business rescue practitioners were appointed later that month. The business rescue plan was published in November 2023 and creditors voted for the adoption of the plan in December 2023.

Expenditure over the next 3 years is expected to decrease at an average annual rate of 4.9 per cent, from R6.2 billion in 2023/24 to R5.3 billion in 2026/27, mostly due to a projected decrease in the number of personnel due to the implementation of the business rescue plan. The plan also seeks to reduce the branch network to approximately 600 branches with an equitable spread of geographic locations across South Africa. As such, expenditure on compensation of employees is projected to decrease at an average annual rate of 11.7 per cent, from R3.3 billion in 2023/24 to R2.3 billion in 2026/27.

The entity generates revenue by providing postal and courier services, and through fees for financial transactions. Revenue is expected to increase at an average annual rate of 10.8 per cent, from R4.1 billion in 2023/24 to R5.5 billion in 2026/27, as a result of potential revenue opportunities in the public sector and the unreserved market in which the post office competes with the private sector.

Programmes/Objectives/Activities

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

R million	Audited outcome			Revised estimate 2023/24	Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/Total (%) 2020/21 - 2023/24	Medium-term expenditure estimate			Average growth rate (%) 2023/24 - 2026/27	Average: Expenditure/Total (%) 2023/24 - 2026/27
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27		
Administration	3 043.4	3 292.4	2 845.3	2 553.6	-5.7%	43.3%	2 355.9	2 233.0	2 268.2	-3.9%	42.7%
Logistics	32.3	34.7	35.8	42.2	9.3%	0.5%	39.1	41.4	43.2	0.8%	0.8%
Post office operations	4 155.0	3 970.1	3 509.0	3 556.2	-5.1%	56.1%	3 092.4	2 845.0	2 987.3	-5.6%	56.5%
Total	7 230.6	7 297.2	6 390.1	6 152.0	-5.2%	100.0%	5 487.4	5 119.4	5 298.7	-4.9%	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 2023/24	Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/Total (%) 2020/21 - 2023/24	Medium-term expenditure estimate			Average growth rate (%) 2023/24 - 2026/27	Average: Expenditure/Total (%) 2023/24 - 2026/27
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27		
Revenue											
Non-tax revenue	4 386.7	4 558.2	3 709.0	3 558.3	-6.7%	88.7%	4 009.5	4 756.0	4 949.3	11.6%	88.4%
Sale of goods and services other than capital assets	2 991.9	3 119.8	2 430.9	2 493.2	-5.9%	60.4%	2 956.2	3 713.7	3 912.3	16.2%	66.5%
Other non-tax revenue	1 394.8	1 438.4	1 278.1	1 065.1	-8.6%	28.3%	1 053.4	1 042.4	1 037.0	-0.9%	21.9%
Transfers received	492.1	504.2	519.3	524.3	2.1%	11.3%	547.8	572.4	598.6	4.5%	11.6%
Total revenue	4 878.8	5 062.4	4 228.3	4 082.6	-5.8%	100.0%	4 557.3	5 328.4	5 547.9	10.8%	100.0%
Expenses											
Current expenses	7 229.7	7 296.6	6 390.1	6 151.8	-5.2%	100.0%	5 486.8	5 118.8	5 298.0	-4.9%	100.0%
Compensation of employees	3 712.0	3 536.5	3 208.4	3 301.6	-3.8%	50.9%	2 582.2	2 174.0	2 274.1	-11.7%	46.5%
Goods and services	2 279.0	2 151.8	1 773.9	1 862.2	-6.5%	29.8%	1 920.7	1 972.3	2 062.7	3.5%	35.7%
Depreciation	452.4	544.3	334.4	103.7	-38.8%	5.2%	117.4	123.2	128.9	7.5%	2.2%
Interest, dividends and rent on land	786.2	1 064.1	1 073.3	884.3	4.0%	14.2%	866.6	849.2	832.3	-2.0%	15.6%
Transfers and subsidies	0.9	0.6	-	0.2	-39.8%	-	0.6	0.6	0.7	51.8%	-
Total expenses	7 230.6	7 297.2	6 390.1	6 152.0	-5.2%	100.0%	5 487.4	5 119.4	5 298.7	-4.9%	100.0%
Surplus/(Deficit)	(2 351.9)	(2 234.8)	(2 161.8)	(2 069.4)	-4.2%		(930.1)	209.0	249.2	-149.4%	

Table 30.44 South African Post Office 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 (%)
	2020/21	2021/22	2022/23				2023/24	2024/25	2025/26		
R million											
Cash flow from operating activities	649.3	(1 085.3)	(412.5)	(2 275.6)	-251.9%	100.0%	242.4	327.4	366.7	-154.4%	100.0%
Receipts											
Non-tax receipts	3 023.4	4 191.6	3 373.1	3 390.7	3.9%	79.7%	3 835.7	4 576.9	4 759.4	12.0%	84.7%
Sales of goods and services other than capital assets	2 991.9	3 119.8	2 430.9	2 493.2	-5.9%	63.1%	2 956.2	3 713.7	3 912.3	16.2%	66.5%
Other tax receipts	31.5	1 071.8	942.2	897.5	205.3%	16.5%	879.6	863.2	847.1	-1.9%	18.2%
Transfers received	492.1	504.2	519.3	524.3	2.1%	11.7%	547.8	572.4	598.6	4.5%	11.6%
Financial transactions in assets and liabilities	617.7	366.6	335.9	167.6	-35.3%	8.6%	173.8	179.1	188.9	4.1%	3.7%
Total receipts	4 133.2	5 062.4	4 228.3	4 082.6	-0.4%	100.0%	4 557.3	5 328.4	5 546.9	10.8%	100.0%
Payment											
Current payments	3 483.0	6 146.8	4 636.9	6 357.9	22.2%	100.0%	4 314.4	5 000.4	5 179.4	-6.6%	100.0%
Compensation of employees	3 712.0	3 536.5	3 208.4	3 301.6	-3.8%	71.3%	2 582.2	2 174.0	2 274.1	-11.7%	49.8%
Goods and services	(269.7)	1 546.2	355.2	2 172.1	-300.4%	14.8%	865.6	1 977.1	2 073.1	-1.5%	33.4%
Interest and rent on land	40.7	1 064.1	1 073.3	884.3	179.1%	13.9%	866.6	849.2	832.3	-2.0%	16.8%
Transfers and subsidies	0.9	1.0	3.9	0.2	-39.8%	-	0.6	0.6	0.7	51.8%	-
Total payments	3 483.9	6 147.7	4 640.7	6 358.1	22.2%	100.0%	4 314.9	5 001.0	5 180.1	-6.6%	100.0%
Net cash flow from investing activities	15.8	800.5	723.8	(10.0)	-185.9%	100.0%	(200.0)	(240.0)	(288.0)	206.5%	100.0%
Acquisition of property, plant, equipment and intangible assets	(20.7)	(118.1)	(2.2)	(10.0)	-21.5%	-11.5%	(150.0)	(180.0)	(216.0)	178.5%	81.3%
Acquisition of software and other intangible assets	-	-	-	-	-	-	(50.0)	(60.0)	(72.0)	-	18.8%
Other flows from investing activities	36.4	918.5	726.0	-	-100.0%	111.5%	-	-	-	-	-
Net cash flow from financing activities	(594.6)	(758.8)	(377.5)	2 312.5	-257.3%	100.0%	(70.7)	(57.7)	(47.5)	-127.4%	100.0%
Other flows from financing activities	(594.6)	(758.8)	(377.5)	2 312.5	-257.3%	100.0%	(70.7)	(57.7)	(47.5)	-127.4%	100.0%
Net increase/(decrease) in cash and cash equivalents	70.5	(1 043.7)	(66.1)	27.0	-27.4%	-3.5%	(28.3)	29.7	31.2	5.0%	100.0%
Statement of financial position											
Carrying value of assets	2 663.1	2 707.2	2 591.9	2 492.7	-2.2%	48.2%	2 398.1	2 307.7	2 221.2	-3.8%	58.7%
<i>of which:</i>											
<i>Acquisition of assets</i>	<i>(20.7)</i>	<i>(118.1)</i>	<i>(2.2)</i>	<i>(10.0)</i>	<i>-21.5%</i>	<i>100.0%</i>	<i>(150.0)</i>	<i>(180.0)</i>	<i>(216.0)</i>	<i>178.5%</i>	<i>100.0%</i>
Investments	2 072.1	1 064.9	454.1	396.5	-42.4%	15.4%	354.3	323.0	300.4	-8.8%	8.5%
Inventory	56.8	47.2	48.1	49.0	-4.8%	0.9%	50.0	50.9	51.8	1.9%	1.3%
Receivables and prepayments	1 776.6	1 837.0	685.1	670.5	-27.7%	20.5%	657.1	644.0	631.1	-2.0%	16.2%
Cash and cash equivalents	1 649.3	605.6	539.5	566.5	-30.0%	13.8%	594.8	624.5	655.8	5.0%	15.3%
Non-current assets held for sale	-	144.4	104.3	-	-	1.2%	-	-	-	-	-
Total assets	8 217.9	6 406.3	4 423.1	4 175.3	-20.2%	100.0%	4 054.2	3 950.1	3 860.4	-2.6%	100.0%
Accumulated surplus/(deficit)	(12 027.6)	(15 463.3)	(17 633.3)	(19 702.7)	17.9%	-314.6%	(20 632.8)	(20 423.8)	(20 174.6)	0.8%	-505.1%
Capital and reserves	9 990.2	10 212.9	10 154.5	12 554.5	7.9%	202.8%	12 554.5	12 554.5	12 554.5	-	313.3%
Deferred income	119.1	99.0	80.9	76.9	-13.6%	1.7%	73.1	69.4	65.9	-5.0%	1.8%
Trade and other payables	8 427.6	10 078.2	10 694.8	10 139.2	6.4%	186.1%	10 959.3	10 647.4	10 301.0	0.5%	262.4%
Taxation	18.8	20.0	17.7	15.6	-6.0%	0.3%	13.8	12.2	10.7	-11.7%	0.3%
Provisions	1 334.3	1 257.8	928.1	949.9	-10.7%	19.9%	974.7	1 002.7	1 033.8	2.9%	24.7%
Derivatives financial instruments	355.4	201.7	180.4	141.9	-26.4%	3.7%	111.6	87.8	69.1	-21.3%	2.5%
Total equity and liabilities	8 217.9	6 406.3	4 423.1	4 175.3	-20.2%	100.0%	4 054.2	3 950.1	3 860.4	-2.6%	100.0%

Personnel information

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

Number of posts estimated for 31 March 2024		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		2023/24		2024/25		2025/26		2026/27		2023/24 - 2026/27							
		Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number		Cost	Unit cost					
South African Post Office	14 406	14 406	14 414	3 208.4	0.2	14 406	3 301.6	0.2	11 525	2 582.2	0.2	9 679	2 174.0	0.2	9 639	2 274.1	0.2	-12.5%	100.0%
Salary level	11 688	11 688	11 696	2 192.1	0.2	11 688	2 252.3	0.2	9 627	1 844.0	0.2	8 079	1 547.6	0.2	8 039	1 616.6	0.2	-11.7%	82.9%
	2 603	2 603	2 603	902.4	0.3	2 603	929.0	0.4	1 815	648.6	0.4	1 526	545.3	0.4	1 526	572.4	0.4	-16.3%	16.4%
	81	81	81	67.6	0.8	81	69.6	0.9	59	50.7	0.9	52	44.8	0.9	52	47.1	0.9	-13.7%	0.5%
	30	30	30	37.0	1.2	30	38.1	1.3	20	26.4	1.3	18	23.8	1.3	18	25.0	1.4	-15.7%	0.2%
	4	4	4	9.3	2.3	4	12.4	3.1	4	12.4	3.1	4	12.4	3.1	4	13.1	3.3	-	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		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Number of big data analytics use cases deployed through the integration of government data and systems per year	Revenue generation stream	Entity mandate	2	3	4	10	12	12	12
Number of open innovation solutions commercialised per year	Revenue generation stream		- ¹	1	3	4	5	5	5
Number of South Africa Connect sites connected and sustained per year	Revenue generation stream		970	970	970	970	970	970	970

1. No historical data available.

Entity overview

The State Information Technology Agency was established through the State Information Technology Agency Act (1998) and is listed as a schedule 3A public entity. The agency is mandated to provide IT, information systems and related services to and on behalf of government departments and organs of state. This includes the provision and maintenance of transversal information, 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 continue to focus on strategic projects related to digitisation, digitalisation and modernisation. This will include projects such as creating a collaborative and shared digital services platform for government departments, modernising legacy systems in government departments, the South Africa Connect project and the provision of cloud services for government.

Spending on goods and services accounts for an estimated 62.2 per cent (R13.7 billion) of the agency's expenditure over the medium term, mainly for the provision of IT services. Compensation of employees accounts for an estimated 33 per cent (R7.6 billion) of total expenditure over this period as the agency requires highly skilled personnel to fulfil its mandate. As the implementation of strategic projects such as South Africa Connect and cloud infrastructure are expected to require substantial capital investment, R3.2 billion over the medium term is earmarked for the acquisition of assets. Total expenditure is expected to increase at an average

annual rate of 8.9 per cent, from R6.3 billion in 2023/24 to R8.1 billion in 2026/27, due to a general increase in the cost of products and services, as well as maintenance costs for facilities and computer equipment.

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 10 per cent, from R6.7 billion in 2023/24 to R8.9 billion in 2026/27, due to the agency adding new customers and revenue streams such as providing cybersecurity and cloud services.

Programmes/Objectives/Activities

Table 30.47 State Information Technology Agency 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 (%)
	2020/21	2021/22	2022/23	2023/24				2024/25	2025/26	2026/27		
Administration	1 803.5	1 697.6	1 489.5	1 587.5	-4.2%	27.8%	1 736.6	1 898.7	2 088.5	9.6%	25.5%	
Revenue generation stream	3 933.3	3 869.0	4 748.6	4 713.4	6.2%	72.2%	5 094.9	5 507.4	6 058.1	8.7%	74.5%	
Total	5 736.7	5 566.6	6 238.2	6 300.9	3.2%	100.0%	6 831.5	7 406.1	8 146.7	8.9%	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	Average growth rate (%)	Average Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average Expenditure/ Total (%)
	2020/21	2021/22	2022/23	2023/24				2024/25	2025/26	2026/27		
Revenue												
Non-tax revenue	5 794.7	6 003.1	6 688.7	6 661.4	4.8%	100.0%	7 327.6	8 060.3	8 866.4	10.0%	100.0%	
Sale of goods and services other than capital assets	5 733.6	5 809.8	6 458.3	6 615.6	4.9%	97.9%	7 277.2	8 004.9	8 805.4	10.0%	99.3%	
Other non-tax revenue	61.1	193.3	230.4	45.8	-9.1%	2.1%	50.4	55.5	61.0	10.0%	0.7%	
Total revenue	5 794.7	6 003.1	6 688.7	6 661.4	4.8%	100.0%	7 327.6	8 060.3	8 866.4	10.0%	100.0%	
Expenses												
Current expenses	5 433.6	5 446.5	6 238.2	6 300.9	5.1%	98.1%	6 831.5	7 406.1	8 146.7	8.9%	100.0%	
Compensation of employees	1 929.5	1 921.5	2 085.9	1 900.2	-0.5%	32.9%	2 311.7	2 519.8	2 771.8	13.4%	33.0%	
Goods and services	3 337.4	3 354.4	3 889.0	4 129.5	7.4%	61.6%	4 172.1	4 522.8	4 970.2	6.4%	62.2%	
Depreciation	160.8	165.3	263.3	271.2	19.0%	3.6%	347.7	363.4	404.6	14.3%	4.8%	
Interest, dividends and rent on land	5.9	5.3	0.0	-	-100.0%	-	-	-	-	-	-	
Transfers and subsidies	303.1	120.1	-	-	-100.0%	1.9%	-	-	-	-	-	
Total expenses	5 736.7	5 566.6	6 238.2	6 300.9	3.2%	100.0%	6 831.5	7 406.1	8 146.7	8.9%	100.0%	
Surplus/(Deficit)	57.9	436.5	450.5	360.5	84.0%	-	496.1	654.3	719.7	25.9%	-	
Cash flow statement												
Cash flow from operating activities	656.2	594.1	389.4	1 285.9	25.1%	100.0%	1 138.8	1 495.7	1 690.7	9.6%	100.0%	
Receipts												
Non-tax receipts	6 488.3	7 177.3	7 438.8	6 615.6	0.6%	99.2%	7 144.9	7 549.5	7 900.6	6.1%	100.0%	
Sales of goods and services other than capital assets	6 444.4	7 115.2	7 300.9	6 615.6	0.9%	98.4%	7 144.9	7 502.1	7 877.2	6.0%	99.8%	
Other tax receipts	43.9	62.1	137.8	-	-100.0%	0.8%	-	47.4	23.5	-	0.2%	
Transfers received	-	-	232.4	-	-	0.8%	-	-	-	-	-	
Total receipts	6 488.3	7 177.3	7 671.2	6 615.6	0.6%	100.0%	7 144.9	7 549.5	7 900.6	6.1%	100.0%	
Payment												
Current payments	5 740.5	6 378.5	7 281.8	5 325.7	-2.5%	98.8%	6 001.9	6 049.4	6 205.7	5.2%	99.9%	
Compensation of employees	1 929.5	1 933.9	2 085.9	2 120.6	3.2%	32.7%	2 222.4	2 326.9	2 433.9	4.7%	38.6%	
Goods and services	3 811.0	4 444.6	5 195.8	3 205.1	-5.6%	66.1%	3 779.5	3 722.5	3 771.8	5.6%	61.3%	
Transfers and subsidies	91.7	204.7	-	4.0	-64.9%	1.2%	4.2	4.3	4.3	2.4%	0.1%	
Total payments	5 832.1	6 583.2	7 281.8	5 329.7	-3.0%	100.0%	6 006.1	6 053.8	6 210.0	5.2%	100.0%	
Net cash flow from investing activities	(151.8)	(192.8)	(152.4)	(1 000.0)	87.4%	100.0%	(1 080.0)	(1 134.0)	(1 000.0)	-	100.0%	
Acquisition of property, plant, equipment and intangible assets	(42.3)	(88.8)	(85.0)	(750.0)	160.7%	51.2%	(1 080.0)	(1 134.0)	(1 000.0)	10.1%	93.8%	
Acquisition of software and other intangible assets	(109.5)	(104.0)	(67.4)	(250.0)	31.7%	48.8%	-	-	-	-100.0%	6.3%	
Net cash flow from financing activities	(1.3)	(27.5)	(27.0)	-	-100.0%	-	-	-	-	-	-	
Repayment of finance leases	(1.3)	(27.5)	(27.0)	-	-100.0%	-	-	-	-	-	-	
Net increase/(decrease) in cash and cash equivalents	503.0	373.8	210.0	285.9	-17.2%	5.8%	58.8	361.7	690.7	34.2%	100.0%	

Table 30.48 State Information Technology Agency 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 (%)
	2020/21	2021/22	2022/23	2023/24				2024/25	2025/26	2026/27		
R million												
Carrying value of assets	1 763.4	1 233.4	1 105.6	1 907.1	2.6%	32.1%	1 942.7	2 029.7	2 029.7	2.1%	46.9%	
of which:												
Acquisition of assets	(42.3)	(88.8)	(85.0)	(750.0)	160.7%	100.0%	(1 080.0)	(1 134.0)	(1 000.0)	10.1%	100.0%	
Inventory	150.6	33.7	–	–	-100.0%	0.9%	–	–	–	–	–	
Receivables and prepayments	1 397.2	1 022.8	1 291.5	1 083.2	-8.1%	25.1%	1 142.4	1 193.6	1 193.6	3.3%	27.4%	
Cash and cash equivalents	1 854.0	2 227.8	2 437.8	965.9	-19.5%	38.7%	951.0	993.6	993.6	0.9%	23.2%	
Taxation	127.6	136.6	219.0	111.0	-4.5%	3.1%	100.1	104.6	104.6	-2.0%	2.5%	
Statutory receivables	–	–	0.9	–	–	–	–	–	–	–	–	
Total assets	5 292.8	4 654.2	5 054.8	4 067.2	-8.4%	100.0%	4 136.2	4 321.5	4 321.5	2.0%	100.0%	
Accumulated surplus/(deficit)	2 958.8	2 858.9	3 309.4	2 011.8	-12.1%	58.1%	2 008.8	2 098.8	2 098.8	1.4%	48.8%	
Capital and reserves	627.3	627.3	627.3	627.3	–	13.3%	627.3	655.4	655.4	1.5%	15.2%	
Finance lease	67.0	44.7	14.4	–	-100.0%	0.6%	–	–	–	–	–	
Deferred income	–	219.2	231.2	–	–	2.3%	–	–	–	–	–	
Trade and other payables	1 329.7	666.4	683.5	1 158.2	-4.5%	20.4%	1 210.1	1 264.4	1 264.4	3.0%	29.1%	
Taxation	183.5	109.6	55.1	156.3	-5.2%	2.7%	165.0	172.4	172.4	3.3%	4.0%	
Provisions	10.4	124.3	133.9	111.4	120.5%	2.1%	122.6	128.1	128.1	4.7%	2.9%	
Derivatives financial instruments	116.0	3.8	–	2.2	-73.5%	0.6%	2.3	2.4	2.4	3.3%	0.1%	
Total equity and liabilities	5 292.8	4 654.2	5 054.8	4 067.2	-8.4%	100.0%	4 136.2	4 321.5	4 321.5	2.0%	100.0%	

Personnel information

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

Number of posts estimated for 31 March 2024	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	Actual			Revised estimate			Medium-term expenditure estimate						2023/24 - 2026/27						
		2022/23	2023/24	2026/27	2024/25	2025/26	2026/27	2024/25	2025/26	2026/27	2024/25	2025/26	2026/27							
State Information Technology Agency	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost	Number	Cost	Unit cost					
Salary level	3 334	3 286		3 297	2 085.9	0.6	3 358	1 900.2	0.6	3 297	2 311.7	0.7	3 297	2 519.8	0.8	3 297	2 771.8	0.8	-0.6%	100.0%
1 – 6	370	318		363	63.5	0.2	367	135.4	0.4	363	71.9	0.2	363	75.2	0.2	363	78.4	0.2	-0.4%	11.0%
7 – 10	2 144	2 144		2 079	1 013.1	0.5	2 171	945.4	0.4	2 079	1 113.5	0.5	2 079	1 250.2	0.6	2 079	1 398.2	0.7	-1.4%	63.5%
11 – 12	289	289		315	285.6	0.9	289	444.0	1.5	315	323.5	1.0	315	337.9	1.1	315	352.5	1.1	2.9%	9.3%
13 – 16	513	517		522	675.6	1.3	513	331.6	0.6	522	748.4	1.4	522	799.6	1.5	522	883.4	1.7	0.6%	15.7%
17 – 22	18	18		18	48.1	2.7	18	43.7	2.4	18	54.5	3.0	18	56.9	3.2	18	59.4	3.3	–	0.5%

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), as amended, and is listed as a schedule 3A public entity in terms of the Public Finance Management Act (1999). Its sole mandate is to promote universal service and access to electronic communications and broadcasting services.

Over the MTEF period, the agency will continue to manage the Universal Service and Access Fund to ensure that it reaches intended qualifying beneficiaries in line with its legislative mandate. To ensure that the fund is managed effectively and efficiently, the agency plans to set up tools and mechanisms to improve internal control systems and processes. The entity is set to be disestablished towards the end of the MTEF period, in line with the Electronic Communications Act (2005) and directives from the department.

Expenditure is expected to decrease at an average annual rate of 4.2 per cent, from R101.5 million in 2023/24 to R89.3 million in 2026/27, due to higher expenditure in 2023/24 on items such as legal services as a result of National Treasury's approval to retain surplus funds from 2022/23. The agency expects to derive its entire budget over the medium term 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 2023/24	Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/Total (%) 2020/21 - 2023/24	Medium-term expenditure estimate			Average growth rate (%) 2023/24 - 2026/27	Average: Expenditure/Total (%) 2023/24 - 2026/27
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27		
Administration	68.1	86.8	216.1	101.5	14.2%	100.0%	86.8	86.2	89.3	-4.2%	100.0%
Total	68.1	86.8	216.1	101.5	14.2%	100.0%	86.8	86.2	89.3	-4.2%	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

Statement of financial performance											
R million	Audited outcome			Revised estimate 2023/24	Average growth rate (%) 2020/21 - 2023/24	Average: Expenditure/Total (%) 2020/21 - 2023/24	Medium-term expenditure estimate			Average growth rate (%) 2023/24 - 2026/27	Average: Expenditure/Total (%) 2023/24 - 2026/27
	2020/21	2021/22	2022/23				2024/25	2025/26	2026/27		
Revenue											
Non-tax revenue	4.0	8.4	15.6	-	-100.0%	5.3%	-	-	-	-	-
Other non-tax revenue	4.0	8.4	15.6	-	-100.0%	5.3%	-	-	-	-	-
Transfers received	261.4	177.1	86.0	101.5	-27.0%	94.7%	86.8	86.2	89.3	-4.2%	100.0%
Total revenue	265.4	185.4	101.6	101.5	-27.4%	100.0%	86.8	86.2	89.3	-4.2%	100.0%
Expenses											
Current expenses	68.1	86.8	95.1	101.5	14.2%	86.0%	86.8	86.2	89.3	-4.2%	100.0%
Compensation of employees	50.5	59.8	67.7	67.5	10.2%	60.2%	68.2	67.3	69.5	1.0%	75.2%
Goods and services	16.7	26.9	26.6	34.0	26.8%	25.3%	18.7	18.9	19.8	-16.6%	24.8%
Depreciation	0.2	0.1	0.6	-	-100.0%	0.2%	-	-	-	-	-
Interest, dividends and rent on land	0.7	0.0	0.0	-	-100.0%	0.3%	-	-	-	-	-
Transfers and subsidies	-	-	121.0	-	-	14.0%	-	-	-	-	-
Total expenses	68.1	86.8	216.1	101.5	14.2%	100.0%	86.8	86.2	89.3	-4.2%	100.0%
Surplus/(Deficit)	197.3	98.6	(114.5)	-	-100.0%	-	-	-	-	-	-

Personnel information

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

Number of posts estimated for 31 March 2024	Number and cost ¹ of personnel posts filled/planned for on funded establishment												Average growth rate of personnel posts (%) 2023/24 - 2026/27	Average: salary level/Total (%) 2023/24 - 2026/27					
	Number of approved funded posts	Actual 2022/23			Revised estimate 2023/24			Medium-term expenditure estimate											
		2022/23	2023/24	2024/25	2025/26	2026/27	2024/25	2025/26	2026/27	2024/25	2025/26	2026/27							
Universal Service and Access Agency of South Africa	98	98	96	67.7	0.7	96	67.5	0.7	95	68.2	0.7	82	67.3	0.8	80	69.5	0.9	-5.9%	100.0%
Salary level																			
1 – 6	44	44	44	11.0	0.3	44	11.4	0.3	43	11.7	0.3	30	8.3	0.3	28	7.8	0.3	-14.0%	40.7%
7 – 10	23	23	22	13.4	0.6	22	13.1	0.6	22	13.2	0.6	22	13.8	0.6	22	14.4	0.7	-	25.1%
11 – 12	13	13	12	14.6	1.2	12	14.1	1.2	12	14.2	1.2	12	14.9	1.2	12	15.5	1.3	-	13.7%
13 – 16	18	18	18	28.7	1.6	18	28.9	1.6	18	29.0	1.6	18	30.3	1.7	18	31.7	1.8	-	20.5%

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		
			2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27
Number of subsidised connected sites funded in line with the approved broadband funding model per year	Broadband infrastructure and connectivity to underserved and unserved areas		280	0	0	412	500	300	300
Subsidised installations funded in line with the approved broadcasting digital migration funding model per year	Broadcasting digital migration programme	Entity mandate	10 400	33 406	60 000	315 106	315 106	– ¹	– ¹

1. Project completed.

Entity overview

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

The fund has 2 priority projects over the MTEF period: broadcasting digital migration, and broadband infrastructure and connectivity in identified districts in line with its approved funding model. These projects are aimed at subsidising qualifying beneficiaries with universal access to digital audio-visual broadcasting and internet connectivity. The fund plans to conclude the broadcasting digital migration project over the medium term and thereby enable the release of much-needed radio spectrum, and provide aftermarket support to all qualifying beneficiaries who encounter problems with their set-top boxes.

Expenditure is set to decrease at an average annual rate of 67.2 per cent, from R1.6 billion in 2023/24 to R57.5 million in 2026/27, due to the conclusion of the broadcasting digital migration project. The projected deficit of R1.1 billion in 2024/25 is due to the spending of funds retained from previous financial years with the approval of National Treasury in terms of section 53(3) of the Public Finance Management Act (1999), which is expected to mostly be used in 2024/25 for activities related to broadcasting digital migration.

The fund is set to derive all of its revenue, amounting to an estimated R165.1 million over the medium, 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 (%)	Average: Expenditure/Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/Total (%)
	2020/21	2021/22	2022/23	2023/24				2024/25	2025/26	2026/27		
Administration	1.5	3.2	9.2	11.0	94.7%	6.5%	11.4	3.0	3.0	-35.2%	3.1%	
Broadband infrastructure and connectivity to underserved and unserved areas	–	–	49.9	600.8	–	15.1%	49.6	52.0	54.5	-55.1%	57.6%	
Broadcasting digital migration programme	10.3	34.0	150.7	1 023.4	362.7%	78.3%	1 096.5	–	–	-100.0%	39.3%	
Total	11.8	37.2	209.7	1 635.2	417.1%	100.0%	1 157.5	55.0	57.5	-67.2%	100.0%	

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

Statement of financial performance		Audited outcome			Revised estimate	Average growth rate (%)	Average: Expenditure/ Total (%)	Medium-term expenditure estimate			Average growth rate (%)	Average: Expenditure/ Total (%)
		2020/21	2021/22	2022/23				2023/24	2024/25	2025/26		
R million												
Revenue												
Non-tax revenue	39.2	66.8	159.4	–	-100.0%	17.0%	–	–	–	–	–	–
Other non-tax revenue	39.2	66.8	159.4	–	-100.0%	17.0%	–	–	–	–	–	–
Transfers received	563.5	1 137.5	126.2	64.3	-51.5%	83.0%	52.6	55.0	57.5	-3.7%	100.0%	
Total revenue	602.7	1 204.4	285.6	64.3	-52.6%	100.0%	52.6	55.0	57.5	-3.7%	100.0%	
Expenses												
Current expenses	1.5	3.2	9.2	11.0	94.7%	6.5%	11.4	3.0	3.0	-35.2%	3.1%	
Goods and services	1.3	1.7	9.1	11.0	103.9%	5.2%	11.4	3.0	3.0	-35.2%	3.1%	
Interest, dividends and rent on land	0.2	1.4	0.1	–	-100.0%	1.4%	–	–	–	–	–	–
Transfers and subsidies	10.3	34.0	200.5	1 624.2	439.7%	93.5%	1 146.1	52.0	54.5	-67.7%	96.9%	
Total expenses	11.8	37.2	209.7	1 635.2	417.1%	100.0%	1 157.5	55.0	57.5	-67.2%	100.0%	
Surplus/(Deficit)	590.8	1 167.1	75.9	(1 570.9)	-238.5%		(1 104.9)	–	–	-100.0%		